

- 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 The PEC is a North American Electric Reliability Corporation (NERC) Critical Asset necessary for transmission system restoration and it provides power to the San Onofre Nuclear Generating Station (SONGS) in the event of a system outage; and
- There has been a substantial change in circumstances since the Energy Commission certification justifying the change because SDG&E was not the original applicant, the plant was not yet operating, and the original applicant had different objectives for the development of the project for the merchant market.

CONCLUSION AND ORDER

The California Energy Commission hereby adopts Staff's recommendations and approves the following changes to the Commission Decision for the Palomar Energy Center Project. The following new conditions of certification would be amended in the Final Commission Decision for the Palomar Energy Center to ensure compliance with all applicable LORS. These are in addition to those contained in the previous decision. ~~Strikethrough~~ is used to indicate deleted language and underline for new language.

CONDITIONS OF CERTIFICATION

Emergency Engine Generator: Cummins engine, Model QSK60G

Conditions of Certification AQ-SC13 and AQ-56 through AQ-66 apply to the Emergency Engine Generator

AQ-SC13 Testing and maintenance of the emergency engine shall be performed between the hours of 10:00 am and 3:00 pm, and shall not exceed one hour per week.

Verification: The project owner shall make the site available for inspection of equipment and records by representatives of the District, ARB, and the Energy Commission. The project owner shall provide records of dates and times of performed testing and maintenance. See Verification for condition AQ-56 for reporting requirements.

AQ-56 This internal combustion engine shall not exceed 52 hours of operation per calendar year for non-emergency purposes (testing and maintenance).

Verification: The project owner shall submit records required by Conditions AQ-SC13, AQ-59, AQ-60, and AQ-62 and by this condition demonstrating compliance in the fourth quarter, Quarterly Operational Reports as required by condition AQ-SC7. The project owner shall submit a photograph of the engine hour meter as part of the compliance report. The project owner shall make the site available for inspection of records by representatives of the District, ARB, and the Energy Commission.

AQ-57 At no time shall the subject equipment cause or contribute to a public nuisance as specified in District Rule 51.

Verification: The project owner shall make the site available for inspection of equipment and records by representatives of the District, ARB, and the Energy Commission.

AQ-58 Visible emissions including crank case smoke shall comply with Rule 50. (Rule 50)

Verification: See verification for Condition **AQ-57**

AQ-59 Gaseous fuel engines shall use only gaseous fuel which contains no more than 10 grains of sulfur compounds, calculated as hydrogen sulfide, per 100 cubic feet of dry gaseous fuel at standard conditions. Gaseous fuels include natural gas, propane, liquefied petroleum gas (LPG), butane. Gasoline engines shall use only California reformulated gasoline.

Verification: The project owner shall make the site available for inspection of equipment and fuel purchase records by representatives of the District, ARB, and the Energy Commission. The owner shall report fuel specifications and quantity used annually. See Verification for Condition **AQ-56** for reporting requirements.

AQ-60 A non-resettable engine hour meter shall be installed on this engine, maintained in good working order, and used for recording engine operating hours. If a meter is replaced, the air pollution control district's compliance division shall be notified in writing within 10 calendar days. The written notification shall include the following information:

A. Old meter's hour reading.

B. Replacement meter's manufacturer name, model, and serial number if available and current hour reading on replacement meter.

C. Copy of receipt of new meter or installation work order.

D. A copy of the meter replacement notification shall be maintained on site and made available to the Air Pollution Control District upon request. (Rule 69.4.1)

Verification: The project owner shall make the site available for inspection of equipment and records by representatives of the District, ARB, and the Energy Commission. See Verification for condition **AQ-56** for reporting requirements.

AQ-61 The owner or operator of this engine shall conduct periodic maintenance of the engine and add-on control equipment, if any, as recommended by the engine and control equipment manufacturers or as specified by the engine servicing company's maintenance procedures. The periodic maintenance shall be conducted at least once each calendar year. (Rule 69.4.1)

Verification: See verification for Condition **AQ-57**.

AQ-62 The owner or operator of this engine shall maintain an operating log containing, at a minimum, the following: dates and times of engine operation, indicating whether the operation was for non-emergency purposes or during an emergency situation and the nature of the emergency, if available (these records are not required if the total engine operations for any purpose, including emergency situation, do not exceed 52 hours in a calendar year); total cumulative hours of operation per calendar year, based on actual readings of engine hour meter; records of periodic maintenance including dates maintenance was performed.

Verification: The project owner shall make the site available for inspection of equipment and records by representatives of the District, ARB, and the Energy Commission. . See Verification for condition AQ-56 for reporting requirements.

AQ-63 All operational and maintenance logs required by this permit shall be kept a minimum of 3 years unless otherwise indicated by the conditions of this permit and these records shall be made available to the Air Pollution Control District upon request.

Verification: See verification for Condition AQ-57.

AQ-64 The owner or operator of the engine shall maintain the following records on site for at least the same period of time as the engine to which the records apply is located at the site:

A. Applicable fuel certification.

B. Manual of recommended maintenance provided by the manufacturer, or maintenance procedures specified by the engine servicing company.

C. Records of the annual engine maintenance including date the maintenance was performed. These records shall be made available to the Air Pollution Control District upon request. (Rule 69.4.1)

Verification: See verification for Condition AQ-57.

AQ-65 The permittee shall, upon determination of applicability and written notification by the District, comply with all applicable requirements of the Air Toxics “Hot Spots” Information and Assessment Act (California Health and Safety Code Section 44300 et seq.)

Verification: See verification for Condition AQ-57.

AQ-66 This Air Pollution Control District Permit does not relieve the holder from obtaining permits or authorizations required by other government agencies.

See verification for Condition AQ-57.

IT IS SO ORDERED.

Date: _____

STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

KAREN DOUGLAS
Chairman