

## DOCKETED

<b>Docket Number:</b>	01-AFC-07C
<b>Project Title:</b>	01-AFC-7C Russell City Energy Company
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<b>Filer:</b>	Bruce Boyer
<b>Organization:</b>	California Energy Commission
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<b>Docketed Date:</b>	2/21/2014

## CALIFORNIA ENERGY COMMISSION

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February 21, 2014

Mr. Gevan Reeves  
Director, West Origination and Development  
Calpine Corporation  
777 Texas Avenue Suite 1000  
Houston, TX. 77002

**SUBJECT: RUSSELL CITY ENERGY CENTER, 01-AFC-7C  
COMPLIANCE CONDITION OF CERTIFICATION AIR QUALITY-44**

Dear Mr. Reeves:

This letter is to inform you that the California Energy Commission (Energy Commission) is in receipt of information that the Russell City Energy Center (RCEC) is currently out of compliance with the RCEC Final Decision Air Quality Condition of Certification **AQ-44**. The recent initial performance source test shows that the tested cooling tower cell has a drift rate of 0.00491%, which is nearly ten times the allowable amount. A preliminary report was provided to Calpine on December 24, 2013. The final "Cooling Tower Drift, PM10 and PM2.5 Emissions Test Report" (Drift Report) dated December 24, 2013, was received by Calpine on January 7, 2014. Additionally, on January 28, 2014, based on the test results, the Bay Area Air Quality Management District (BAAQMD) Air Pollution Control Officer filed an Accusation of Violation and requested a Conditional Order for Abatement from the Hearing Board for BAAQMD.

**BACKGROUND**

Per Public Resources Code (PRC) Section 25532, the Energy Commission shall assure that any facility certified under this division is operating in compliance with conditions adopted or established by the Energy Commission, as specified in the written decision on the application. In addition, California Code of Regulations, Title 20, Section 1770 states that the Energy Commission shall provide adequate monitoring of all conditions and measures set forth in the final decision required to mitigate potential impacts and to assure that the facility is operated in compliance with all applicable laws.

**CONDITION OF CERTIFICATION COMPLIANCE**

The RCEC project was approved by the Energy Commission in October of 2007. Condition of Certification **AQ-44** requires the owner/operator to equip the cooling tower with high-efficiency mist eliminators with a maximum guaranteed drift rate of 0.0005% of the circulating water flow rate.

To attain compliance with Condition of Certification **AQ-44**, the Energy Commission expects RCEC to:

- Take corrective action to resolve the problem that caused the maximum allowable drift rate to exceed 0.0005% of the circulating water flow rate;
- Specify how RCEC will ensure that Energy Commission requirements will be followed in the future;
- Write a report describing the causes of the problem, any work that has been done so far to resolve the problem, any future planned work, and how the resolution will prevent a recurrence of the problem;
- Provide this report to the Compliance Project Manager for review within 30 days of the date of this Compliance Advice Letter.

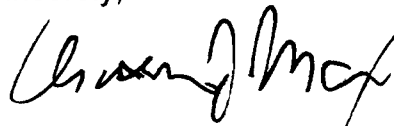
Please be advised that all changes to the cooling tower are subject to any applicable California Building Standards Codes (loads on tower structure). Please coordinate with the delegate Chief Building Official to ensure compliance.

Energy Commission staff will continue to work closely with RCEC and BAAQMD to ensure conformance with all conditions of certification. However, RCEC should understand that continued use of the cooling tower while exceeding the allowable drift rate as set forth in Condition of Certification **AQ-44** will be considered a violation of that condition.

Energy Commission staff is currently considering whether to recommend that penalties, in accordance with PRC Section 25534, be imposed for the failure to comply with Condition of Certification **AQ-44**. Should staff file a complaint, you will be notified pursuant to the provisions of Section 1232, Title 20, California Code of Regulations (20 CCR) and have an opportunity to respond pursuant to the provisions of Sections 1233 and/or 1237, 20 CCR.

Energy Commission staff would like to discuss the on-going operations of the RCEC project and work with you to ensure that the project complies with existing conditions of certification. Please contact me at your earliest convenience to schedule a meeting on this matter at (916) 651-0587 or e-mail me at [cmarxen@energy.state.ca.us](mailto:cmarxen@energy.state.ca.us).

Sincerely,



CHRISTOPHER J. MARXEN  
Compliance Office Manager  
Siting, Transmission,  
and Environmental Protection Division

cc: Barbara McBride, Calpine  
Gerry Bemis, CEC