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May 2, 2003

Ms. Theresa Epps
Dockets Unit
California Energy Commission
1516 9th Street
Sacramento CA 95814

Re: Docket No. 01-AFC-21, Tesla Power Project

Dear Ms. Epps:

The District would like to submit the following list of errata from the Final Determination of Compliance (FDOC) for the Tesla Power Project that was issued on July 10, 2003. None of the errata affect the findings and conclusions of the FDOC.

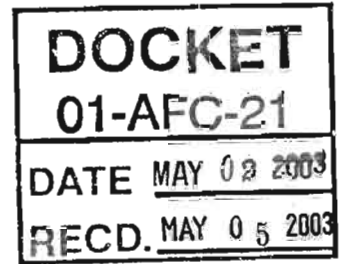
FDOC, Page 2, Section II, Part 1. Permitted Equipment:

The descriptions for sources 7 and 8 should be:

- S-7 Combustion Gas Turbine #4, General Electric PG 7241 (7FA); 1875.5 MM BTU per hour, equipped with dry low-NO_x Combustors, abated by ~~A-5~~ A-7 Oxidation Catalyst and ~~A-6~~ A-8 Selective Catalytic Reduction System
- S-8 Heat Recovery Steam Generator #4, equipped with dry low-NO_x Duct Burners, 272.2 MM BTU per hour, abated by ~~A-5~~ A-7 Oxidation Catalyst and ~~A-6~~ A-8 Selective Catalytic Reduction System

FDOC, Page 18, Table 8:

The POC entry for certificate 767 should read as shown below. Note that the totals at the bottom of the table are not affected.



**Table 8 Emission Reduction Credits Controlled by
Midway Power, LLC as of January 10, 2003 (ton/yr)**

Valid Emission Reduction Credits	POC
Banking Certificate #, Owner, Reduction Location	
710, Midway Power, Santa Clara ^a	5.140
718, Midway Power, Santa Clara ^b	44.995
719, Midway Power, Palo Alto ^c	4.990
720, Midway Power, Crockett ^d	0
721, C & H Sugar, Crockett ^d	2.353
778, Midway Power, Union City ^e	0.086
798, Midway Power, Fremont ^f	0.148
767, Midway Power, San Francisco ^g	5.682 5.862
762, Midway Power, San Leandro ^h	38.993
773, Midway Power, Hayward ⁱ	0
780, Midway Power, Los Gatos ^j	2.880
800, Midway Power, Oakland ^k	0
830, Midway Power, Antioch ^l	0
831, Mirant, Antioch ^m	0
Proposed Road Paving at Altamont Landfill (App. 3421)	0
Total ERC's Identified	105.447
Permitted Source Emission Limits	60.435
Offsets Required per BAAQMD Regulations	69.500
Outstanding Offset Balance	+35.947

FDOC, Page 23, Regulation 6:

The second to last sentence of the first paragraph should be:

“As calculated in accordance with Regulation 6-310.3, the grain loading resulting from the simultaneous operation of each power train (Gas Turbine and HRSG Duct Burners) is ~~0.0025~~ **0.0027** gr/dscf @ 6% O₂.”

FDOC, Page 25, Table of Applicable New Source Performance Standards:

Applicable New Source Performance Standards

Source	Requirement	Emission Limitation	Compliance Verification
Gas Turbines and HRSGs	Subpart Da		
	40 CFR 60.44a(a)(1)	0.2 lb NO _x /MM BTU, except during start-up, shutdown, or malfunction	Sources limited by permit condition to 0.00904 0.00731 lb/NO _x /MM BTU
	40 CFR 60.44a(a)(2)	25% reduction of potential NO _x emission concentration	SCR Systems will comply with this reduction requirement
	40 CFR 60.44a(d)(1)	1.6 lb NO _x /MW-hr	0.065 0.0548 lb NO _x /MW-hr at nominal plant rating of 1100 1140 MW
	Subpart GG		
	40 CFR 60.332(a)(1)	100 ppmv NO _x , @ 15% O ₂ , dry	Sources limited by permit condition to 2.5 2.0 ppmv NO _x @ 15% O ₂ , dry

FDOC, Pages 29 and 30, Permit condition parts 8, 9, 10, and 11:

The oxidation catalysts listed in those parts should be referred to as A-1, A-3, A-5, and A-7 instead of A-2, A-4, A-6, and A-8. The SCR systems listed in those parts should be referred to as A-2, A-4, A-6, and A-8 instead of A-1, A-3, A-5, and A-7.

FDOC, Page 31, Permit Condition part 14, last sentence:

“The owner/operator shall submit the source test results to the District and the CEC CPM within ~~30~~ **60** days of the source testing date.”

