

DOCKET 07-AFC-3

DATE APR 02 2010

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Office of General Counsel

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April 2, 2010

Via E-Mail & US Mail

Angela Johnson Meszaros 1107 Fair Oaks Avenue, #246 South Pasadena, CA 91030

Re: Draft Title V Permit for CPV Sentinel (SCAQMD Facility ID No. 152707)

Dear Ms. Johnson Meszaros,

I am responding to your March 22, 2010 letter on behalf of the South Coast Air Quality Management District.

Your letter raises two main issues: (1) whether an additional public comment period will be provided by AQMD for CPV Sentinel's draft Title V permit and (2) what process will be followed for the submittal of the CPV Sentinel offsets evaluation and AB 1318 Tracking System into California's State Implementation Plan (SIP).

As to your first issue, please be advised that AQMD released CPV Sentinel's draft Title V permit for a 30-day public comment period and a 45-day EPA review period in May 2008. During the 30-day public comment period, AQMD received no public comments or requests for a public hearing. During the 45-day EPA review period, AQMD received comments from EPA, which were addressed as part of the Final Determination of Compliance issued to the California Energy Commission in August of 2008. AQMD is not intending to provide an additional public comment process for Sentinel's draft Title V permit. Please notify me if you believe that there are provisions of law that would require that the AQMD provide an opportunity for additional public comment. Also, it is important to note that the Energy Commission will be holding an evidentiary hearing on the project. In addition, the Energy Commission will provide an additional public comment period. For exact dates of the evidentiary hearing and public comment period, please contact Mr. John Kessler or Ms. Caryn Holmes at the Energy Commission.

As to your second issue, please find the following documents:

1. Notice of Public Hearing;

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- 2. Draft Board Letter;
- 3. Draft Revision to the State Implementation Plan for the South Coast Air Quality Management District, State of California: Sulfur Oxides and Particulate Matter Offset Requirements for the Proposed CPV Sentinel Power Plant to be Located in Desert Hot Springs, California, Including AB 1318 Offset Tracking System; and
- 4. Draft CPV Sentinel Energy Project AB 1318 Tracking System.

These documents fully address your second issue.

Finally, you have asked what authority the AQMD has to collect fees from CPV Sentinel pursuant to Health & Safety Code section 40440.14(e) now that AQMD Rule 1309.1 has been rescinded. You are counsel in a lawsuit representing a party challenging implementation of AB 1318, which includes section 40440.14. Accordingly, please make any requests for information or for District contentions regarding AB 1318 by utilizing the appropriate discovery devices.

Very truly yours,

Kurt R. Wiese General Counsel

KRW:vmr

cc: Debo

Deborah Jordan, EPA Gerardo Rios, EPA

Mohsen Nazemi, AQMD

John Kessler, CEC

Caryn Holmes, CEC

Shana Lazerow, CBE

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NOTICE OF PUBLIC HEARING

PROPOSED REVISION TO THE STATE IMPLEMENTATION PLAN FOR THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT, STATE OF CALIFORNIA: OFFSET REQUIREMENTS FOR THE PROPOSED CPV SENTINEL POWER PLANT TO BE LOCATED IN DESERT HOT SPRINGS, CALIFORNIA, INCLUDING AN AB 1318 OFFSET TRACKING SYSTEM

NOTICE IS HEREBY GIVEN that a public hearing before the South Coast Air Quality Management District Governing Board on the matter of adopting a source-specific revision to the State Implementation Plan (SIP) for the South Coast Air Quality Management District to implement the offset requirements for the proposed CPV Sentinel Power Plant to be located in Desert Hot Springs, California, will be held on Friday, April 30, at 11:30 a.m., or as soon thereafter as the matter may be heard, in Salons A through C, of the J.W. Marriott Resort & Spa, located at 74855 Country Club Drive, Palm Desert, California 92260. At this time comments will be taken and all interested persons will be heard by the South Coast Air Quality Management District (AQMD) Governing Board.

NOTICE IS FURTHER GIVEN that at the conclusion of the hearing, the AQMD Board may make changes to the proposed SIP revision which are justified by the comments presented, or may decline to adopt it.

NOTICE IS FURTHER GIVEN that the purpose of the proposed SIP revision is to implement California AB 1318 (2009, V.M. Perez) (Stats. 2009, Ch. 285), including California Health and Safety Code Section 40440.14, which requires the Executive Officer of the South Coast Air Quality Management District to credit to the South Coast District's internal emission credit accounts and transfer to eligible electrical generating facilities emission credits in the full amounts needed to issue permits for eligible electrical generating facilities to meet requirements for sulfur oxides and particulate matter emissions. The proposed CPV Sentinel plant has been found to be an eligible electrical generating facility under this section, and is the only plant eligible under this section. The proposed power plant is an 850 megawatt natural gas fired power plant to be located at 63575 Power Line Rd., Desert Hot Springs, CA 92440. The proposed SIP revision will provide a mechanism for the transfer of credits to CPV Sentinel and will establish the tracking system used to account for such credits, known as the AB 1318 Tracking System.

