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May 3, 2010

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VIA EMAIL AND HAND DELIVERY

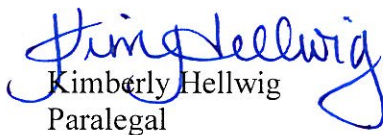
Mr. Joseph Douglas
Compliance Project Manager
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

**Re: El Segundo Power Redevelopment Project (00-AFC-14C)
South Coast Air Quality Management District's Draft Title V Permit**

Dear Mr. Douglas:

On behalf of El Segundo Energy Center LLC ("ESEC"), please find enclosed for docketing ESEC's comments submitted to South Coast Air Quality Management District ("District") regarding the District's draft Title V Permit for the El Segundo Power Redevelopment Project.

Respectfully submitted,


Kimberly Hellwig
Paralegal

KJH:kjh
Enclosure

cc: George L. Piantka, El Segundo Energy Center LLC
John A. McKinsey, Esq., Stoel Rives LLP
Tom Andrews, Sierra Research, Inc.



El Segundo Energy Center LLC
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April 27, 2010

Mr. Kenneth L. Coats
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4182

Subject: Draft Title V Permit for the El Segundo Power Redevelopment Project (Facility ID No. 115663)

Dear Mr. Coats:

El Segundo Energy Center, LLC (ESEC) is pleased to provide the following comments on the District's March 31, 2010 revised draft Title V permit for the proposed El Segundo Power Redevelopment (ESPR) Project located at El Segundo Generating Station (301 Vista Del Mar, El Segundo, CA). In the following paragraphs we discuss these comments in more detail.

Aqueous Ammonia Storage Tank (Device D30)

Section Affected: Section H, equipment summary table, Process 5, aqueous ammonia storage tank.

Requested Changes: In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that the requirement for a new emission control system (a two stage scrubber, Device C64) be removed from the draft permit because this is an existing ammonia storage tank that is not being modified. In a May 16, 2008 letter, the SCAQMD agreed to this request. However, it appears that the SCAQMD inadvertently kept this requirement for the new emission control system in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that the requirement for this new emission control equipment be removed from the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 41 of 42, Condition E193.1.

Requested Changes: In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that the requirement to comply with all CEC mitigation measures be clarified to refer to "air quality" mitigation measures. As written, this condition would require compliance with non-air quality related mitigation

measures, including noise, visual, land use, water quality, and cultural resources. In a May 16, 2008 letter, the SCAQMD agreed to this request. However, it appears that the SCAQMD inadvertently did not include this change in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Gas Turbines/Emission Control Systems (Devices D67, D68, C75, C76, C79, C80)

Section Affected: Engineering Evaluation, page 40 of 42, Condition D12.11; and Section H, Permit Condition D12.11.

Requested Changes: In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that the aqueous ammonia injection limits be changed from between 13.5 to 16.5 gals/hr to between 4.8 to 11.5 gals/hr. This correction makes the aqueous ammonia injection limits consistent with the information provided to the SCAQMD. In a May 16, 2008 letter, the SCAQMD agreed to this request. However, it appears that the SCAQMD inadvertently did not include this change in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 40 of 42, Condition D12.12; and Section H, Permit Condition D12.12.

Requested Changes: In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that the SCR operating temperature limits be changed from between 450 to 750 deg. F to 400 to 750 deg. F. This correction makes the SCR operating temperatures consistent with the information provided to the SCAQMD. In a May 16, 2008 letter, the SCAQMD agreed to this request. However, it appears that the SCAQMD inadvertently did not include this change in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 41 of 42, Condition D12.13; and Section H, Permit Condition D12.13.

Requested Changes: In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that the SCR pressure drop be changed from between 5 to 7.5 inches of water to between 1 to 4 inches of water. This correction makes the SCR pressure drop consistent with the information provided to the SCAQMD. In a May 16, 2008 letter, the SCAQMD agreed to this request. However, it appears that the SCAQMD inadvertently did not include this change in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 39 of 42, Condition E193.2; Engineering Evaluation page 41 of 42, Condition E193.1; and Section H, Permit Condition E193.2.

Requested Changes: In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that the requirement to comply with all CEC mitigation measures be clarified to refer to “air quality” mitigation measures. As written, this condition would require compliance with non-air quality related mitigation measures, including noise, visual, land use, water quality, and cultural resources. In a May 16, 2008 letter, the SCAQMD agreed to this request. However, it appears that the SCAQMD inadvertently did not include this change in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 33 of 42, Condition A99.7; Engineering Evaluation, page 34 of 42, Conditions A99.8 and A99.9; Section H, Permit Conditions A99.7, A99.8, and A99.9.

