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Walnut Creek Energy Park

June 20, 2012

Ms. Joan Walter, Compliance Project Manager
California Energy Commission
Systems Assessment and Facilities Siting Division
1516 Ninth Street MS 15
Sacramento, CA 95814-5504

Subject: **Walnut Creek Energy Park - Docket No. 05-AFC-2C**
Petition for Minor Modification #8 – Air Quality Conditions of Certification

Dear Ms. Walter:

Walnut Creek Energy, LLC (WCE) (a wholly owned subsidiary of Edison Mission Energy) petitions the California Energy Commission to modify the certification for Walnut Creek Energy Park (WCEP) (05-AFC-02C). WCE has prepared this Petition to Modify (Petition) in order to obtain the CEC's authorization for minor revisions to several air quality Conditions of Certification (COC), set forth in the May 2011 CEC Order Approving a Petition to Amend Air Quality Conditions, filed as an amendment to the February 2008 CEC AFC certification for WCEP. This Request for Approval of Minor Project Modifications proposes to make minor changes to the existing language in the CEC's revised Conditions of Certification (COCs) for Air Quality in order to ensure consistency with the revised May 4, 2012 South Coast Air Quality Management District's (SCAQMD) Permit to Construct and Operate (PTC/PTO) and an application recently submitted to the SCAQMD requesting administrative changes to the PTC/PTO. This Petition has been prepared in accordance with California Code of Regulations, Title 20, Public Utilities and Energy, Section 1769.

With adherence to the Conditions of Certification, the WCEP, as modified, will not cause significant adverse impacts to the environment and will not cause environmental impacts substantially different than those addressed in the Commission Decision.

Should you have any questions or require additional information related to this submittal, please contact me at (714) 513-8091.

Sincerely,

Heather MacLeod

Heather MacLeod

cc: Jenifer Lee, Walnut Creek Energy, LLC
Alexis Utvich, AECOM
Andrea Grenier, Grenier and Associates
Doug Hahn, CH2M Hill

Enclosure

WCEP File: 14.05.08

Request for Approval of Minor Project Modification #8

Air Quality Conditions of Certification

for the

Walnut Creek Energy Park

City of Industry, California

(05-AFC-02C)

Submitted to the:

California Energy Commission

Submitted by:

Walnut Creek Energy, LLC

With Technical Assistance by:

CH2MHILL

Denver, Colorado

June 2012

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Acronyms and Abbreviations

AFC	Application for Certification
AQMD	Air Quality Management District
CCR	California Code of Regulations
CEC	California Energy Commission
CEMS	continuous emission monitoring system
CO	carbon monoxide
COC	Conditions of Certification
CPM	(CEC) Compliance Project Manager
EME	Edison Mission Energy
EPA	U.S. Environmental Protection Agency
FDOC	Final Determination of Compliance
GE LMS100	General Electric 100 MW gas turbine
HRSG	Heat Recovery Steam Generator
ISO	International Organization for Standardization
lb/mmscf	pounds per million standard cubic feet
lbmol	pound-mole
lb/MW-hr	pounds per megawatt hour
LORS	laws, ordinances, regulations, and standards
MW	megawatt(s)
NH3	ammonia
NOx	oxides of nitrogen
PM	particulate matter
PM10	particulate matter less than 10 microns in equivalent diameter
PM2.5	particulate matter less than 2.5 microns in equivalent diameter
ppm	Parts Per Million
ppmv	Parts Per Million by Volume
PTC	Permit to Construct

PTO	Permit to Operate
RTC	RECLAIM Trading Credit
SCAQMD	South Coast Air Quality Management District
SCR	Selective Catalytic Reduction
SO2	sulfur dioxide
SOx	oxides of sulfur
WCE	Walnut Creek Energy, LLC
WCEP	Walnut Creek Energy Park
VOC	Volatile Organic Compounds