NOTICE IS FURTHER GIVEN that the AQMD has prepared documents for consideration by the AQMD Board, including the Board Letter and the Proposed SIP Revision, which includes the AB 1318 Tracking System. All documents will be available for public review starting March 31, 2010, at the AQMD Public Information Center, at the below address, or may be obtained by contacting:

Mr. William Sanchez Public Information Center South Coast AQMD 21865 Copley Drive Diamond Bar, CA 91765 (909) 396-2039 picrequests@aqmd.gov

All documents will also be available for public review at:

Riverside County Administrative Center Indio Office 82675 Highway 111, Room 113 Indio, CA 92201-5994

Further information on the Proposed SIP Revision may be obtained by contacting Mr. Mohsen Nazemi, Deputy Executive Officer, Engineering and Compliance, SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765, (909)396-2662, mnazemi1@aqmd.gov.

Interested persons may attend and submit oral or written statements at the AQMD Board Hearing. Twenty-five (25) copies of all written materials must be submitted to the Clerk of the Boards. Persons who wish to submit written comments for review prior to the hearing must submit such comments to the Clerk of the Boards, 21865 Copley Drive, Diamond Bar, CA 91765, (909)396-2500, or to cob@aqmd.gov on or before April 20, 2010. Written and oral comments may also be submitted at the hearing on April 30, 2010. Electronic submittals will ONLY be accepted if they consist of no more than 10 pages including attachments, and are in MS Word, plain or HTML format.

DATED: March 25, 2010 SAUNDRA McDANIEL Clerk of the Boards



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BOARD MEETING DATE: April 30, 2010

AGENDA NO. 1

PROPOSAL:

Adopt SIP Revision to Implement AB 1318 (2009, V.M. Perez),

Health and Safety Code 40440.14

SYNOPSIS: Effective January 1, 2010, AB 1318 requires the Executive Officer of AQMD to credit to the AQMD's internal emission credit accounts and transfer to eligible electrical generating facilities emission credits in the full amounts needed to issue permits for eligible electrical generating facilities to meet requirements for sulfur oxides (SOx) and particulate matter emissions. AB 1318 requires the power plants receiving credits to pay mitigation fees in accordance with the provisions of AQMD Rule 1309.1 as amended August 3, 2007. The proposed CPV Sentinel Energy Project Power Plant to be located in Desert Hot Springs, CA is the only known plant to be eligible under this section. The proposed SIP revision will provide a mechanism for the transfer of credits to CPV Sentinel Energy Project, and will establish the CPV Sentinel Energy Project AB 1318 Tracking System used to account for such

COMMITTEE:

credits.

Not Applicable

RECOMMENDED ACTION:

Approve the attached revisions to the SIP text for the AQMD and the attached CVP Sentinel Energy Project AB 1318 Tracking System and direct the Executive Officer to submit them to U.S. EPA through CARB for review and approval into the SIP, as specified in the attached.

Barry R. Wallerstein, D. Env. Executive Officer

KW:BB

Background

In 2009, the Legislature adopted and Governor Schwarzenegger signed into law two bills relating to the use of offsets from the AQMD's internal accounts, SB 827 (Wright) and AB 1318 (V.M.

Perez). AB 1318 requires the AQMD Executive Officer to credit to the AQMD's internal offset credit accounts and to transfer credits to eligible electrical generating facilities credits in the full amounts needed to issue permits to meet the requirements for sulfur oxides and particulate matter. The CPV Sentinel, LLC's, proposed CPV Sentinel Energy Project Power Plant, to be located in Desert Hot Springs, CA, in the Salton Sea Air Basin, is the only known project eligible for credits under AB 1318 (Health and Safety Code Section 40440.14).

Proposal

Staff proposes that the Board approve the attached proposed revisions to the SIP for the AQMD, including the attached CPV Sentinel Energy Project AB 1318 Tracking System, and direct the Executive Officer to submit them to U.S. EPA for approval into the SIP. AB 1318 satisfies all the requirements of state law to authorize the transfer of credits. The proposed action will provide a federally-approved mechanism to authorize such transfer and to comply with NSR offset requirements for sulfur oxides and particulates. AQMD has decided to establish a new tracking system specific to CPV Sentinel and AB 1318, which includes discrete offsets that have been identified from reductions of SOx and PM10 occurring between 2002 and 2008 from permitted equipment that has permanently ceased operations in the AQMD. The AQMD has not issued any ERCs to these private companies for these reductions, and has inactivated the permits for such equipment. These offsets have been removed from the AQMD's internal offset accounts and have not been used by any other source, nor will they be used for any other source in the future if they are used for the CPV Sentinel Energy Project. The attached AB 1318 offset tracking system for CPV Sentinel is also proposed to be submitted to EPA for approval in accordance with the provisions of AB1318.

CEQA

AB 1318 establishes a statutory CEQA exemption for "The selection, credit, and transfer of emission credits by the South Coast Air Quality Management District pursuant to Section 40440.14 of the Health and Safety Code, until the repeal of that section on January 1, 2012, or a later date." (Public Resources Code Section 21080(b)(16)). The appropriate Notice of Exemption will be prepared.

