

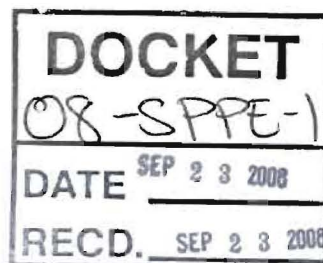
From: <mtatterson@powereng.com>
To: <Fmiller@energy.state.ca.us>
CC: <dtateosian@powereng.com>, <BGill@riversideca.gov>, <whitney.mereness@po...>
Date: 9/23/2008 12:26 PM
Subject: RERC 3&4 - Additional Correspondence with SCAQMD (113560)
Attachments: 2248.2006 SCAQMD request fro clarification; RERC 3&4 monthly and annual operating conditions SCEC#2248.2206

Hello Felicia:

In accordance with Data Request No.18, attached are additional materials relating to the SCAQMD permitting process. Please call me at 208-890-3576 if you have any questions.

Kindest Regards,

Mike Tatterson
RERC Permitting Lead
POWER Engineers, Inc.



<<2248.2006 SCAQMD request fro clarification>> <<RERC 3&4 monthly and annual operating conditions SCEC#2248.2206>>

From: <klany@scec.com>
To: <msaulis@aqmd.gov>
Date: 9/10/2008 5:15 PM
Subject: RERC 3&4 monthly and annual operating conditions SCEC#2248.2206
Attachments: suggested permit text A63.1.doc; suggested permit text A63.2.doc

Hello Marcel.

When we last met we discussed the possibility of streamlining permit conditions that limit monthly and annual operations, given that turbines 3 and 4 are essentially identical to turbines 1 & 2. Currently, the permit includes a monthly emissions limit for each of turbines 1 and 2, and an aggregate annual limit for the same two turbines. I am suggesting a similar permit structure for the modified facility, except that monthly emissions will be equally divided among the four identical turbines. Please see the attached proposed permit condition A63.1. I derived my monthly limit using the following formula:

$$\{[(\text{Proposed project 30-day average emissions increase} \times 30 \text{ days per month}) + (\text{existing monthly limit per existing turbine} \times 2 \text{ existing turbines})] / 4 \text{ turbines}\} = \text{new monthly average for each of 4 turbines}$$

The proposed monthly limits reduce the amount of operations that are presently allocated to turbines 1 & 2, but in turn allow RPU to more effectively allocate operations among all four turbines without compromising compliance with SCAQMD NSR requirements

The annual aggregate limit for the facility is simply the existing annual aggregate limit, plus the proposed project increase in annual emissions.

Please let me know if you feel SCAQMD can accept my proposed permit structure.

Thanks.

SCEC

Karl Lany

(714) 282-8240

A63.1 The operator shall limit emissions from this equipment as follows:

Contaminant	Emission Limit
PM10	Less than or equal to 1390 LBS IN ANY ONE MONTH
CO	Less than or equal to 4,074 LBS IN ANY ONE MONTH
SOX	Less than or equal to 127 LBS IN ANY ONE MONTH
VOC	Less than or equal to 538 LBS IN ANY ONE MONTH

The operator shall calculate the emission limit(s) based on the emissions from a single turbine. The operator shall calculate the monthly emission limits(s) by using the following table.

	Turbines 1 & 2	Turbines 3 & 4
PM10	6.93 lb/mmescf	6.10 lb/mmescf
SOX	0.6 lb/mmescf	0.6 lb/mmescf
VOC	2.601 lb/mmescf	2.601 lb/mmescf

A63.2 The operator shall limit emissions from this equipment as follows:

Contaminant	Emission Limit
PM10	Less than or equal to 15,106 LBS IN ANY ONE YEAR
CO	Less than or equal to 41,504 LBS IN ANY ONE YEAR
SOX	Less than or equal to 1,390 LBS IN ANY ONE YEAR
VOC	Less than or equal to 6,073 LBS IN ANY ONE YEAR

For the purpose of this condition, the limit(s) shall be based on the total combined emissions from the facility. The operator shall calculate the annual emission limits(s) by using the following table.

	Turbines 1 & 2	Turbines 3 & 4
PM10	6.93 lb/mmscf	6.10 lb/mmscf
SOX	0.6 lb/mmscf	0.6 lb/mmscf
VOC	2.601 lb/mmscf	2.601 lb/mmscf

From: <klany@scec.com>
To: <msaulis@aqmd.gov>
CC: <BGill@riversideca.gov>, <mtatterson@powereng.com>, <dtateosian@powereng...>
Date: 7/9/2008 6:59 AM
Subject: 2248.2006 SCAQMD request fro clarification
Attachments: Letter to AQMD re permit compliance.pdf

Hello Marcel. See attached letter confirming compliance with SCAQMD rules at all RPU facilities. Also note that RPU completed a compliance certification for RERC as part of the application package.

I believe you should have also received a letter from RPU in which its ongoing efforts to develop alternative energy sources are outlined. The letter also indicates why alternative energy source would not be viable at RERC to meet the needs that would be met by RERC units 3 and 4.

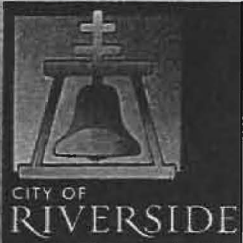
Also, RPU has been working with Evolution Markets in an effort to secure PM ERCs. To date RPU has secured 2 PM ERCs, but is continuing to seek out willing sellers through Evolution Markets. I will provide a summary of steps taken by Evolution Markets and RPU's success shortly.

Thanks.

SCEC

Karl Lany

(714) 282-8240



Public Utilities Department
Energy Delivery – Generation Section

July 8, 2008

South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

The City of Riverside (City) has submitted to South Coast Air Quality Management District (SCAQMD) four (4) applications pertaining to the construction of two (2) ≤ 50 MW generation turbines: applications 481647, 481649, 481650, 481651.

SCAQMD has requested information regarding compliance for permits currently held by City of Riverside Public Utilities department. The City currently holds permits for its two peaking plants (Riverside Energy Resource Center Units 1&2 facility ID 139796 and Springs facility ID 129810) and emergency back-up generators for potable water pump stations. The City is currently in full compliance with all conditions and requirements of such permits, and has been in compliance since date of issuance.

I can be reached at 951-710-5017 if you have further questions or need additional information.

Sincerely,

Karen M. Connor
Utilities Analyst