Executive Summary

Walnut Creek Energy, LLC (WCE) (a wholly owned subsidiary of Edison Mission Energy) petitions the California Energy Commission (CEC) to modify the certification for Walnut Creek Energy Park (WCEP) (05-AFC-02C). WCE requests minor revisions to several air quality Conditions of Certification (COC), set forth in the May 2011 CEC Order Approving a Petition to Amend Air Quality Conditions, filed as an amendment to the February 2008 CEC AFC certification for WCEP. This Request for Approval of Minor Project Modifications proposes to make minor changes to the existing language in the CEC's revised Conditions of Certification (COCs) for Air Quality in order to ensure consistency with the revised May 4, 2012 South Coast Air Quality Management District's (SCAQMD) Permit to Construct and Operate (PTC/PTO) and an application recently submitted to the SCAQMD requesting administrative changes to the PTC/PTO.

Specifically, WCE requests the following changes to the referenced COCs. This petition does not involve modifications to the power plant equipment or the facility design.

- AQ-SC7 – clarification regarding operation relative to RTCs
- AQ-1 - the inclusion of PM2.5 and CO emission limits and factors;
- AQ-3 - changes to the NOx emission factors;
- AQ-11 - the removal of the CEC ammonia slip calculation method;
- AQ-13 - revision of the SCR catalyst temperature range limit;
- AQ-14 - revision of the SCR maximum pressure drop limit;
- AQ-16 - removal of the NOx RTCs associated with the fire pump engine from the gas turbine NOx RTC yearly amount;
- AQ-17 – deletion of this outdated condition, and:
- AQ-19 – clarification regarding the start of operation.

The proposed modifications are outlined in more detail in Section 3.1. With adherence to the revised COCs, the WCEP, as modified, will not cause significant adverse impacts to the environment and will not cause environmental impacts substantially different than those addressed in the Final Decision, as modified. The proposed project modifications are consistent with all applicable LORS. This Request for Minor Project Modifications is based on a review of consistency with the revised May 2012 SCAQMD PTC/PTO, and is not based on new information that changes or undermines any other basis for the February 2008 Commission Decision, or the May 2011 Petition to Amend Air Quality Conditions of Certification.

SECTION 1.0

Introduction

1.1 Overview of Modifications

Walnut Creek Energy, LLC (WCE) petitions the California Energy Commission (CEC) to modify the certification for Walnut Creek Energy Park (WCEP) (05-AFC-02C). This request includes minor modifications to several Air Quality Conditions of Certification (COC), as provided in the May 2011 Petition to Amend Air Quality Conditions of Certification. For reference, COCs with the prefix ***AQSC*** are conditions generated by the CEC, and COCs with the prefix ***AQ*** are conditions generated by the SCAQMD. The proposed revisions in this Request for Minor Project Modifications address conditions of the SCAQMD (AQ) in order to ensure consistency with the revised May 2012 SCAQMD PTC/PTO and an application recently submitted to the SCAQMD requesting administrative changes to the PTC/PTO. This request is not based on new information that changes or undermines any other basis for the Final Decision, as amended. The proposed modifications are consistent with all applicable LORS.

Specifically, WCE requests the following changes to the referenced COCs. This request does not involve modifications to the power plant equipment or the facility design.

- AQ-SC7 – clarification regarding operation relative to RTCs
- AQ-1 - the inclusion of PM2.5 and CO emission limits and factors;
- AQ-3 - changes to the NOx emission factors;
- AQ-11 - the removal of the CEC ammonia slip calculation method;
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- AQ-14 - revision of the SCR maximum pressure drop limit;
- AQ-16 - removal of the NOx RTCs associated with the fire pump engine from the gas turbine NOx RTC yearly amount;
- AQ-17 – deletion of this outdated condition, and:
- AQ-19 – clarification regarding the start of operation.

1.2 Administrative History

WCE filed the WCEP Application for Certification (AFC) under CEC Docket No. 05-AFC-2 in 2005 (WCE, 2005) and a Permit to Construct (PTC) application with SCAQMD was filed at the same time under Facility ID #146546. Because the CEC has exclusive jurisdiction over permitting thermal power plants greater than 50 megawatts (MW) in California, the CEC requested a Determination of Compliance (DOC) from SCAQMD per SCAQMD's Rule 1301(b)(2)). The SCAQMD issued the FDOC on February 14, 2007, and amended the FDOC on February 26, 2008 (SCAQMD, 2008). The SCAQMD's proposed conditions were incorporated into the CEC's Commission Decision, which certified the WCEP on February 27, 2008 (CEC, 2008).

