

ATTORNEYS AT LAW

500 Capitol Mall. Suite 1600 Sacramento. California 95814 main 916.447.0700 fax 916.447.4781 www.stoel.com

MELISSA A. FOSTER Direct (916) 319-4673 mafoster@stoel.com

November 8, 2011

VIA EMAIL

Eric Solorio, Siting Project Manager California Energy Commission 1516 Ninth Street Sacramento, CA 95814 11-AFC-1

DATE NOV 08 2011 RECD. NOV 08 2011

Re:Pio Pico Energy Center Project (11-AFC-01) Air Quality Modeling Submitted to the San Diego Air Pollution Control District

Dear Mr. Solorio:

On behalf of Applicant Pio Pico Energy Center, LLC, please find enclosed herein additional air quality modeling completed for the Pio Pico Energy Center Project. Applicant's consultant, Sierra Research, submitted the modeling to the San Diego Air Pollution Control District.

Very truly yours,

Melissa A. Foster

MAF:jmw Enclosures

cc: See Proof of Service

October 24, 2011



1801 J Street Sacramento, CA 95811 Tel: (916) 444-6666 Fax: (916) 444-8373

Ann Arbor, MI Tel: (734) 761-6666 Fax: (734) 761-6755

Steven Moore Senior Air Pollution Control Engineer San Diego Air Pollution Control District 10124 Old Grove Road San Diego, CA 92131-1649

Re: Modeling for Pio Pico Energy Center using CY 2008-2010 Data Application No. ADCP-2010-APP-001251

Dear Mr. Moore:

On behalf of Apex Power Group, LLC (Apex), Sierra Research is providing additional information regarding the application for the Pio Pico Energy Center (PPEC), to be located in Otay Mesa, California. This project is subject to Certification by the California Energy Commission.

Modeling Results CY 2008_2010 Data

The applicant has performed modeling to support a compliance demonstration based on CY2008-2010 data. This compliance demonstration was performed in order to demonstrate that the project will not cause or contribute to new exceedances of state or federal ambient air quality standards. The new modeling covers all pollutants and averaging times for which state or federal ambient air quality standards have been promulgated.

The attached document provides tables and text summarizing the new modeling and the results.

A CD containing electronic versions of all modeling files has also been provided.

Please do not hesitate to call me if you have any questions.

Sincerely,

cc: Gary Chandler, PPEC
David Jenkins, PPEC
Maggie Fitzgerald, URS
John McKinsey, Stoel Rives, LLC
Eric Solorio, SDAPCD

Attachment

5.2.4 Environmental Consequences

5.2.4.14 Commissioning Impacts

TABLE 5.2-26 MODELED MAXIMUM IMPACTS DURING COMMISSIONING (2008-2010 METEOROLOGICAL DATA) (REVISED 10/19/11)

<u>Pollutant</u>	Averaging Period	Maximum Predicted <u>Impact (Ng/m³</u>)	Background Concentration (Ng/m ²)	Total Concentrations (Ng/m³)		CAAQS (Ng/m³)
NO2	1-hr <u>Annual</u>	194 	135 30	329	188 NA	339 NA
S02	1-hr 3-hr 24-hr <u>Annual</u>	3 1 0	29 18 10 5	32 19 10	196 1300 NA	655 105
СО	1-hr <u>8-hr</u>	375 <u>90</u>	5 <u>2</u>	380 <u>92</u>	40,000 10,000	23,000 20.000
PMi ₀	24-hr <u>Annual</u>	2	58 <u>26.7</u>	60	150 	50 NA
PM2.5	24-hr Annual	2.2	43.7 12.3	45.9	35 NA	NA

¹The total concentration shown in this table is the sum of the maximum predicted impact and the maximum measured background concentration. Because the maximum impact will not occur at the same time as the maximum background concentration, the actual maximum combined impact will be lower.

