

DOCKETED

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Project Title:	Walsh Data Center
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Document Title:	Report of Conversation - NOx Offset Ratio for Walsh Data Center Project
Description:	Conversation between Tao Jiang of the CEC and Dennis Jang, Bay Area Air Quality Management District (BAAQMD)
Filer:	Marichka Haws
Organization:	California Energy Commission
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**Siting, Transmission and
 Environmental Protection
 Division**

FILE: 19-SPPE-02

PROJECT TITLE: Walsh Data Center

<input checked="" type="checkbox"/> Email		<input type="checkbox"/> Meeting Location: Email	
NAME:	Tao Jiang	DATE:	11-25-2019
		TIME:	12:46 PM
WITH:	Dennis Jang, Bay Area Air Quality Management District (BAAQMD)		
SUBJECT:	NOx Offset Ratio for Walsh Data Center Project		

On November 19, 2019, I sent an email inquiry to Dennis Jang, BAAQMD staff, regarding the nitrogen oxides (NOx) offset ratio applicable to the backup diesel-fueled engines proposed for the Walsh Data Center. The applicant proposes that the facility's Potential to Emit (PTE) would be 34.9 tons per year, requiring NOx offsets of 34.9 tons per year by applying 1:1 offset ratio (Supplemental Responses to CEC Staff Data Request Set 1 (DR-8) docketed on November 15, 2019).

However, staff concludes that the PTE calculation should be based on 100 hours of emergency operation per year according to the BAAQMD policy titled "Calculating Potential to Emit for Emergency Backup Power Generators," dated June 3, 2019. Applying this policy would result in the Walsh Data Center's annual NOx emissions to exceed the BAAQMD policy threshold of 35 tons per year. Therefore an offset ratio of 1.15:1 would apply to the Walsh Data Center at the time of permit review by BAAQMD. On November 25, 2019, I received a response from Dennis Jang who confirmed that an offset ratio of 1.15:1 should apply in this case.

cc:	Signed: <i>Tao Jiang</i> 12/3/19
	Name: Tao Jiang

From: [Dennis Jang](#)
To: [Jiang, Tao@Energy](mailto:Jiang.Tao@Energy)
Subject: RE: PTE for offset purpose
Date: Monday, November 25, 2019 12:39:40 PM

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Hi Tao,

Yes, you are correct. The facility must offset the emission increase due to planned operation at a ration of 1.15 to 1.0 if the PTE exceeds 35 tpy using 100 hours per year of emergency operation.

thanks

Dennis

From: Jiang, Tao@Energy <Tao.Jiang@energy.ca.gov>
Sent: Tuesday, November 19, 2019 10:52 AM
To: Dennis Jang <DJang@baaqmd.gov>
Subject: FW: PTE for offset purpose

Hi, Dennis

My name is Tao Jiang. I am the air resources engineer in CEC. I am currently working on Walsh project. I just sent the following question to Xuna. Since she is out, can you help to answer the question? Thanks.

Tao Jiang
Air Resources Engineer
Siting, Transmission and Environmental Protection Division
California Energy Commission
916-654-3852

From: Jiang, Tao@Energy
Sent: Tuesday, November 19, 2019 10:48 AM
To: Xuna Cai <xcai@baaqmd.gov>
Subject: PTE for offset purpose

Hi, Xuna

I have a question regarding NOx offset ratio. For Walsh, the testing and maintenance NOx emission is 34.9 tpy, which is just below 35 tpy. The applicant think they could use 1:1 ratio to offset. However, the PTE calculation defined by the new policy (attached) needs to include 100 hr emergency operation. In this way, Walsh PTE would definitely be above 35 TPY so that 1:15:1 ratio should apply. I understand the main purpose of the new method to calculate PTE in this policy is to

get facility out of small offset bank. But when determining the offset ratio, should this policy also apply? My thinking is that even the facility is not required to offset emergency operation emissions, these emissions should still be included to determine both the qualification to small bank and the offset ratio when they purchase offsets. Please let me know if I am correct. Thanks.

Tao