Benefits to AQMD

The proposal allows AQMD to implement its statutory duty under Health and Safety Code Section 40440.14 to credit to its internal accounts and transfer to the eligible electrical generating facility, CPV Sentinel, the credits needed to issue permits and meet the requirements for offsets for SOx and PM10.

Resource Impacts

The proposal will be carried out with existing AQMD resources.

Attachments

Revision to the State Implementation Plan for the South Coast Air Quality Management District,

State of California: Sulfur Oxides and Particular Matter Offset Requirements for the Proposed CPV Sentinel Energy Project Power Plant to Be Located in Desert Hot Springs, California, Including AB 1318 Tracking System

CPV Sentinel Energy Project AB 1318 Tracking System

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REVISION TO THE STATE IMPLEMENTATION PLAN FOR THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT, STATE OF CALIFORNIA: SULFUR OXIDES AND PARTICULATE MATTER OFFSET REQUIREMENTS FOR THE PROPOSED CPV SENTINEL POWER PLANT TO BE LOCATED IN DESERT HOT SPRINGS, CALIFORNIA, INCLUDING AB 1318 OFFSET TRACKING SYSTEM

PREAMBLE:

PURPOSE OF SIP REVISION

The purpose of this source-specific revision to the State Implementation Plan (SIP) for the South Coast Air Quality Management District (AQMD) is to implement California AB 1318 (2009, V.M. Perez) (Stats. 2009, Ch. 285), including California Health and Safety Code Section 40440.14. That section requires the Executive Officer of the AQMD to credit to the South Coast District's internal emission credit accounts and transfer to eligible electrical generating facilities emission credits in the full amounts needed to issue permits for eligible electrical generating facilities to meet requirements for sulfur oxides and particulate matter emissions. The proposed CPV Sentinel, LLC power plant has been found to be an eligible electrical generating facility under this section, and is the only known eligible facility. The proposed SIP revision will provide a mechanism for the transfer of credits to CPV Sentinel, and will establish the AB 1318 tracking system used to account for such credits.

DESCRIPTION OF PROPOSED POWER PLANT

CPV Sentinel, LLC has proposed to build an 850 megawatt (MW) natural gas-fired power plant, to be located at 62575 Power Line Road, Desert Hot Springs, California, 92440. The project has submitted an Application for Certification to the California Energy Commission (07-AFC-3) and has submitted a Title V Application for a Permit to Construct to the AQMD (Facility ID No. 152707) The proposed plant has been found to be an eligible electrical generating facility under Health and Safety Code section 40440.14(d) because it is (1) subject to the permitting jurisdiction of the State Energy Resources Conservation and Development Commission (also referred to as California Energy Commission or CEC), (2) it has a purchase agreement, executed on or before December 31, 2008, to provide electricity to a public utility, as defined in Section 216 of the Public Utilities Code, subject to regulation by the Public Utilities Commission, for use within the Los Angeles Basin Local Reliability Area, and (3) it is under the jurisdiction of the South Coast Air Quality Management District, but not within the South Coast Air Basin (it is proposed to be located in the Salton Sea Air Basin). In addition, the AQMD has found that the proposed CPV Sentinel project meets all the requirements of the applicable new source review rule and all other applicable district regulations that must be met under Section 1744.5 of Title

20 of the California Code of Regulations, as required by Health and Safety Code Section 40440.14(a).

REASON FOR SIP REVISION

California Health and Safety Code Section 40440.14 in AB 1318 requires the Executive Officer of the AQMD to credit to the AQMD's internal emission credit accounts and to transfer to eligible electrical generating facilities, which includes only the CPV Sentinel power plant, emission credits in the full amounts needed to issue permits to the proposed CPV Sentinel power plant. To implement AB 1318, this SIP revision will provide a federally-approved mechanism to transfer credits from the AQMD's internal accounts to offset the CPV Sentinel Energy Project proposed Power Plant because CPV Sentinel is not eligible for either Rule 1304 or the May 3, 2002 version of rule 1309.1.

ESTABLISHMENT OF AB1318 TRACKING SYSTEM FOR CPV SENTINEL POWER PLANT

AQMD has decided to establish a new tracking system for the CPV Sentinel Energy Project specific to AB 1318 which consists of discrete offsets credits that have been identified from reductions occurring from permitted equipment that permanently ceased operations in AQMD. The AQMD has not issued any ERCs to the companies that operated the equipment as a result of the reductions. These offsets have been removed from the AQMD's internal offset accounts and have not been used by any other source, nor will they be used by any other projects in the future if they are used for the CPV Sentinel Energy Project.. These offsets are also described in the documented entitled "CPV Sentinel Energy Project AB 1318 Tracking System" attached hereto.

