CALPINE



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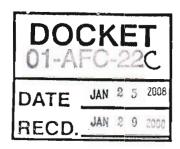
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January 25, 2008

Mr. Lance Shaw Compliance Project Manager Systems Assessment & Facility Siting Division California Energy Commission 1516 Ninth Street, MS-15 Sacramento, CA 95814



RE: PETITION TO AMEND SAN JOAQUIN VALLEY ENERGY CENTER'S CONDITIONS OF CERTIFICATION APPLICATION 01-AFC-22

Dear Mr. Shaw:

Please find the attached amended application for the San Joaquin Valley Energy Center (SJVEC) Conditions of Certification. SJVEC would like to decrease the PM₁₀ emissions from the gas turbines thereby reducing the amount of emission reduction credits required for the project.

Based on information received from source testing of various similar units, the PM_{10} emissions from the gas turbines and heat recovery steam generators will be reduced to 7.5 lb/hr for both the duct fired and unfired cases. Given the decrease in the hourly PM_{10} emission rates, the amendment includes conforming changes to the daily and annual PM_{10} conditions. In addition, conforming changes are made to the emission reduction credits conditions to reflect the lower PM_{10} emission limits. All other emissions in the permit will remain the same.

The attached table details the resulting PM₁₀ emissions and emission reduction credits required for the project.

Please contact me at (925)570-0849 if you have any questions regarding this submittal.

Sincerely,

Barbara McBride

Director, Environmental, Health and Safety

Calpine Corporation

PETITION FOR INSIGNIFICANT AMENDMENTS TO OPERATIONS CONDITIONS OF CERTIFICATION

As required by Section 1769 of the CEC Siting Regulations, SJVEC hereby submits the following discussion to amend Conditions AQ-C12, AQ-11, AQ-12, AQ-32, AQ-33 AQ-36 and AQ-38

Pursuant to Section 1769 (a)(1)(A) and (B), a description of the proposed modifications, including new language for affected conditions and the necessity for the modifications is required.

SJVEC would like to decrease the PM₁₀ emissions from the gas turbines thereby reducing the amount of emission reduction credits required for the project. Based on information received from source testing of various similar units, the PM₁₀ emissions from the gas turbines and heat recovery steam generators will be reduced to 7.5 lb/hr for both the duct fired and unfired cases. Given the decrease in the hourly PM₁₀ emission rates, the amendment includes conforming changes to the daily and annual PM₁₀ conditions. In addition, conforming changes are made to the emission reduction credits conditions to reflect the lower PM₁₀ emission limits. Conditions AQ-C12, AQ-11, AQ-12, AQ-32, AQ-33 AQ-36 and AQ-38 would be amended as follows. All other Conditions will remain the same.

- AQ-C12 ERC certificate Numbers C-347-4, S-1577-4, S-1578-4, , S-1666-4, S-1683-4, S-1684-4, S-1687-4, S-1689-4, S-1690-4, S-1691-4, S-1692-4, S-1693-4, N-297-4, C-448-4, C-449-4and N-208-4 shall be used to supply the required PM10 offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct.
- AQ-11 Emission rates from this unit, during the commissioning period, shall not exceed any of the following: NOx (as NO2) 189 lb/hr or 2,268 lb/day; VOC (as methane) 17 lb/hr or 204 lb/day; CO 902 lb/hr or 4,620 lb/day; PM10 276 180 lb/day; or Sox (as SO2) 44.2 lb/day [District Rule 2201]
- AQ-12 Only one of turbine unites C-3959-1, C-3959-2, and C-3959-3 shall be operated at any one time without abatement and only during commissioning. Combined emission rates from units C-3959-1, C-3959-2, and C-3959-3, during the commissioning period shall not exceed any of the following limits: NOx (as NO2) –349lb/hr or 3630.4 lb/day; VOC (as methane) 49 lb/hr or 572 lb/day; CO 2706 lb/hr or 3630.4 lb/day; PM10 828-540 lb/day; or Sox (as SO2) 132.6 lb/day [District Rule 2201.

