

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512STATE OF CALIFORNIA
State Energy Resources
Conservation and Development Commission

In the Matter of:)	Docket No. 01-AFC-16C
)	Order No. 03-0723-07
Tracy Peaker Project)	
GWF Energy LLC)	ORDER APPROVING a Petition
)	to Amend Air Quality Conditions
)	of Certification

GWF Energy LLC, the owner/operators of the Tracy Peaker Project, has requested to modify various Air Quality Conditions of Certification for the Tracy Peaker Project. The modifications will allow GWF to reduce PM10 emission limits by 68 percent and will subsequently lower the amount of PM10 emission reduction credits that GWF is required to surrender to the District to mitigate the project's PM10 emission impacts. The modifications will also clarify and simplify the methodology for tracking and reporting emissions during startups and shutdowns and eliminate the restriction on the number of startups and shutdowns. This will allow the project owner the operating flexibility necessary for a peaking power plant.

The modifications were approved by the San Joaquin Valley Air Pollution Control District and a revised Authority to Construct was issued on June 9, 2003.

The Commission approves GWF Energy's proposed amendment and the proposed modified conditions in accordance with Title 20, Section 1769 (a) (3) of the California Code of Regulations.

COMMISSION FINDINGS

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

- There will be no new or additional significant environmental impacts associated with the proposed changes.
- The project will remain in compliance with all applicable laws, ordinances, regulations and standards, subject to the provisions of the Public Resources Code section 25525.
- This amendment will be beneficial to the project owner by allowing for conservation of PM10 emission reduction credits.

- There has been a substantial change since the Energy Commission certification based on the project owner's re-evaluation of operational information that was not available during the siting process.

CONCLUSION AND ORDER

The California Energy Commission hereby adopts the following changes to the Tracy Peaker Project Decision. New language is shown as **bold** and underlined. Deleted language is shown in strikeout.

AQ-17 During ~~a startup and a shutdown of a gas turbine engine, the~~ emissions from the gas turbine engine shall not exceed the following: ~~NO_x (as NO₂): 26 pounds in any one hour, and CO: 42 pounds, in any one hour.~~ [California Environmental Quality Act]

Verification: The project owner/operator shall provide records of compliance as part of the quarterly reports of Condition **AQ-40**.

AQ-18 ~~A startup event~~ is defined as the period beginning with turbine initial firing until the unit meets the lb/hr and ppmvd emission limits in AQ-20. ~~A shutdown event~~ is defined as the period beginning with initiation of turbine shutdown sequence and ending with cessation of firing of the gas turbine engine. [District Rule 2201]

Verification: The project owner/operator shall provide records of compliance as part of the quarterly reports of Condition **AQ-40**.

AQ-20 Emissions from this unit, except during startup and shutdown events, shall not exceed any of the following: NO_x (as NO₂) – 26.45 lb/hr and 5.0 ppmvd @ 15% O₂; VOC (as methane) – 2.42 lb/hr and 2.0 ppmvd @ 15% O₂; CO – 26.57 lb/hr and 6.0 ppmvd @ 15% O₂; PM₁₀ – 3.3 lb/hr; and SO_x (as SO₂) - 0.78 lb/hr. All emission concentration limits are three-hour rolling averages. [District Rules 2201, 4001, and 4703]

Verification: The project owner/operator shall provide records of compliance as part of the quarterly reports of Condition **AQ-40**.

AQ-21 Emissions from this unit, including emissions from startup events and shutdown events, shall not exceed any of the following: NO_x (as NO₂) –493.3 lb/day; VOC – 42.4 lb/day; CO – 235.7 lb/day; PM₁₀ – 80 lb/day; and SO_x (as SO₂) – 18.7 lb/day. [District Rule 2201]

Verification: The project owner/operator shall provide records of compliance as part of the quarterly reports of Condition **AQ-40**.

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- Deleted: Startup of the CTG shall not exceed a time period of 20 minutes each per occurrence. Shutdown of the CTG shall not exceed a time period of 30 minutes each per occurrence. Startup and shutdown events shall not exceed 250 occurrences per calendar year.

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AQ-22 Combined quarterly emissions from N-4597-1 and N4597-2, including emissions from startup events and shutdown events, shall be calculated for each calendar quarter and shall not exceed any of the following: NO_x (as NO₂) – Q1: 76,704 lb, Q2: 76,704 lb, Q3: 76,756 lb, Q4: 76,756 lb; VOC – Q1: 6,676 lb, Q2: 6,676 lb, Q3: 6,680 lb, Q4: 6,680 lb; and PM₁₀ – Q1: 13,333 lb, Q2: 13,333 lb, Q3: 13,333 lb, Q4: 13,333 lb. [District Rule 2201]

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Verification: The project owner/operator shall provide records of compliance as part of the quarterly reports of Condition **AQ-40**.

AQ-23 Combined annual emissions from N-4597-1 and N-4597-2, including emissions from startup events and shutdown events, calculated on a twelve consecutive month rolling basis shall not exceed any of the following: NO_x (as NO₂) – 306,920 lb/year; VOC – 26,712 lb/year; and PM₁₀ – 53,334 lb/year. [District Rule 2201]

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Verification: The project owner/operator shall provide records of compliance as part of the quarterly reports of Condition **AQ-40**.

AQ-30 Source testing of startup NO_x, CO, and VOC mass emission rates shall be conducted for one of the gas turbine engines (N-4597-1 or N-4597-2) upon initial operation and at least once every seven years thereafter by District witnessed in-situ sampling of exhaust gases by a qualified independent source test firm. CEM relative accuracy shall be determined during startup source testing in accordance with District approved protocol. [District Rule 1081]

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Verification: The results and field data collected during source tests shall be submitted to the CPM and the District within 60 days of testing. Testing shall be conducted within 60 days of initial operation of one CTG and at least once every seven years.

AQ-58 The owner shall submit an application for a Permit to Operate to comply with Rule 2520 - Federally Mandated Operating Permits prior to the implementation of the Authority to Construct to a Permit to Operate. [District Rule 2520]

Verification: The project owner/operator shall file their application with the District prior to implementing this Authority to Construct.

AQ-62 Offsets shall be provided in the amount that will mitigate the increase in NO_x emissions of 71,730 pounds per calendar quarter, the increase in VOC emissions of 1,678 pounds per calendar quarter, and the increase in PM₁₀ emissions of 6,034 pounds per calendar quarter. [District Rule 2201]

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Verification: The project owner/operator shall submit to the District written documentation that all necessary offsets have been acquired, or that binding contracts to secure such offsets have been entered into, at least 30 days prior to commencement of construction.

IT IS SO ORDERED.

STATE OF CALIFORNIA
ENERGY RESOURCES
CONSERVATION AND
DEVELOPMENT COMMISSION

July 23, 2003

DATE

WILLIAM J. KEESE, Chairman