Table 5.2-26 shows that commissioning emissions will not cause new exceedances of any state or federal air quality standards, with the exception of the federal 1-hour NO2 standards. (Because commissioning is a temporary activity lasting a few weeks at most, the annual standards are not applicable. Commissioning emissions will count toward the limit on annual emissions for the first year of normal operations, so the analysis of annual impacts in Section 5.2.4.15 is applicable to commissioning.)The table shows that worst-case background concentrations of PM10 are already above the state standard, although they are below the federal standard. The project's 24-hour PM10 impacts are lower than the federal significance threshold of 5 gg/m³(see Table 5.2-11). The table indicates that commissioning activities may contribute to existing exceedances of the federal 24-hour average PM2.5 standard; however, this standard is evaluated based on the three-year average of the 98thpercentile concentration and commissioning emissions, as a short-term activity, are not likely to contribute significantly to an exceedance in fact.

Table 5.2.26 indicates that the sum of the worst-case commissioning NO2 impacts and the worst-case ambient background concentration is greater than the federal 1-hour NO2 standard. However, this does not mean that the project would result in a violation of that standard. This is because compliance with the federal standard is based on the 3-year average of the 98th

percentile of daily maximum 1-hour average concentrations. Because the federal one-hour NO2 standard requires averaging the concentrations over three years, the NO2 impacts during the single year of commissioning would not be likely to cause a new violation of the federal one-hour NO2 standard.

The project's commissioning emissions will not result in potentially significant air quality impacts. Nevertheless, the emission offsets required for operating emissions will be provided before commissioning begins, further mitigating commissioning impacts.

TABLE 5.2-27 SUMMARY OF MODELING RESULTS (2008-2010 METEOROLOGICAL DATA) (REVISED 10/19/11)

	Averaging	Modeled Concentra	ition (Ng/m³)	PSD Significant Impact Level _Spg/m³)
Pollutant	Period	Normal Operation	Startup	
NO2	1-hr	34	133	7.51
NO2	Annual	0.3		1.0
	1-hr	8		7.8 ¹
coa	3-hr	3		25
SO2	24-hr	1		5
	Annual	<0.1		1.0
	1-hr	34	268	2000
CO	8-hr	8	64	500
DMic	24-hr	2.2		5
PMio	Annual	0.24		1
DM3 F	24-hr	2.2		1.2
PM2.5	Annual	0.24		0.3

Notes:

¹ These are interim SILs and have not been formally adopted by EPA.

TABLE 5.2-28 SUMMARY OF RESULTS (MODELED MAXIMUM IMPACTS PLUS BACKGROUND) (2008-2010 METEOROLOGICAL DATA) (REVISED 10/19/11)

Pollutant	Averaging Time	Maximum Predicted Impact (operating mode) (Ng/m³)	Background Concentration (pgim,	Total Concentration (Maximum Impact plus Background) (pgle)	3 year Average of 98th Percentile of Total Concentration (Ng/m ³)	NAAQS (uglm³)	CAAQS (Ng/m³)
NO2	1-hr Annual	133(startup) 0.3 (normal)	135 <u>30</u>	268 30	138	188 100	339 57
SO2	1-hr 3-hr 24-hr Annual	8 (normal) 3 (normal) 1 (normal) <0.1 (normal)	29 18 10 5	37 21 11 5		196 1300 80	655 105
СО	1-hr 8-hr	268(shutdown) 64(shutdown)	5 <u>2</u>	273 <u>66</u>		40,000 10,000	23,000 20.000
Pgio	24-hr Annual	2 (normal) 0.2 (normal)	58 <u>26.7</u>	60 <u>26.9</u>		150	50 20
PM2.5	24-hr Annual	2.2 (normal) 2.6 (normal) ³ 0.24 (normal)	43.7 45.7³ 12.3	12.6	Not Available ² 25.9 ³	35 35 15.0	12

¹ 40 CFR 51.165 (b)(2).

TABLE 5.2-29 SUMMARY OF RESULTS OF DEMONSTRATION OF COMPLIANCE WITH FEDERAL 1-HOUR NO2 AND 24-HOUR PM2.5 STANDARDS (2008-2010 METEOROLOGICAL DATA)(REVISED 10/19/11)

<u>Standard</u> Federal 1-hour NO2	Maximum Predicted Impact (Ng/m³) 133 (startup)	Maximum Background Concentration (Ng/m³) 135	3 year Average of 98th Percentile of Total Concentration (pgIm ³) 138	NAAQS (Ng/m³) 188
Federal 24-hour PM2.5	<u>2.2 (normal)</u>	<u>43.7</u>	<u>Not Available¹</u>	<u>35</u>
Federal 24-hour PM2.5	2.6 (normal) ²	45.7 ²	25.9 ²	35

¹ 2008-2010 PM25 measurements are only taken every three days. Data substitution to fill missing data was not performed by District. 2006-2008 analysis is shown instead.

