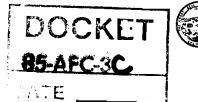
CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512



SEP 2 8 2007

STATE OF CALIFORNIA State Energy Resources Conservation and Development Commission

In the Matter of:)	Docket No. 85-AFC-3C Order No. 07-0926-2
Midway Sunset Cogeneration Company)	
MIDWAY SUNSET COGENERATION)	ORDER APPROVING a Petition
PROJECT)	to Increase Ammonia Slip
)	•

The Midway Sunset Cogeneration Company (MSCC), the owner/operator of the Midway Sunset Cogeneration Project, has requested to modify the facility by increasing the amount of unreacted ammonia (ammonia slip) into the stack emissions from 5 to 10 parts per million (ppm) at 15 percent O₂ averaged over 24 hours. The increase is required because of the use of Selective Catalytic Reduction systems (approved by the Commission on September 9, 2003) and the installment of the Evolution Rotor (approved by the Commission on October 30, 2006). Subsequent field tests have shown that MSCC cannot maintain a NOx emission of less than 2 ppm, as required by the San Joaquin Valley Air Pollution Control District, and hold the ammonia slip under the Energy Commission's 5 ppm limit.

COMMISSION FINDINGS

Based on staff's analysis, the Commission concludes that the proposed changes will not result in any significant impact to public health and safety, or the environment. The Commission finds that:

- A. There will be no new or additional unmitigated significant environmental impacts associated with the proposed change.
- B. The facility will remain in compliance with all applicable laws, ordinances, regulations, and standards, subject to the provisions of Public Resources Code section 25523.
- C. The change would be beneficial to the project owner, as the modification will allow the Energy Commission's Certification and the Air District's Permit to be consistent.
- D. There has been a substantial change in circumstances resulting in information that was not available to the parties prior to the Energy Commission certification. Specifically, field tests have shown that MSCC cannot maintain a NOx emission of less than 2 ppm and hold the ammonia slip under the Energy Commission's 5 ppm limit.

CONCLUSION AND ORDER

The Energy Commission approves and hereby adopts MSCC's amendment petition and the proposed modified and added conditions in accordance with Title 20, Section 1769 (a) (3) of the California Code of Regulations. The following changes to the Midway Sunset Cogeneration Project Decision are shown as **bold** and <u>underlined</u>; deleted language is in strikethrough.

AQ-48 The emission of unreacted ammonia slip from any exhaust stack shall not exceed the following limits:

<u> 10 ppm</u>	<u>@ 15% O2</u>	averaged over 24 hours
5 ppm	@ 15% O2	averaged over 24 hours

<u>Verification</u>: The owner shall monitor and record the ammonia slip from each exhaust stack as required in Conditions of Certification AQ-49 through AQ-54. The owner shall report the ammonia slip as part of the quarterly emission report required by Condition of Certification AQ-21.

IT IS SO ORDERED.

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

September 26, 2007 DATE

Jackalyne Pfannenstiel, Chairman