The amounts of emission offsets contained in the AB 1318 Tracking System are based on actual PM10 and SOx emissions reported to AQMD under AQMD's Annual Emissions Reporting Program. In addition, for each source of credit, the equipment has been shut down and the permits have been inactivated by AQMD. The emission reductions have occurred during calendar years 2002 through 2008 for PM10 credits and 2002 through 2006 for SOx credits. The offsets deposited in the AB 1318 Tracking System meet all the U.S. EPA's integrity criteria for qualifying as offsets, meaning they are all real, permanent, enforceable, quantifiable, and surplus. The AB 1318 Tracking System is being submitted to U.S. EPA for approval.

TEXT OF SIP REVISION – CPV Sentinel Energy Project AB 1318 Tracking System

The proposed text of the SIP revision is as follows:

The Executive Officer of the South Coast Air Quality Management District shall transfer sulfur oxides and particulate emission credits from the CPV Sentinel Energy Project AB 1318 Tracking System, attached hereto and incorporated by reference herein, to eligible electrical generating

facilities pursuant to Health and Safety Code section 40440.14, as in effect January 1, 2010, (i.e. the CPV Sentinel Power Plant to be located in Desert Hot Springs, CA) in the full amounts needed to issue permits to construct and to meet requirements for sulfur oxides and particulate matter emissions. Notwithstanding District Rule 1303, this SIP revision provides a federally enforceable mechanism for transferring offsets from the AQMD's internal accounts to the CPV Sentinel Project. The Executive Officer shall not transfer credits to an electrical generating facility pursuant to this provision until the receipt of payment of the mitigation fees set forth in the south coast district's rule 1309.1, as adopted on August 3, 2007, regardless of the subsequent repeal of those provisions. This section shall remain in effect only until January 1, 2012, and as of that date is repealed. Such repeal does not affect the federal approvability of credits or the transfer of such credits that are transferred prior to the repeal.

OFFSET EVALUATION FOR CPV SENTINEL PROJECT

The offset evaluation for SOx and PM10 for the CPV Sentinel Project is included in the CPV Sentinel Energy Project AB 1318 Tracking System as authorized by AB 1318 and is being submitted to U.S. EPA for approval and inclusion into the SIP. The offset requirements for VOC and NOx are being met by compliance with existing SIP-approved AQMD rules and do not require any additional approvals from U.S. EPA. The Salton Sea Air Basin is not designated as Nonattainment for either CO or PM2.5 and therefore offsets are not required for these pollutants.

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CPV SENTINEL ENERGY PROJECT AB 1318 TRACKING SYSTEM

The PM10 and SOx emissions offset evaluation below, together with the description of the offsets and the listing of discrete offsets (Tables A & B attached) constitute the AB 1318 Tracking System for the CPV Sentinel Energy Project.

PM10 and **SOx** Emissions

Emission Offsets - The Salton Sea Air Basin (SSAB) is in attainment with both federal and state SO2 and Sulfate ambient air quality standards, as applicable. However, SO2 is also considered a precursor to PM10. Presently the SSAB is still designated as "Nonattainment" with both federal and state PM10 ambient air quality standards.

CPV Sentinel is obtaining offsets for both PM10 and SOx from the AQMD internal bank pursuant to AB 1318. Under federal law any required PM10 and SOx offsets have to be provided at an offset ratio of 1.0-to-1.0. In addition, California state law offset requirements, if applicable to any project, requires actual (not maximum potential) emissions to be offset at the same 1.0-to-1.0 offset ratio as the actual emissions. Therefore, the maximum amount of offsets that are needed for CPV Sentinel's requirements are calculated on an annual basis and are being provided for the CPV Sentinel project's emissions in the initial commissioning year¹ are 118,120 lbs/year and 13,928 lbs/year of PM10 and SOx, respectively. As a result, AQMD has identified and calculated adequate amounts of PM10 and SOx offset credits on the basis of pounds per year to offset the initial commissioning year (or worst case annual) emissions from the CPV Sentinel Energy Project. These amounts of offsets are transferred to CPV Sentinel Energy Project and provided by AQMD from AQMD's internal emission credit accounts pursuant to AB 1318.

Below, AQMD has provided the description of the internal emission offset account tracking system pursuant to AB 1318 and the identification of discrete offsets deposited in the AB 1318 Tracking System. The amounts of emission offsets presently deposited by AQMD in the AB 1318 tracking system cover the amounts needed by CPV Sentinel.

¹ Although the amount of maximum annual emissions after the initial commissioning and start up are 112,180 lbs/year of PM10 and 13,560 lbs/year of SOx, the amount of offsets that are provided from AQMD's internal offset account for the CPV Sentinel project are to offset the commissioning year's emissions of 118,120 lbs/year and 13,928 lbs/year of PM10 and SOx, respectively. This is the maximum worst case, because it assumes that all eight gas turbines are commissioned and started up in the same year.

In addition, the CPV Sentinel project maximum worst case year (i.e. the initial commissioning year) PM10 emissions are 118,120 lbs/year (or 59.06 tons/year). The federal Major Source threshold for PM10 offsets is 70 tons/year, below which no offsets are required under federal NSR regulations. Although the CPV Sentinel project maximum potential to emit PM10 emissions are below the federal Major Source threshold for offsets, CPV Sentinel Energy Project applicant is obtaining and AQMD is transferring offsets for emissions of both PM10 and SOx from the AQMD internal offset account pursuant to AB 1318.

