

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512



October 24, 2001

Mr. Raymond Kelly
Compliance Manager
ELK HILLS POWER, LLC
P.O. Box 460
Tupman, CA 93276

SUBJECT: Elk Hills Power Project (99-AFC-1C)
Approval of Modifications to Condition of Certification AQ-C2

Dear Mr. Kelly:

California Energy Commission (Energy Commission) staff reviewed your petition dated October 12, 2001, requesting a modification of air quality Condition of Certification AQ-C2 for the Elk Hills Power Project. The proposed modification clarifies the requirements of the oxidizing soot filter suitability reports for diesel-fired construction equipment, and also proposes to revise the timing of the submittal of the suitability reports to the Compliance Project Manager.

As directed by Governor's Executive Order D-25-01, concerning post-certification amendments, we expedited review of the petition. Energy Commission staff concluded that the proposed project changes have no potential for adverse environmental or public health and safety impacts. Therefore, the requested changes to AQ-C2 (enclosed) are approved. A copy of this letter will be posted on the Energy's Commission website at www.energy.ca.gov, and we will file a California Environmental Quality Act Notice of Exemption with the State Clearinghouse. If you have any questions, please contact Nancy Tronaas, Compliance Project Manager, at (916) 654-3864, or by e-mail at ntronaas@energy.state.ca.us.

Sincerely,

ROBERT L. THERKELSEN, Deputy Director
Systems Assessment & Facilities Siting

Enclosure

cc: Joe Risse, Elk Hills Power
Taylor Miller, ERM West
Joe Loyer, Energy Commission
Nancy Tronaas, Energy Commission

Elk Hills Power Project (99-AFC-1C)
Approved Modifications to AQ-C2

Deleted text is shown in ~~strikeout~~, new text is shown in underline.

AQ-C2 The project owner shall do all of the following:

1. Ensure that all ~~heavy earthmoving~~ diesel-fired off-road construction-related equipment has been properly maintained, including, but not limited to:
 - bulldozers,
 - backhoes,
 - compactors,
 - cranes
 - dump trucks
 - loaders,
 - motor graders
 - trenchers, and
 - other heavy duty construction related trucks.

2. Diesel-fired off-road construction-related equipment ~~Engines~~ shall be:
 - (a) tuned to the engine manufacturer's specifications;

 - (b) provided with ignition retard equipment where feasible, to provide additional NOx emission reductions during construction. Feasibility shall be determined by an independent California Licensed ~~Mechanical~~ Engineer under the identical circumstances presented below.

3. Install oxidizing soot filters on all suitable diesel-fired off-road construction-related ~~construction~~ equipment used either on the power plant construction site or on associated linear construction sites. Suitability is to be determined by an independent California Licensed ~~Mechanical~~ Engineer. The California Licensed Engineer shall be approved by the CPM prior to the submission of any reports. The California Licensed Engineer who will stamp and provide the reports to the project owner for submittal to the CPM. The project owner will submit for approval an initial and all subsequent Suitability Reports as necessary, containing at a minimum the following:

4. File an Initial Suitability Report. The initial suitability report shall be submitted to the CPM for approval ~~sixty (60)~~ thirty (30) days prior to ~~breaking ground on the project site-~~ the operation of that class of equipment at the power plant construction site or at associated linear facility construction sites. It shall contain:

- A list of all the classes (by vehicle make and model number) of fuel burning, construction related equipment to be used;
- a determination of the suitability of each ~~piece~~ class of equipment to work appropriately with an oxidizing soot filter and/or ignition retard equipment;
- if a ~~piece~~ class of equipment is determined to be suitable, a statement by the independent California Licensed ~~Mechanical~~ Engineer that the oxidizing soot filter ~~has been installed and is functioning properly;~~ and and/or ignition retard equipment are suitable for installation on that class of equipment;
- following the installation of the soot filter and prior to each individual piece of equipment's use, the project owner will verify that the soot filter is installed and functioning properly; and
- if a ~~piece~~ class of equipment is determined to be unsuitable, an explanation by the independent California Licensed ~~Mechanical~~ Engineer as to the cause of this determination.

5. File a Subsequent Suitability Reports as follows:

- If an individual piece or class of construction related equipment is subsequently determined to be unsuitable for an oxidizing soot filter after such installation has occurred, the filter may be removed immediately.
- In that event, notification must be sent to the CPM for approval containing an explanation for the change in suitability within ten (10) days.
- Changes in suitability are restricted to three explanations, which must be identified in any subsequent suitability report, as shown below:
- The oxidizing soot filter is reducing normal availability of the construction equipment due to increased downtime, and/or power output due to increased backpressure by 20% or more.
- The oxidizing soot filter is causing or reasonably expected to cause significant damage to the construction equipment engine.
- The oxidizing soot filter is causing or reasonably expected to cause a significant risk to nearby workers or the public.

Verification: The project owner shall submit to the CPM, via the Monthly Compliance Report, documentation, which demonstrates that the contractor's ~~heavy earthmoving diesel-fired off-road construction-related~~ equipment is properly maintained; and the engines are tuned to the manufacturer's specifications; and oxidizing soot filters and/or

ignition retard equipment have been installed and are properly functioning on each piece of equipment determined suitable. The project owner shall maintain all records on the site for six months following the start of commercial operation. The project owner will submit to the CPM for approval, the initial suitability report stamped by an independent California Licensed ~~Mechanical~~ Engineer, ~~sixty (60)~~ thirty (30) days prior to ~~breaking ground on the project site~~ the operation of that class of equipment at the power plant construction site or at associated linear facility construction sites. The project owner will submit to the CPM for approval, subsequent suitability reports as required, stamped by an independent California Licensed ~~Mechanical~~ Engineer no later than ten (10) working day following a change in the suitability status of any construction equipment.