FDOC, Page 33, Permit Condition part 24(h), first sentence:

“Particulate matter (PM₁₀) mass emissions at P-1, P-2, P-3, and P-4 each shall not exceed ~~9~~ **9.84** pounds per hour or ~~0.0048~~ **0.00525** lb PM₁₀/MM BTU of natural gas fired when the HRSG duct burners are not in operation.”

FDOC, Page 36, Permit Condition part 34, third sentence:

“The source test shall be conducted over the expected operating range of the turbine and HRSG (including, but not limited to, minimum and full load, ~~and steam injection power augmentation mode~~) to establish the range of ammonia injection rates necessary to achieve NO_x emission reductions while maintaining ammonia slip levels.”

FDOC, Page 37, Permit Condition part 35, first sentence:

“Prior to the end of the commissioning period for the TPP and on an annual basis thereafter, the owner/operator shall conduct a District-approved source test on exhaust points P-1, P-2, P-3, and P-4 while each Gas Turbine and associated Heat Recovery Steam Generator are operating at maximum load (~~including steam injection power augmentation mode~~) to determine compliance with Parts 24(a), 24(b), 24(c), 24(d), 24(f), 24(g), and 24(h) and while each Gas Turbine and associated Heat Recovery Steam Generator are operating at minimum load to determine compliance with Parts 24(c) and (d), and to verify the accuracy of the continuous emission monitors required in part 31.”

FDOC, Page 37, Permit Condition part 36, last sentence:

“The owner/operator shall submit the source test results to the District and the CEC CPM within 45 60 days of conducting the tests. (BACT)”

FDOC, Page 40, Permit Condition part 53, last two sentences:

“Within 60 days of the initial operation of the cooling tower, the owner/operator shall perform an initial performance source test to determine the PM₁₀ emission rate from the cooling tower to verify compliance with the vendor-guaranteed drift rate specified in part ~~51~~ 52. The CPM may, in years 5 and 15 of cooling tower operation, require the owner/operator to perform source tests to verify continued compliance with the vendor-guaranteed drift rate specified in part ~~51~~ 52. (PSD)”

Appendix A, Page A-1, Table A-1:

**Table A-1
 Controlled Regulated Air Pollutant Emission Factors for
 Gas Turbines and HRSGs**

Pollutant	Source					
	Gas Turbine			Gas Turbine & HRSG		
	lb/MM BTU	lb/hr @ 17°F	lb/hr @ 62°F	lb/MM BTU	lb/hr @ 17°F	lb/hr @ 62°F
Nitrogen Oxides (as NO ₂)	0.00731 ^a	13.71	12.84	0.00731 ^a	15.67	14.76
Carbon Monoxide	0.0088 ^b	16.7	15.46	0.0088 ^b	19.08	17.77
Precursor Organic Compounds	0.00126	2.36	2.2	0.00206	4.42	4.25
Particulate Matter (PM ₁₀)	0.00525	9.84	9.8479	0.00594	12.75	12.75
Sulfur Dioxide	0.00092	1.75	1.62	0.00092	2	1.86
Sulfuric Acid Mist (H ₂ SO ₄)	0.00107 <u>0.00141</u>	2 <u>2.64</u>	1.88 <u>2.14</u>	0.00107 <u>0.00141</u>	2.82 <u>3.03</u>	2.16 <u>2.46</u>

Appendix A, Page A-4, first sentence:

“Midway Power estimates a maximum POC (non-methane, non-ethane hydrocarbon) stack gas emission concentration of 1.64 ppmv @ 15% O₂ for full load operation of the gas turbine with duct burner firing and ~~steam injection power augmentation.~~”

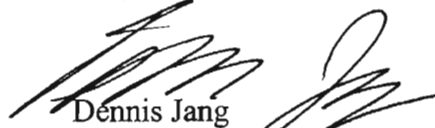
Appendix C, Page C-1, Table C-1:

Table C-1 Emission Offset Summary

	NO _x	CO	POC	PM ₁₀	SO ₂
BAAQMD Calculated New Source Emission Increases ^a (ton/yr)	250.709	344.313	63.662	187.995 ^b	29.196
Proposed New Source Annual Emission Limits ^c (ton/yr)	249.850	335.660	60.435	189.95 ^b	29.55
Offset Requirement Triggered	Yes	n/a	Yes	Yes	No
Offset Ratio	1.15:1.0 ^d	n/a	1.15:1.0 ^d	1.0:1.0 ^e	n/a
Offsets Required (tons)	287.328	0	69.500	189.950	0
ERCs identified by Applicant (tons)	251.396 251.477	0	105.447	226.800 190.811	0
Outstanding Offset Balance (tons)	-35.932^f -35.851^f	0	+37.947^f +35.947^f	+36.850 +0.861	0

If you have any questions regarding this letter, please contact me at 415 749 4707 or djang@baaqmd.gov.

Very truly yours,



Dennis Jang
 Air Quality Engineer
 Permit Services Division