OBJECTIVES:

AB 1318, which went into effect on January 1, 2010, requires AQMD, upon making a specified finding, to transfer SOx and PM10 emission offsets from its internal offset accounts to eligible electric generating facilities. The only known facility that is eligible and the only facility which will have access to the new AB 1318 Tracking System is the CPV Sentinel project. In implementing this emission offset transfer, AB 1318 requires AQMD to rely on the internal offset tracking system used prior to adoption of Rule 1315 or a new tracking system approved by EPA. Therefore, this new CPV Sentinel Energy Project AB 1318 offset tracking system will be submitted to EPA for approval and inclusion into the SIP.

OFFSETS CONTAINED IN AB 1318 TRACKING SYSTEM FOR CPV SENTINEL:

For the purposes of AB 1318 Tracking System, AQMD has identified a series of emission offsets for PM10 and SOx which have been created as a result of reductions from permitted equipment that permanently ceased operation in AQMD. These offsets all meet the integrity criteria for qualifying as offsets, meaning they are all Real, Permanent, Quantifiable, Enforceable and Surplus. These offsets are all the result of emission reductions from permitted equipment that permanently ceased operation in AQMD and the AQMD has not issued any ERCs to the companies who operated the equipment or to anyone else as a result of the reductions. These PM10 and SOx offsets have been removed from the AQMD's internal offset accounts and have not been used by any other source permitted by AQMD, nor will they be used as offsets for any other source in the future if they are used for the CPV Sentinel Energy Project. The emissions corresponding to these credits have been assumed to be in the air in the PM10 Maintenance Plan.

The amounts of emission offsets are based on actual PM10 and SOx emissions reported to AQMD under AQMD's Annual Emissions Reporting Program. The amount of PM10 and SOx offset credits is based on annual emissions representative of normal source operations. In addition, for each source of credit, the equipment has been shutdown and the permits have been inactivated by AQMD. The emission reductions have occurred during the calendar years 2002 through 2008 for PM10 credits and during the period of calendar years 2002 through 2006 for SOx credits.

Tables A and B below include a listing of the PM10 and SOx offsets, respectively, deposited in the AB 1318 Tracking System for use by the CPV Sentinel project which is eligible to use the offsets pursuant to AB 1318 requirements.

Table A - PM10 Reductions from Sources Which Ceased Operation

Company Name	Location	Equipment Description	PM10 Emission Credits (lb/year)
AAA GLASS CORP	LOS ANGELES	GLASS MELTING FURNACE	1,877.8
AES ALAMITOS LLC	LONG BEACH	TURBINE ENGINE - NATURAL GAS/OIL	604.8
AES ALAMITOS LLC	LONG BEACH	TURBINE ENGINE - NATURAL GAS/OIL	604.8
AES ALAMITOS LLC	LONG BEACH	TURBINE ENGINE - NATURAL GAS/OIL	604.8
AES ALAMITOS LLC	LONG BEACH	TURBINE ENGINE - NATURAL GAS/OIL	604.8
AES HUNTINGTON BEACH LLC	HUNTINGTON BEACH	TURBINE ENGINE - NATURAL GAS/OIL	1,417.2
AES HUNTINGTON BEACH LLC	HUNTINGTON BEACH HUNTINGTON	TURBINE ENGINE - NATURAL GAS/OIL	1,417.2
AES HUNTINGTON BEACH LLC	BEACH	TURBINE ENGINE - NATURAL GAS/OIL	1,417.2
ANAHEIM MARRIOTT HOTEL	ANAHEIM	BOILER - NATURAL GAS	20.4
ANAHEIM MARRIOTT HOTEL	ANAHEIM	BOILER - NATURAL GAS	20.4
ANAHEIM MARRIOTT HOTEL	ANAHEIM	BOILER - NATURAL GAS	19.3
ANAHEIM MARRIOTT HOTEL	ANAHEIM	BOILER - NATURAL GAS	19.3
ASSOCIATED READY MIXED CONCRETE INC	CORONA	CONCRETE BATCH EQUIPMENT	27.4
AS TECH ENGINEERED PRODUCTS INC	SANTA ANA	ABRASIVE BLASTING - OPEN	16.0
AURORA MODULAR INDUSTRIES	MORENO VALLEY	OPEN SPRAY EQUIPMENT	451.4
AURORA MODULAR INDUSTRIES	MORENO VALLEY	OPEN SPRAY EQUIPMENT	451.4
AURORA MODULAR INDUSTRIES	MORENO VALLEY	OPEN SPRAY EQUIPMENT	451.4
AURORA MODULAR INDUSTRIES	MORENO VALLEY	OPEN SPRAY EQUIPMENT	451.4
AURORA MODULAR INDUSTRIES	MORENO VALLEY	OPEN SPRAY EQUIPMENT	451.4
BLACKHAWK FURNITURE INC	RIVERSIDE	SPRAY BOOTH	604.0
BOCCHI LABORATORIES INC	WALNUT	BOILER - NATURAL GAS	87.6
CALIFORNIA PORTLAND CEMENT CO	SAN JUAN CAPISTRANO	CEMENT STORAGE SILO	12.0
CBS INC	LOS ANGELES	BOILER - NATURAL GAS/OIL	89.6
CBS INC	LOS ANGELES	BOILER - NATURAL GAS/OIL	89.6
CENTURY RIM CORP	BREA	BAKERY OVEN	32.1
CENTURY RIM CORP	BREA	SPRAY BOOTH	5,272.0
CHANDLER AGGREGATES	CORONA	AGGREGATE PRODUCTION	1,411.2
CLEAN STEEL INC	LONG BEACH	MATERIAL SIZE REDUCTION	4,112.5
CMC PRINTED BAG INC	WHITTIER	AFTERBURNER	29.0
COLOR MASTER PRINTEX INC	VERNON	TENTER FRAME OVEN	75.6
COLOR MASTER PRINTEX INC	VERNON	BOILER - NATURAL GAS	75.6