Demonstration of Compliance with District Regulation 20-3(d)(2)(i)

² 2008-2010 PM2.5 measurements are only taken every three days. Data substitution to fill missing data was not performed by District. 2006-2008 analysis is shown instead. Note that peak project impact and maximum background concentration are both lower for 2008-2010.

³ Based on 2006-2008 data.

² Based on 2006-2008 data.

Regulation 20-3(d)(2)(i)(A) requires a demonstration that the project will not cause a violation of a state or national ambient air quality standard that does not already exceed the standard. Table 5.2-28 makes this demonstration for all of the applicable air quality standards (all standards except the state 24-hour PK° standard, the state annual PK() standard, and the state annual PM2 5 standard).

Regulation 20-3(d)(2)(i)(c) requires a demonstration that the project will not cause additional violations of a state ambient air quality standard. The project cannot cause new violations of the annual standard because the annual standard is already exceeded. No new violations are possible.

The demonstration that the project will not result in new violations of the 24-hour PM10 standard is presented in Table 5.2-30A. All ambient measurements at the Chula Vista monitoring station (CY 2008-2010) greater than 461.tg/m³ are listed; the sum of the ambient measurement and the worst-case project impact is determined, and compared to the standard of $50 \, \mu g/m^3$. Additionally, the District has provided monitoring data for 2010 from a relatively new PMio monitor located at the Donovan correctional facility. The sum of ambient measurements and the modeled maximum project impact for each day is also presented in Table 5.2-30A

TABLE 5.2-30A

DEMONSTRATION THAT PROJECT WILL NOT CAUSE NEW VIOLATION OF STATE 24-HOUR PM10 STANDARD (50 ttg/m³) (2008-2010 METEOROLOGICAL DATA)

	Ambient		Combined	
Date	Measurement	Project Impact	Concentration	New Violation?
	Chula	Vista Monitoring Data (2	008-2010)	
10/27/2008	54	2	56	NO
10/28/2009	58	2	60	NO
11/9/2009	53	2	55	NO
1/1/2009	47	2	49	NO
	Do	onovan Monitoring Data	(2010)	
1/26/2010	49	0.3	49	NO
8/24/2010	57	0.7	58	NO
9/29/2010	54	0.6	55	NO
10/29/2010	56	0.6	57	NO
12/4/2010	50	0.3	50	NO
12/10/2010	50	0.3	50	NO

