

Bicent (California) Malburg LLC



15 May 2013

Mr. Joseph Douglas
Compliance Project Manager
California Energy Commission
Energy Facilities Siting Division
1516 9th Street, MS 2000
Sacramento, CA 95814-5512

Subject: Malburg Generating Station
Decision Modification Request

Dear Mr. Douglas,

Pursuant to California Code of Regulations, Title 20, Section 1769(a), Bicent (California) Malburg LLC ("Bicent") hereby petitions the Commission for modification of Conditions of Certification AQ-6 and AQ-7 related to the number of permitted startups/shutdowns per day and the maximum allowed duration of startup for each of two combustion turbines at the Malburg Generating Station, Docket No. 0.1-AFC-25C. This Petition for Modification complies with the CEC's Power Plant Site Certification Regulations. These requirements specify that a Petition for Modification must contain the following information:

- A. A complete description of the proposed modifications, including new language for any condition that will be affected.

The proposed modification involves a revision to Conditions of Certification AQ-6 and AQ-7 contained in the May 2003 Final Commission Decision. The proposed modification would allow a maximum of two (rather than one) startups and shutdowns per day of each of two combustion turbines. Also, Bicent petitions for a modification to increase the maximum allowable time for startup from 120 minutes to 150 minutes. The additional plant startups and shutdowns, as well as the additional startup time allowed, are required to accommodate scheduled maintenance and testing of the turbines and provide operational flexibility when mechanical problems, which periodically occur during startup, cannot be diagnosed and repaired quickly enough to allow for a successful plant start within the current time limitations. This modification is necessary in order for Bicent to comply with requirements established by the SCAQMD Hearing Board during past hearings for variances that were sought by Bicent to accommodate the required annual turbine maintenance and testing. As part of this process, Bicent has recently completed work with SCAQMD permit engineers to modify the MGS RECLAIM/Title V Permit to reflect these changes, and other changes which do not require modification of CEC Conditions of Certification. At the time of this petition, the SCAQMD Permit has been submitted to EPA and is undergoing the required 45-day review. A copy of this draft permit accompanies this petition.

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Bicent requests the Conditions be changed as detailed below. Bicent requests no change to the Verifications, except changing from “City of Vernon” to “plant owner” in each instance where appropriate.

AQ-6 The 2 ppm NOx emission limit shall not apply during turbine commissioning, startup and shutdown. The commissioning period shall not exceed 573 operating hours per turbine from the initial startup. Following commissioning, startups shall not exceed ~~2~~ 2.5 hours and the number per day shall not exceed ~~one~~ two per day per turbine. Following commissioning, shutdowns shall not exceed 30 minutes and the number of shutdowns shall not exceed ~~one~~ two per day per turbine. The plant owner shall provide the District and the CPM with the written notification of the initial startup date. Written records of commissioning, startups and shutdowns shall be kept and made available to the District and submitted to the CPM for approval.

AQ-7 The 2 ppm CO emission limit shall not apply during turbine commissioning, startup and shutdown. The commissioning period shall not exceed 573 operating hours per turbine from the initial startup. Following commissioning, startups shall not exceed ~~2~~ 2.5 hours and the number per day shall not exceed ~~one~~ two per day per turbine. Following commissioning, shutdowns shall not exceed 30 minutes and the number of shutdowns shall not exceed ~~one~~ two per day per turbine. The plant owner shall provide the District and the CPM with the written notification of the initial startup date. Written records of commissioning, startups and shutdowns shall be kept and made available to the District and submitted for approval to the CPM.

B. A discussion of the necessity for the proposed modification.

At least annually, Malburg Station undergoes routine, planned maintenance activities which require shutdown of the turbines. Some of these activities involve disassembly of the turbine to the extent which requires testing and tuning after completion. The current startup and shutdown limitations can cause undue delay and prevent operation of the turbines when needed to satisfy the electrical load needs of the City of Vernon and CAISO. This can result in an overall increase in emissions state-wide as explained further in Section E below.

In addition to the planned and scheduled outages, the turbines are shut down several times during the year, and can also undergo mechanical trips, all of which require restarts. Bicent needs the requested startup flexibility to troubleshoot problems which trip a turbine, or prevent a successful planned start, and slightly more time for troubleshooting/repair during the startup process if needed.

During the pending modification of the SCAQMD permit, Bicent did not seek an increase in the total annual starts of the turbines from the number reflected in the District’s Final Determination of Compliance, and does not anticipate a significant increase to the total annual startups as a result of this petition. The additional flexibility sought will allow a turbine to be started on the

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day of a failed startup attempt rather than waiting until the next day, resulting in the same number of annual starts. However, the ability to start the turbine on the day of a failed attempt will allow a relatively 'clean' generating resource to provide required power to the City of Vernon and/or CAISO.

- C. If the modification is based on information that was known by the petitioner during the certification proceeding, an explanation why the issue was not raised at that time.