- AQ-32 Emission rates from this unit (with duct burner firing) except during startup and shutdown periods, shall not exceed any of the following: NOx (as NO2) –19.01 lb/hr or 2.0 ppmvd @ 15% O2; VOC (as methane) 6.63 lb/hr or 2.0 ppmvd @15%O2; CO 23.14 lb/hr or 4.0 ppmvd @15% O2; PM10 11.5 lb/hr 7.5 lb/hr; SOx (as SO2) 1.84 lb/hr. NOx (as NO2) emission limits are one hour rolling averages. All other emission limits are three hour rolling averages. [District Rules 2201,4001, and 4703]
- AQ-33 Emission rates from this unit (without duct burner firing) except during startup and shutdown periods, shall not exceed any of the following: NOx (as NO2) –14.27 lb/hr or 2.0 ppmvd @ 15% O2; VOC (as methane) 3.48 lb/hr or 1.4 ppmvd @15%O2; CO 17.37 lb/hr or 4.0 ppmvd @15% O2; PM10 9.0 lb/hr 7.5 lb/hr; SOx (as SO2) 1.38 lb/hr. NOx (as NO2) emission limits are one hour rolling averages. All other emission limits are three hour rolling averages. [District Rules 2201,4001, and 4703]
- AQ-36 Emission from this unit, on days when a startup and /or shutdown occurs, shall not exceed the following limits: NOx (as NO2) -681.2 lb/day; VOC (as methane) 184 lb/day; CO 4,047.7 lb/day; PM10 276.0 lb/day 180 lb/day; SOx (as SO2) 44.2 lb/day [District Rules 2201]
- AQ-38 Annual emissions from the CTG, calculated on a twelve consecutive month rolling basis, shall not exceed any of the following: NOx (as NO2) –176,525 lb/year; CO 549,596 lb/year; VOC (as methane) –51,760 lb/year; PM10 91,952 lb/year <u>65,700 lb/year</u>; SOx (as SO2) 14,436 lb/year. [District Rules 2201]

Pursuant to Section 1769 (a)(1)(C), a discussion is required on whether the modification is based on information that was known by the petitioner during the certification proceeding, and an explanation of why the issue was not raised at that time.

The changes being requested to AQ-C12, AQ-11, AQ-12, AQ-32, AQ-33, AQ-36 and AQ-38 are based on new information that was learned as a result of operating experience gained at the facility and was thus not known at the time of certification.

Pursuant to Section 1769(a)(1)(D), a discussion is required on whether the modification is based on new information that changes or undermines the assumptions, rationale, findings, or other bases of the final decision, and explanation of why the change should be permitted.

The reduction in PM10 emissions is based on new information from operating experience at similar plants. The proposed reduction in the PM_{10} emissions does not undermine the assumptions, rationale, findings or other bases of the final decision.

Pursuant to Section 1769(a)(1)(E), an analysis of the impacts the modifications may have on the environment and proposed measures to mitigate any significant adverse impacts is required.

The proposed changes to the conditions of certification reduce the PM_{10} emission limits for the project as certified and thus do not result in any significant adverse environmental impact. The modifications actually reduce impacts to the environment by reducing the PM_{10} emitted from the facility.

Pursuant to Section 1769(a)(1)(F), a discussion of the impact of the modification on the facility's ability to comply with applicable laws, ordinances, regulations, and standards is required.

The proposed amendments will have a positive impact on the facility's ability to comply with applicable laws, ordinances, regulations, and standards. Moreover, the conditions, as amended, remain enforceable.

Pursuant to Section 1769(a)(1)(G), a discussion of how the modifications affect the public is required.

Because the modification will not result in any significant, unmitigated environmental impacts and because the project will remain in compliance with applicable laws, ordinances, regulations, and standards, the proposed modification will not adversely affect the public.

Pursuant to Section 1769(a)(1)(H), a list of property owners potentially affected by the modification is required.

A list of property owners potentially affected by the modification is attached.

Pursuant to Section 1769(a)(1)(I), a discussion of the potential effect on nearby property owners, the public and the parties in the application proceedings is required.

This Amendment will not result in any changes to the potential effects on nearby property owners, the public and parties in the application proceeding from those described in the Commission's certification the project. Accordingly, the proposed amendments will have no impact on property owners, the public, or any other parties. The proposed amendments will have a beneficial impact on property owners, the public, or any other parties by reducing the emissions emitted from the facility.