Table G-4.4 Screening Modeling Results Pio Pico Eneray Center

U 3		_		_				•		•
	0 0	9	0	Conc.	0	Conc.	ු ර	Conc.	Conc.	conc.
	i'1 E en	ā,	R' E Eh	(ng/m3)	ā ,	(ng/m3)	E a 7	(ng/m3)	(ng/m3)	(ng/m3)
	Ë	0	"	802	¥	PM1 0	CV O CO	NO2	PM1 0	802
Operating Mode/Year	4	4	4,	3-br	1- IF CO	24-br	-q Ж	Annual	Annual	Annual
2008 Met Data										
	c) ;c <u>v</u>	7 c.) c̄∜			ğļ			< Z	< 2E	Q
	co	CO CO	CD CO	cl CV	co 4	C°.		cu 6	cu ci	ō
Avg Peak	co ç)	CD 6	cv 1	'L'	c)	с 1		00 6	су 6	0
	co (CD 6 CO	CV [:	s _t CV	c) Lr	с 1	u, 0	c) 6	cu 6	0
Hot Low	a> cv	C4 Vi Cy	ор 6	9 / CV	04 i. -	In		c1 (cv 6	. - 0
Avg Low	Nt CV CV	C0 e7 C4	cv 6	^{cq} :(V <-	a) 4 6	t _s		c1 (6	cv 6	0
_	c-) CAN	00 17 V4	CV IL)	CC!	c) 6	r.'.).1 6	cv 6	0
I 2009 Met Data										
Startup/shutdown	01	CO O CV			csi 1,	© 6		1(Z	∢C Z	¢ Z
	, 01 01	Cy C'n	15. F:		Of CD	N		cv 6	cv 6	- 0
	V- Nt 01	u) 01 VI	CD CO		n o	CD		cv 6	cv ci	6
	NJ- IT V)	CD 01 C.,	CD Co		cl c	ſ.:		cv 6	cv Ci	 6
	CD I.	CO	1. CD	CV 01	z . 1 111	со	<!--</b-->'	01.I 6	cv 6	с 0
	CD 1 ^N	CD .4' CV	r- U)		1- 1 '1'	CD		cv 6	cv 6	с 0
	C0 1' C1	CD ft	N ₁ 41		V <i>I</i> -	CD	⟨I ' ○	cv 6	cv 6	c O
I 2010 Met Data										
Startup/shutdown	v-•	cv €V			"? S			.zt Z	£t 2E	
Hot Peak	r- r- cv	c)	cò	CV 0i	r- 1-:			CV O	cv 6	D O
	CO (DO	m- OD CV	۲۳۰; CD CD	CI C1	c) 6	CD,-	co O	cv O	m- 6	ó
	CO OD CO	CV CO	I's CO	C1 CNi	^{CD} 6			cv O	cv 6	
Hot Low	C0 01 CV	N. C1 01	ğ.	Cr)	U1 CO			cv O	cv 6	- O 0
Avg Low	r Ov	CV C) C1	4 ^{CO} .	N. T	co CC)			cv O	cv cS	
_	r- O C4	CV C)	co. 4-	1.:	op ui			CV O	cv 6	

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 — WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION
FOR THE PIO PICO ENERGY CENTER, LLC

Docket No. 11-AFC-1 PROOF OF SERVICE (Revised 8/15/11)

Pio Pico Energy Center, LLC

Letter to Eric Solorio, Siting Project Manager, California Energy Commission, dated November 8, 2011 re Air Quality Modeling Submitted to the San Diego Air Pollution Control District

APPLICANT

Gary Chandler, President
Pio Pico Energy Center
P.O. Box 95592
South Jordan, UT 84095
grchandlera,apexpowergroup.com

David Jenkins, Project Manager Pio Pico Energy Center, LLC 1293 E. Jessup Way Mooresville, IN 46158 dienkinsAapexpowergroup.com

APPLICANT'S CONSULTANTS

Maggie Fitzgerald, Project Manager URS Corporation 2020 East 1st Street, Suite 400 Santa Ana, CA 92705 maggie fitzgerald urscorp.com

COUNSEL FOR APPLICANT

John A. McKinsey Melissa A. Foster Stoel Rives, LLP 500 Capitol Mall, Suite 1600 Sacramento, CA 95814 jamckinsey@stoel.com mafoster(&,stoel.conn

INTERESTED AGENCIES

California ISO
E-mail Preferred
e-recipient@caiso.com

ENERGY COMMISSION

CARLA PETERMAN
Commissioner and Presiding Member
cpeterma energy.state.ca.us

Jim Bartridge Adviser to Commissioner Peterman <u>ibartrid@energy.state.ca.us</u>

KAREN DOUGLAS Commissioner and Associate Member kldougla@energy.state.ca.us

Galen Lemei Adviser to Commissioner Douglas glemei@energy.state.ca.us

Raoul Renaud Hearing Officer rrenaud energy.state.ca.us

Eric Solorio Siting Project Manager <u>esolorioaenerwstate.ca.us</u>

Kevin W. Bell Staff Counsel kwbeMenergv.state.ca.us

Jennifer Jennings
Public Adviser
E-mail preferred
publicadvisera.enem.state.ca.us

DECLARATION OF SERVICE

I, Judith M. Warmuth, declare that on November 8, 2011, I deposited copies of the aforementioned document and, if applicable, a disc containing the aforementioned document in the United States mail at 500 Capitol Mall, Suite 1600, Sacramento, California 95814, with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

AND/OR

Transmission via electronic mail, personal delivery and first class U.S. mail were consistent with the requirements of California Code of Regulations, Title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, that I am employed in the county where this mailing occurred, and that I am over the age of 18 years and not a party to the proceeding.

Judith M. Warmuth