			PM10 Emission
			Credits
Company Name	Location	Equipment Description	(lb/year)
COLOR MASTER PRINTEX INC	VERNON	BOILER - NATURAL GAS	75.6
COLORGRAPHICS	LOS ANGELES	PRINTING PRESS - HEAT SET	5.0
COLORGRAPHICS	LOS ANGELES	PRINTING PRESS - HEAT SET	5.0
COLORGRAPHICS	LOS ANGELES	PRINTING PRESS - HEAT SET	5.0
COLORGRAPHICS	LOS ANGELES	AFTERBURNER	5.0
COMMONWEALTH ALUMINUM CONCAST INC	TORRANCE	COATING EQUIPMENT WITH AFTERBURNER	671.7
CREST GRAPHICS INC	COMMERCE	PRINTING PRESS WITH AFTERBURNER	48.7
CREST GRAPHICS INC	COMMERCE	DRYING OVEN WITH AFTERBURNER	77.0
DIAMOND PACIFIC PRODUCTS CO	PERRIS	BOILER - NATURAL GAS	92.8
DOUGLAS FURNITURE OF CALIFORNIA	DEDONIDO DE ACU	BOILER - WOOD FIRED WITH	22.5
DYNAMITE INC	REDONDO BEACH DIAMOND BAR	BAGHOUSE	32.5
		PORTABLE DIESEL ICE	1,704.0
DYNAMITE INC	DIAMOND BAR	PORTABLE DIESEL ICE BOILER - NATURAL GAS	1,118.0 192.0
EL CAMINO COLLEGE	TORRANCE		13.7
ELSINORE READY-MIX CO INC EQUITABLE REAL EST/COMPASS MGMT	LAKE ELSINORE	AGGREGATE SIZE REDUCTION	15.7
LEASING	IRVINE	BOILER - NATURAL GAS	4.9
FALCON FOAM, A DIV OF ATLAS ROOFING CORP	LOS ANGELES	BOILER - NATURAL GAS	293.1
FALCON FOAM, A DIV OF ATLAS ROOFING CORP	LOS ANGELES	AFTERBURNER	230.2
FORD AUTO BODY INC	SAN FERNANDO	SPRAY BOOTH	6.0
FS PRECISION TECH LLC	COMPTON	ABRASIVE BLASTING CABINET	77.2
FS PRECISION TECH LLC	COMPTON	ABRASIVE BLASTING CABINET	30.3
FS PRECISION TECH LLC	COMPTON	ABRASIVE BLASTING CABINET	30.3
FS PRECISION TECH LLC	COMPTON	ABRASIVE BLASTING CABINET	30.3
GREAT AMERICAN PICTURE FRAME CO	LOS ANGELES	OPEN SPRAY EQUIPMENT	104.5
GREAT AMERICAN PICTURE FRAME CO	LOS ANGELES	SPRAY BOOTH	104.5
GREAT AMERICAN PICTURE FRAME CO	LOS ANGELES	OPEN SPRAY EQUIPMENT	104.5
HOLGA INC	VAN NUYS	PAINT BURNOFF FURNACE	18.6
HONEYWELL INTERNATIONAL INC	TORRANCE	JET ENGINE TEST EQUIPMENT	59.0
INTERMETRO INDUSTRIES CORP	RANCHO CUCAMONGA	HEAT TREATING FURNACE	65.0
INTERMETRO INDUSTRIES CORP	RANCHO CUCAMONGA	NICKEL PLATING TANK	17.0
INTERMETRO INDUSTRIES CORP	RANCHO CUCAMONGA	BOILER - NATURAL GAS	87.5
INTERSTATE BRANDS CORP/DICARLO	SAN PEDRO	BAKERY OVEN	131.2
INTERSTATE BRANDS CORP/DICARLO	SAN PEDRO	BAKERY OVEN	133.5