At the time of the May 2003 CEC Final Commission Decision, it was believed, based on information then available from the turbine manufacturer, that annual maintenance activities could be conducted within the limitations set forth AQ-6 and AQ-7. However, during actual annual maintenance activities conducted in 2009 and 2010, it was necessary for Bicent to obtain a variance from the SCAQMD to permit more than one startup and shutdown to accommodate testing and tuning that are required following major maintenance activities. At the last variance hearing in this regard, on 5 May 2010, the District Hearing Board admonished Bicent that it could expect to be denied a variance for additional startups related to testing following major maintenance subsequently because such testing would not be "beyond the reasonable control of the petitioner", which finding is necessary to be made under California Health and Safety Code Section 42352 and District Rule 515 in order for the Hearing Board to grant a variance. The AQMD Hearing Board suggested Bicent seek modification of Malburg Station's RECLAIM/Title V Permit to allow for the flexibility sought in this petition, and Bicent has taken this step.

- D. If the modification is based on new information that changes or undermined the assumptions, rationale, findings, or other bases of the final decision, an explanation of why the change should be permitted.

The proposed modification to Conditions of Certification AQ-6 and AQ-7 does not undermine the assumptions, rationale, findings or other bases of the final decision reached by the Commission in May 2003.

- E. An analysis of the impacts the modification may have on the environment and proposed measures to mitigate any significant adverse impacts.

The discussion of the environmental baseline in Section V.A of the May 2003 Final Commission Decision adequately describes the baseline air quality conditions for the purposes of the proposed modification. The MGS Project remains subject to the national ambient air quality standards, including those standards applicable to oxides of nitrogen and carbon monoxide. As stated therein, the South Coast Air Basin is in attainment for oxides of nitrogen and in non-attainment for carbon monoxide. Bicent has recently completed work with SCAQMD permit engineers to modify the Malburg Station RECLAIM/Title V Permit to reflect the modification sought in this petition, and other changes which do not require modification of CEC Conditions of Certification. At the time of this petition, the SCAQMD Permit has been submitted to EPA and is undergoing the required 45-day review. A copy of this draft permit accompanies this petition.

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Condition of Certification AQ C-10, as amended, establishes hourly, daily and annual emission limits for oxides of nitrogen and carbon monoxide. Malburg Station continues to operate within these limits and Bicent is not requesting any increase in these values. Bicent anticipates no environmental consequences of significance as a result of the implementation of the proposed modification. Bicent requests Commission consideration of the rationale voiced by the District's Hearing Board in granting periodic variances for multiple daily start attempts following maintenance outages. Malburg Station is relatively a very 'clean' power generating facility. On occasions when startup issues cannot be addressed within the current startup time limit, or within the current single start per day limitation, Bicent is forced to idle the turbine until the next day. However, during this time period electrical load remains constant and other generation facilities, almost always those which emit more pollutants per Megawatt Hour generated, must be utilized to satisfy the load. The net effect is the emission of more state-wide pollutants than would result from the additional startup and operation of the Malburg Station turbine, or the additional 30 minutes of startup time, that are the subjects of this petition.

- F. A discussion of the impact of the modification on the facility's ability to comply with applicable laws, ordinances, regulations, and standards.

Bicent has recently completed work with SCAQMD permit engineers to modify the MGS RECLAIM/Title V Permit to reflect the modifications requested in this petition, and other changes which do not require modification of CEC Conditions of Certification. At the time of this petition, the SCAQMD Permit has been submitted to EPA and is undergoing the required 45-day review. Granting of this petition will serve to mirror the conditions and limitations in the revised SCAQMD permit and allow Malburg Station to comply with applicable laws, ordinances, regulations and standards.

- G. A discussion of how the modification affects the public.

The proposed modification will benefit the public because Malburg Station is an excellent source of low emissions, high efficiency electric power for southern California and the proposed modification will allow the station to generate more reliably when called upon. Malburg's combustion turbines meet Best Available Control Technology emission levels, as established by the SCAQMD. Electric power generated by Malburg Station is much preferable to generation of electricity by older, less efficient and higher polluting power plants.

- H. A list of property owners potentially affected by the modification.

There are no nearby property owners who will be affected by the proposed modification. No list of affected property owners was included in the May 2003 CEC Final Commission Decision.

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- I. A discussion of the potential effect on nearby property owners, the public and the parties in the application proceedings.

Malburg Station is located in the City of Vernon, an exclusively industrial area, and there are no adjacent or nearby property owners who will be affected by the proposed modification. Bicent anticipates the proposed modification will be undetected by the public and will have no adverse effect.

Pursuant to Section 1769(b)(1)(C), as an officer of Bicent (California) Malburg LLC, I hereby attest, under penalty of perjury, under the laws of the State of California, that the contents of the Petition are truthful and accurate to the best of my knowledge and belief.



Douglas Halliday, Executive Vice President and COO

15 May 2013

Date