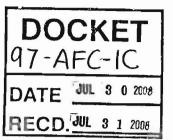
CALIFORNIA ENERGY COMMISSION 1516 NINTH STREET SACRAMENTO, CA 95814-5512 ARNOLD SCHWARZENEGGER, Governor



STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION



In the Matter of: HIGH DESERT POWER PROJECT

HIGH DESERT POWER PROJECT, LLC

Docket No. 97-AFC-1C

Order No. 08-730-2 **ORDER APPROVING** a Petition to Modify Air Quality Conditions Relating to Source Test Intervals and Other Administrative Changes

High Desert Power Project, LLC, the owner/operators of the High Desert Power Project (HDPP), has requested to modify the Air Quality Conditions of Certification as follows:

- ° AQ-16
 - 1. Reduce frequency of compliance testing for oxides of nitrogen (NO_x), oxides of sulfur (SO_x), carbon monoxide (CO), and ammonia slip (NH₃) from annual to once every 5 years.
 - 2. Reduce the frequency of compliance testing for volatile organic compounds (VOC) to once every three years.
 - 3. Eliminate compliance testing requirement for fine particulate matter (PM10) and opacity.
- ° AQ-17 Delete this condition of certification.
- [°] AQ-20 Delete the requirement to report the number of startups and shut downs, and their duration.
- ^o AQ-30 Change wording in first sentence from "the power block" to "this equipment" to correct an inadvertent drafting error in a previous amendment of the condition.

The modifications were approved by Mojave Desert Air Pollution Control District and revised Permits to Operate will be issued in the near future. July 30, 2008 Page 2

STAFF RECOMMENDATION

Energy Commission staff reviewed the petition and finds that with the exception of the AQ-16 item regarding testing for PM10 and the AQ-20 item regarding reporting on facility startups and shut downs, it complies with the requirements of Title 20, Section 1769(a) of the California Code of Regulations. With these exceptions, staff recommends approval of High Desert Power Project, LLC's petition to modify the HDPP Project and amend related Conditions of Certification.

ENERGY COMMISSION FINDINGS

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

- With staff recommendations, the petition meets all the filing criteria of Title 20, section 1769(a) of the California Code of Regulations concerning post-certification project modifications;
- The modification will not change the findings in the Energy Commission's Final Decision pursuant to Title 20, section 1755;
- The project will remain in compliance with all applicable laws, ordinances, regulations, and standards, subject to the provisions of Public Resources Code section 25525;
- The change will be beneficial to the public, because there will be no increase in harmful emissions and to the project owner because it will increase efficiency in reporting procedures.
- The change is based on information that was not available to the parties prior to Energy Commission certification because it is based on data from actual operational experience that was not available at that time. The wording modification change is an administrative change only.

CONCLUSION AND ORDER

The California Energy Commission hereby adopts Staff's recommendations and approves the following changes to the High Desert Power Project Decision. New language is shown as **bold and underlined**, and deleted language is shown in strikeout.

CONDITIONS OF CERTIFICATION

AQ-16 The project owner shall perform the following annual compliance tests in accordance with the MDAQMD Compliance Test Procedural Manual. The test report shall be submitted to the MDAQMD no later than six (6) weeks prior to the expiration date of this permit. The following compliance tests and <u>their frequencies</u> are required:

a. NOx as NO2 in ppmvd at 15% O2 and lb/hr <u>at least once every five years</u> (measured per USEPA Reference Methods 19 and 20).

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- b. VOC as CH4 in ppmvd at 15% O2 and lb/hr <u>at least once every three years</u> (measured per USEPA Reference Methods 25A and 18).
- c. SOx as SO2 in ppmvd at 15% O2 and lb/hr at least once every five years.
- d. CO in ppmvd at 15% O₂ and lb/hr <u>at least once every five years</u> (measured per USEPA Reference Method 10).
- e. PM10 in mg/m3 at 15% O2 and lb/hr <u>at least once a year</u> (measured per USEPA Reference Methods 5 and 202 or CARB Method 5).
- f. Flue gas flow rate in scfmd each time a compliance test is conducted.
- g. Opacity (measured per USEPA reference Method 9).
- h. Ammonia slip in ppmvd at 15% O2 at least once every five years.

Verification: No change

AQ-17. The compliance test plan shall include a method for measuring CO/VOC surrogate relationship that can be used to demonstrate compliance with VOC hourly, daily, and annual emission limits. Compliance with the VOC emission limit shall be demonstrated by the CO CEM data and the VOC/CO relationship determined by the CO and VOC source tests. Verification: See verification for Condition AQ 15.

AQ-20 No change.

AQ-30. Emissions from <u>this equipment</u> the power block, including the duct burner, may not exceed the following emission limits, based on a calendar day summary:

[No change to the rest of this condition or verification.]

IT IS SO ORDERED.

Date: July 30, 2008

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

AMES/D. BOYD Vice Chair