			PM 10 Emission
			Credits
Company Name	Location	Equipment Description	(lb/year)
INTERSTATE BRANDS CORP/DICARLO	SAN PEDRO	BAKERY OVEN	93.0
INTERSTATE BRANDS CORP/DICARLO	SAN PEDRO	BOILER - NATURAL GAS	109.0
KMC WHEEL CO INC	RIVERSIDE	ALUMINUM FURNACE	2,940.8
KRACO ENTERPRISES INC	COMPTON	BOILER - OIL	429.5
KRAFT FOODS NORTH			
AMERICA/NABISCO DIV KRAFT FOODS NORTH	BUENA PARK	BAKERY OVEN	110.1
AMERICA/NABISCO DIV	BUENA PARK	BAKERY OVEN	110.1
KRAFT FOODS NORTH			
AMERICA/NABISCO DIV	BUENA PARK	BAKERY OVEN	110.1
LITHOGRAPHIX INC	LOS ANGELES	AFTERBURNER	15.0
LITTLE COMPANY OF MARY HOSPITAL	TORRANCE	BOILER - NATURAL GAS/OIL	404.7
LONG BEACH AQUARIUM OF THE PACIFIC	LONG BEACH	HEATER/FURNACE - NATURAL GAS	301.3
FACIFIC	LONG BLACH	FOUNDRY SAND STORAGE WITH	301.3
MATTHEWS INTERNATIONAL CORP	ROMOLAND	BAGHOUSE	9,460.5
MOUNTAINVIEW GENERATING STATION	REDLANDS	UTILITY BOILER - NATURAL GAS/OIL	3,365.5
MOUNTAINVIEW GENERATING STATION	REDLANDS	UTILITY BOILER - NATURAL GAS/OIL	3,365.5
NEVILLE CHEM CO	ANAHEIM	CHEMICAL STORAGE TANK	268.4
NEVILLE CHEM CO	ANAHEIM	BOILER - NATURAL GAS	239.7
OLDCASTLE WESTILE INC	CORONA	CEMENT SLURRY SYSTEM	2,111.0
ONE WILSHIRE, CARLYLE ONE WILSHIRE LLC	LOS ANGELES	BOILER - NATURAL GAS	19.1
ONTARIO SANDBLASTING CO	ONTARIO	ABRASIVE BLASTING CABINET	12.8
ONTARIO SANDBLASTING CO	ONTARIO	ABRASIVE BLASTING CABINET WITH BAGHOUSE	12.8
ONTARIO SANDBLASTING CO	ONTARIO	ABRASIVE BLASTING CABINET WITH BAGHOUSE	12.8
ONTARIO SANDBLASTING CO	VARIOUS	BAGHOUSE	12.0
ORTIZ ENTERPRISES INC	LOCATIONS	AGGREGATE CRUSHING SYSTEM	1,233.0
PACIFIC SUN CASUAL FURN DIV OF PAC	HEMET	POWDER COATING SPRAY BOOTH	30.0
PARADISE TEXTILE CO	CHINO	HEATER/FURNACE - NATURAL GAS	1,109.5
PLASTI PERSONALITIES INC	HARBOR CITY	BOILER - NATURAL GAS	9.4
POLYCLAD LAMINATES INC	SANTA ANA	BOILER - NATURAL GAS	291.6
POLYCLAD LAMINATES INC	SANTA ANA	BOILER - NATURAL GAS	291.6
PRATT & WHITNEY ROCKETDYNE INC	CANOGA PARK	BOILER - NATURAL GAS	30.5
RELIANT ENERGY ETIWANDA INC	ETIWANDA	TURBINE ENGINE - NATURAL GAS/OIL	1,959.1
RELIANT ENERGY ETIWANDA INC	ETIWANDA	TURBINE ENGINE - NATURAL GAS/OIL	1,959.1
RELIANT ENERGY ETIWANDA INC	ETIWANDA	TURBINE ENGINE - NATURAL GAS/OIL	1,959.1
RELIANT ENERGY ETIWANDA INC	ETIWANDA	TURBINE ENGINE - NATURAL GAS/OIL	1,959.1

