CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512 www.energy.ca.gov



STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

California Energy Commission

DOCKETED

08-AFC-1C

TN # 69400

FEB. 06 2013

In the Matter of:

AVENAL ENERGY PARK PROJECT

Docket No. 08-AFC-1C

Order No. 13-0109-7

AVENAL POWER CENTER, LLC

ORDER APPROVING a Petition to Modify Five (5) and Add One (1) Air Quality
Conditions of Certification

On March 5, 2012, the project owners, Avenal Power Center, LLC, filed a Petition to Amend the California Energy Commission's (Energy Commission) Decision for the proposed Avenal Energy Park Project (AEP). The Petition to Amend modified five (5) and added one (1) Air Quality Conditions of Certification (COCs). AQ-SC12 was proposed to allow the option to construct and operate the AEP as either a major stationary source of criteria air pollutant emissions (as presently certified) or as a minor stationary source of criteria air pollutant emissions (as amended). Changes in AQ-6, AQ-71, AQ-110, AQ-111 and AQ-122 COCs address reissued Emission Reduction Credits, equipment upgrades, and new performance standards.

STAFF RECOMMENDATION

Energy Commission staff reviewed the petition and found that it complies with the requirements of title 20, section 1769(a) of the California Code of Regulations and recommends approval of Avenal Power Center, LLC's petition to modify the AEP Project and amend the above mentioned Conditions of Certification.

ENERGY COMMISSION FINDINGS

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

- 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;

- 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 proposed modifications to the Air Quality COCs will result in beneficial operating flexibility by allowing the AEP to reduce their presently certified annual emissions to levels qualifying them as a minor source of criteria air pollutant emissions; and
- The change is based on information that was not available to the parties prior to Energy Commission certification.

CONCLUSION AND ORDER

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

CONDITIONS OF CERTIFICATION

AQ-SC12 Annual emissions from the facility, calculated monthly on a 12-month rolling basis, shall not exceed any of the following limits: NOx (as NO₂) – 198,840 lb/year; CO – 197,928 lb/year. [District Rule 2201] AQ-SC12 only applies if the facility commences construction under the FDOC issued December 17, 2010 and will become void if and when the project obtains a PSD permit that is no longer subject to appeal, and construction commences under that PSD permit. AQ-SC12 will also become void if the project obtains a final, non-appealable PSD permit after initiation of construction and obtains a modified FDOC or equivalent permit from the District that allows operation as a major PSD source.

Verification: A summary of significant operation and maintenance events and required monitoring records shall be included in the quarterly operation report (AQ-SC8), including 12-month rolling totals calculated monthly for NOx (as NO₂) and CO emissions.

AQ-6 ERC certificate numbers (or any splits from these certificates) C-897-1, C-898-1, N-724-1, N-725-1, <u>S-2988-1 (reissued from S-2812-1)</u>, <u>S-2951-1 (reissued from S-2813-1)</u>, S-2817-1, C-899-2, C-902-2, N-720-2, N-722-2, N-726-2, N-728-2, S-2814-2, S-2321-2, C-896-4, N-721-4, N-723-4, S-2791-5, S-2790-5, S-2789-5, S-2788-5, or N-762-5 shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this determination of compliance (DOC) shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of the DOC. [District Rule 2201]

Verification: The project owner shall submit to both the District and CPM records showing that the project's offset requirements have been met prior to initiating operation.

AQ-71 ERC certificate numbers (or any splits from these certificates) C-897-1, C-898-1, N-724-1, N-725-1, <u>S-2988-1 (reissued from S-2812-1)</u>, <u>S-2951-1 (reissued from S-2813-1)</u>, S-2817-1, C-899-2, C-902-2, N-720-2, N-722-2, N-726-2, N-728-2, S-2814-2, S-2321-2, C-896-4, N-721-4, N-723-4, S-2791-5, S-2790-5, S-2789-5, S-2788-5, or N-762-5 shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this determination of compliance (DOC) shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of the DOC. [District Rule 2201]

Verification: The project owner shall submit to both the District and CPM records showing that the project's offset requirements have been met prior to initiating operation.

AQ-110 Emissions from this IC engine shall not exceed any of the following limits: 3.42.2 g-NOX/bhp-hr, 0.4471.417 g-CO/bhp-hr, or 0.380.123 g-VOC/bhp-hr. [District Rule 2201 and 13 CCR 2423 and 17 CCR 93115]

Verification: A summary of significant operation and maintenance events and monitoring records required shall be included in the quarterly operation report (**AQ-SC8**).

AQ-111 Emissions from this IC engine shall not exceed 0.0590.118 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115]

Verification: A summary of significant operation and maintenance events and monitoring records required shall be included in the quarterly operation report (**AQSC8**).

AQ-122 This IC engine shall be equipped with a three-way catalyst, **combined SCR/oxidation catalyst**, **or equivalent control system**. [District Rule 2201]

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

Avenal Power requests administrative changes to the following equipment description:

EQUIPMENT DESCRIPTION, UNIT C-3953-13-0:

288 Bhp Clarke Cummins Model Jw6h-Uf40 CFP83-F40 or equivalent Diesel-Fired Emergency IC Engine Powering A Fire Pump

EQUIPMENT DESCRIPTION, UNIT C-3953-14-0

860 Bhp Caterpillar Model 3456 <u>G3512LE or equivalent</u> Natural Gas-Fired Emergency IC Engine Powering With Non-Selective Catalytic Reduction (Nscr) Powering A 500 <u>550</u> Kw Electrical Generator

IT IS SO ORDERED.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of an Order duly and regularly adopted at a meeting of the Energy Commission held on January 9, 2013.

AYE:

Weisenmiller, Douglas, Peterman, McAllister

NAY:

None

ABSENT:

None

ABSTAIN:

None

Harriet Kallemeyn,

Secretariat