

**CALIFORNIA ENERGY COMMISSION**

1516 NINTH STREET  
 SACRAMENTO, CA 95814-5512  
 WWW.ENERGY.CA.GOV

**DOCKET****05-AFC-2C**

DATE DEC 27 2010

RECD. DEC 30 2010

**NOTICE OF RECEIPT**  
**PETITION TO AMEND THE ENERGY COMMISSION DECISION for the**  
**WALNUT CREEK ENERGY PARK PROJECT (05-AFC-2C)**

On December 15, 2010, AES Walnut Creek Energy, LLC (WCE) filed a petition with the California Energy Commission requesting to modify the Walnut Creek Energy Park Project (WCEP). The 500-megawatt project was certified by the Energy Commission on February 27, 2008, and to date has not been constructed. The facility will be located in the City of Industry in Los Angeles County.

**DESCRIPTION OF PROPOSED MODIFICATION**

AES Southland Holdings, LLC (AES) is in negotiations to acquire the WCEP from Edison Mission Energy (EME) and intends to become the project owner. In anticipation of ownership, WCE proposes to change Conditions of Certification (COCs) related to air quality mitigation measures for Particulate Matter less than 10 microns in equivalent diameter (PM10), Volatile Organic Compound (VOC), and oxides of sulfur (SOX) in the following ways:

- Add provisions under COCs AQSC-7 and AQSC-8, and add AQ-19 to recognize exemption of the WCEP's emissions from the requirement for offsets pursuant to South Coast Air Quality Management District (SCAQMD) Rule 1303(b)(2) through replacement of older existing utility steam boiler capacity with newer, cleaner, more efficient advanced gas turbine equipment, as allowed per Rule 1304(a)(2).
- Modify AQSC-7 to clarify the use of interpollutant trades to offset project emissions by stipulating interpollutant trading ratios under Rule 1309(h).
- Modify AQ-16 to increase the project's oxides of nitrogen (NOX) RECLAIM Trading Credit obligations consistent with the increase in startups.

In addition, WCE seeks a modification to the air quality conditions and permit that will resolve an inconsistency between the CEC Conditions, FDOC specifications, and WCE's PPA requirements, as follows:

- Modify AQ-3 to permit 480 startups and shutdowns per year and a maximum of two shutdowns per day

Finally, WCE seeks a modification to recognize a change in the Best Available Control Technology (BACT) for Carbon monoxide (CO).

- Modify AQ-4 to reduce the CO emission permit limit from 6 ppm to 4 ppm.

### ENERGY COMMISSION AMENDMENT REVIEW PROCEDURES

The purpose of the Energy Commission's review process is to assess the impacts of this proposal on environmental quality, public health and safety. The review process includes an evaluation of the consistency of the proposed changes with the Energy Commission's Decision and if the project, as modified, will remain in compliance with applicable laws, ordinances, regulations, and standards (Title 20, Calif. Code of Regulations, section 1769). Energy Commission staff is currently analyzing the request and will publish an analysis in the near future. A public hearing for the purpose of approving or denying the amendment proposal will subsequently be held at a regularly scheduled Energy Commission business meeting.

This Notice of Receipt is being mailed to property owners adjacent to the project site and interested parties who may want to participate in the amendment process. If you wish to be removed from the WCEP project mailing list, please check the box on the enclosed form and return it to the address shown.

The petition is available on the Energy Commission's website at <http://www.energy.ca.gov/sitingcases/walnutcreek/compliance/index.html>. The staff analysis (when published), will also be posted on the website. If you would like to receive a hard copy or CD of the petition and/or staff's analysis, please complete the enclosed Information Request Form and return it to the address shown.

If you have any comments or questions, please contact Christina Snow at (916) 651-3770, or by fax to (916) 654-3882, or via e-mail at: [csnow@energy.state.ca.us](mailto:csnow@energy.state.ca.us) within 14 days of the date of this notice.

For further information on how to participate in this proceeding, please contact the Energy Commission Public Adviser's Office, at (916) 654-4489, or toll free in California at (800) 822-6228, or by e-mail at [publicadviser@energy.state.ca.us](mailto:publicadviser@energy.state.ca.us). News media inquiries should be directed to the Energy Commission Media Office at (916) 654-4989, or by e-mail at [mediaoffice@energy.state.ca.us](mailto:mediaoffice@energy.state.ca.us).

Date: 12/27/10



**CHRIS MARXEN**, Manager  
Siting and Compliance Office  
Siting, Transmission & Environmental  
Protection Division

Enclosure: Information Request Form

Mail List # 7096

**INFORMATION REQUEST FORM**

**COMPLETE & MAIL TO:** CALIFORNIA ENERGY COMMISSION  
COMPLIANCE UNIT  
ATTN: CHRISTINA SNOW  
1516 NINTH STREET, MS-2000  
SACRAMENTO, CA 95814

**OR FAX TO:** (916) 654-3882

NAME AND/OR TITLE (AS IT IS TO APPEAR ON MAIL LABEL)

ORGANIZATION (IF APPLICABLE)

STREET ADDRESS OR P.O. BOX

CITY STATE ZIP CODE

**PROPOSED AMENDMENT TO THE COMMISSION DECISION TO MODIFY THE WALNUT CREEK ENERGY PARK PROJECT.**

**PLEASE CHECK THE DOCUMENTS YOU WOULD LIKE TO RECEIVE:**

- PETITION TO AMEND / HARD COPY OR CD
- STAFF ANALYSIS
- COMMISSION ORDER

**PROJECT: WALNUT CREEK ENERGY PARK PROJECT**

**DOCKET NO: 05-AFC-2C**

**MAIL LIST NO: 7096**

PLEASE REMOVE MY NAME FROM THE WALNUT CREEK ENERGY PARK PROJECT MAILING LIST #7096