			PM10 Emission
			Credits
Company Name	Location	Equipment Description	(lb/year)
RELIANT ENERGY ETIWANDA INC	ETIWANDA	UTILITY BOILER - NATURAL GAS/OIL	33,079.3
RELIANT ENERGY ETIWANDA INC	ETIWANDA	UTILITY BOILER - NATURAL GAS/OIL	33,079.3
SCHEU MANUFACTURING COMPANY	RANCHO CUCAMONGA	CURING OVEN	13.0
SHAWCOR PIPE PROTECTION LLC	FONTANA	ABRASIVE BLASTING - OPEN	7,677.0
SMURFIT-STONE CONTAINER ENTERPRISES	SANTA FE SPRINGS	BOILER - NATURAL GAS/LPG	237.0
STATEWIDE SANDBLASTING	VARIOUS LOCATIONS	ABRASIVE BLASTING - OPEN	2,313.0
SUNLAW COGENERATION PARTNERS I	VERNON	TURBINE ENGINE - NATURAL GAS	1,295.4
SUNLAW COGENERATION PARTNERS I	VERNON	TURBINE ENGINE - NATURAL GAS	2,467.4
TABC INC	LONG BEACH	CURING OVEN	121.5
TELAIR INTERNATIONAL	RANCHO DOMINGUEZ	SPRAY BOOTH	69.5
THE BOEING COMPANY	SEAL BEACH	EMERGENCY ICE - DIESEL FIRE PUMP	868.0
TREND OFFSET PRINTING SERVICES INC	LOS ALAMITOS	AFTERBURNER	42.0
UNIVERSAL DIE CASTING CO	VERNON	BRASS CRUCIBLE	370.5
US POSTAL SERVICE, SANTA CLARITA CENTER	SANTA CLARITA	HEATER/FURNACE - NATURAL GAS	66.0
VALMONT COATINGS, CALWEST GALV	LONG BEACH	PORTABLE DIESEL ICE	2.7
VOUGHT AIRCRAFT INDUSTRIES	HAWTHORNE	BOILER - NATURAL GAS	51.0
WEBB-MASSEY CO INC	ORANGE	SPRAY BOOTH	572.7
WEBB-MASSEY CO INC	ORANGE	SPRAY BOOTH	572.7
WHITEWATER ROCK & SUPPLY CO	WHITE WATER	ROCK CRUSHING SYSTEM	1,460.0
WINGS WEST INC	SANTA ANA	SPRAY BOOTH	498.0
WINGS WEST INC	SANTA ANA	SPRAY BOOTH	498.0
WINGS WEST INC	SANTA ANA	SPRAY BOOTH	498.0
WOODARD LLC	ONTARIO	POWDER COATING OVEN	10.2
WOODARD LLC	ONTARIO	DRYING OVEN	5.1
		Total	148,582.7

Table B - SOx Reductions from Sources Which Ceased Operation

Company Name	Location	Equipment Description	Emission Credits (lb/year)
AAA GLASS CORP	LOS ANGELES	GLASS MELTING FURNACE	6,295.4
AES ALAMITOS LLC	LONG BEACH	TURBINE ENGINE - NATURAL GAS/OIL	108.0
AES ALAMITOS LLC	LONG BEACH	TURBINE ENGINE - NATURAL GAS/OIL	108.0
AES ALAMITOS LLC	LONG BEACH	TURBINE ENGINE - NATURAL GAS/OIL	108.0
AES ALAMITOS LLC	LONG BEACH	TURBINE ENGINE - NATURAL GAS/OIL	108.0
CBS INC	LOS ANGELES	BOILER - NATURAL GAS/OIL	7.1
CBS INC	LOS ANGELES	BOILER - NATURAL GAS/OIL	7.1
CENTURY RIM CORP	BREA	BAKERY OVEN	3.5
COLOR AMERICA TEXTILE PROCESSING INC	LOS ANGELES	CARPET PROCESSING SYS WITH ESP	3.3
EL CAMINO COLLEGE	TORRANCE	BOILER - NATURAL GAS	15.2
GATEWAY SANDBLASTING	VARIOUS LOCATIONS	OPEN ABRASIVE BLASTING	455.2
HOLGA INC	VAN NUYS	PAINT BURNOFF FURNACE	2.0
HONEYWELL INTERNATIONAL INC	TORRANCE	JET ENGINE TEST EQUIPMENT	4.5
MOUNTAINVIEW GENERATING STATION	REDLANDS	UTILITY BOILER - NATURAL GAS/OIL	265.5
MOUNTAINVIEW GENERATING STATION	REDLANDS	UTILITY BOILER - NATURAL GAS/OIL	265.5
RELIANT ENERGY ETIWANDA INC	ETIWANDA	TURBINE ENGINE - NATURAL GAS/OIL	169.6
RELIANT ENERGY ETIWANDA INC	ETIWANDA	TURBINE ENGINE - NATURAL GAS/OIL	169.6
RELIANT ENERGY ETIWANDA INC	ETIWANDA	TURBINE ENGINE - NATURAL GAS/OIL	169.6
RELIANT ENERGY ETIWANDA INC	ETIWANDA	TURBINE ENGINE - NATURAL GAS/OIL	169.6
RELIANT ENERGY ETIWANDA INC	ETIWANDA	UTILITY BOILER - NATURAL GAS/OIL	2,611.3
RELIANT ENERGY ETIWANDA INC	ETIWANDA	UTILITY BOILER - NATURAL GAS/OIL	2,611.3
SUNLAW COGENERATION PARTNERS I	VERNON	TURBINE ENGINE - NATURAL GAS	2,506.4
SUNLAW COGENERATION PARTNERS I	VERNON	TURBINE ENGINE - NATURAL GAS	2,193.5
THE BOEING COMPANY	SEAL BEACH	EMERGENCY ICE - DIESEL FIRE PUMP	183.5
		Total	18,540.6