Requested Changes: These permit conditions limit the commissioning period to 415 hours per gas turbine. In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that the conditions clarify that the 415-hour limit refers to gas turbine operating hours. In a May 16, 2008 letter, the SCAQMD agreed to include this change provided that ESEC provide a definition for “operating hour.” This definition was provided to the SCAQMD in a June 30, 2008 memorandum and reads as follows:

A gas turbine operating hour during the commissioning period consists of 60 operating minutes. An operating minute occurs when the gas turbine fuel flow during that minute is greater than zero.

However, it appears that the SCAQMD inadvertently did not include this change in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 33 of 42, Condition A99.7; Engineering Evaluation, page 34 of 42, Conditions A99.8 and A99.9; Section H, Permit Conditions A99.7, A99.8, and A99.9.

Requested Changes: These permit conditions limit hourly average NO_x, CO, and VOC emissions. In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested an exemption from these emission limits during combustor tuning. Combustor tuning is required periodically and includes all testing, adjusting, tuning, and calibration activities recommended by the turbine manufacturer to ensure safe, reliable, and in-specification operation of the gas turbine. The emissions during combustor tuning are similar to startup/shutdown emissions. In a May 16, 2008 letter, the SCAQMD agreed to consider adding the exemption during combustor tuning activities provided that ESEC provide additional information regarding tuning activities. This additional information was provided to the SCAQMD in a June 30, 2008 memorandum. However, it appears that the SCAQMD inadvertently did not include this change in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Section H, Permit Conditions A99.9 and D29.7.

Requested Changes: In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that all references to ROG be changed to VOC for consistency purposes. In a May 16, 2008 letter, the SCAQMD agreed to this request. However, it appears that the SCAQMD inadvertently did not include this change in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 34 of 42, Condition A433.1; and Section H, Permit Condition A433.1.

Requested Changes: In an April 18, 2008 letter commenting on the previous March 13, 2008 draft Title V permit for the ESPR Project, ESEC had requested that these conditions refer to Permit Condition A99.7 rather than A99.1. In addition, ESEC requested that the NOx emission limit be corrected to 112 lbs/hr rather than 112 lbs/day to match the information provided in the permit application. Finally, ESEC requested that the annual number of startups per year be corrected to 200 startups per year rather than 100 to match the information in the permit application. In a May 16, 2008 letter, the SCAQMD agreed to these requests. However, it appears that the SCAQMD inadvertently did not include these changes in the recently issued March 31, 2010 draft Title V permit. Therefore, ESEC requests that these corrections be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 41 of 42, Condition E179.5.

Requested Changes: There appears to be a typographical error in this permit condition. The permit condition should refer to Permit Conditions D12.11 and D12.12 rather than Permit Conditions D12.2 and D12.3. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 41 of 42, Condition E179.6.

Requested Changes: There appears to be a typographical error in this permit condition. The permit condition should refer to Permit Condition D12.13 rather than Permit Condition D12. Therefore, ESEC requests that this correction be included in the final revised Title V permit for the ESPR Project.

Section Affected: Engineering Evaluation, page 33 of 42, Condition F2.1; and Section H, Permit Condition F2.1.

Requested Changes: There appears to be several typographical errors in these permit conditions. In Permit Condition F2.1 in the Engineering Evaluation (page 33 of 42), the reference to 10 microns should be changed to 2.5 microns. Permit Condition F2.1 in Section H appears to be missing the following definition:

For the purpose of this condition, any one year shall be defined as a period of twelve (12) consecutive months determined on a rolling basis with a new 12 month period beginning on the first day of each calendar month.

Mr. Kenneth L. Coats
SCAQMD
April 27, 2010
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Therefore, ESEC requests that these corrections be included in the final revised Title V permit for the ESPR Project.

Section Affected: Section H, Permit Conditions D29.7 and D29.9.

Requested Changes: There appears to be a typographical error in these permit conditions regarding an incomplete sentence. The following correction should be made to the following sentence in both of these permit conditions:

***Because the VOC BACT level was set using data derived from various source test results, this alternative** VOC compliance method provides a fair comparison and represents the best sampling and analysis technique for this purpose at this time.*

Therefore, ESEC requests that these corrections be included in the final revised Title V permit for the ESPR Project.

If you have any questions or need further information, please don't hesitate to contact me at (760) 710-2156 (office) or (760) 707-6833 (cell).

Sincerely,



George L. Piantka, PE
El Segundo Energy Center, LLC
Director, Environmental Business
West Region

cc: Joseph Douglas, CEC
Brenner Munger, CEC
CEC Dockets 00-AFC-14C
John McKinsey, Stoel
Tom Andrews, Sierra Research