A Revised DOC was issued by the SCAQMD on March 11, 2011. In response, WCE generated a Petition to Amend on March 8, 2011 that was later revised and submitted to the CEC on April 1, 2011 (WCE, 2011) requesting that the CEC modify the WCEP Air Quality COCs for particulate matter (PM) 10, volatile organic compound (VOC), and sulfur oxide (SOx), in order to provide consistency with the SCAQMD's revised DOC, issued on March 11, 2011 (SCAQMD, 2011). The Petition to Amend Air Quality Conditions of Certification was approved on May 4, 2011 (CEC, 2011). On May 5, 2011 the SCAQMD issued a Permit to Construct and Operate (PTC/PTO). As part of granting an extension to the PTC expiration date, on May 4, 2012 the SCAQMD issued a revised PTC/PTO. The revised PTC/PTO includes additional notification/reporting requirements associated with the retirement of Huntington Beach Units 3 and 4.

1.3 Siting Regulations

This Request for Minor Project Modifications contains all of the information that is required pursuant to the CEC's Siting Regulations (California Code of Regulations [CCR] Title 20, Section 1769, Post Certification Amendments and Changes). The information necessary to fulfill the requirements of Section 1769 is contained in Sections 1.0 through 6.0, as summarized in Table 1.1.

TABLE 1.1
Informational Requirements for Post-Certification Modifications

Section 1769 Requirement	Section of Petition Fulfilling Requirement
(A) A complete description of the proposed modifications, including new language for any conditions that will be affected	Section 2.0 - Proposed modifications Sections 3.1 to 3.15 - Proposed changes to Conditions of Certification, if necessary, are located at the end of the technical section
(B) A discussion of the necessity for the proposed modifications	Section 1.3
(C) If the modification is based on information that was known by the petitioner during the certification proceeding, an explanation why the issue was not raised at that time	Section 1.3
(D) If the modification is based on new information that changes or undermines the assumptions, rationale, findings, or other bases of the final decision, an explanation of why the change should be permitted	Sections 1.4, 3.1
(E) An analysis of the impacts the modification may have on the environment and proposed measures to mitigate any significant adverse impacts	Section 3.1
(F) A discussion of the impact of the modification on the facility's ability to comply with applicable laws, ordinances, regulations, and standards;	Section 3.1
(G) A discussion of how the modification affects the public	Section 4.0
(H) A list of property owners potentially affected by the modification	Section 5.0
(I) A discussion of the potential effect on nearby property	Section 6.0

TABLE 1.1
Informational Requirements for Post-Certification Modifications

Section 1769 Requirement	Section of Petition Fulfilling Requirement
owners, the public and the parties in the application proceedings.	

1.4 Ownership of the Facility Property

WCE will own the WCEP, and is a wholly-owned subsidiary of Edison Mission Energy (EME). EME is an independent power developer, owner, and operator engaged in the business of owning or leasing, operating, and selling energy and capacity from electric power generation facilities.

1.5 Necessity of Proposed Changes

The Siting Regulations require a discussion of the necessity for the proposed revision to WCEP certification and whether the modification is based on information known by the petitioner during the certification proceeding (Title 20, CCR, Sections 1769 [a][1][B] and [C]). This Petition for Minor Modifications requests approval to change COCs AQ-1, AQ-3, AQ-7, AQ-8, AQ-11, AQ-13, AQ-14, AQ-15, AQ-16, and remove AQ-17 in order to ensure consistency with the revised May 2012 SCAQMD PTC/PTO and an application recently submitted to the SCAQMD requesting administrative changes to the PTC/PTO. These changes are needed to support final construction of the WCEP.

1.6 Consistency of Changes with Certification

The Siting Regulations also require a discussion of the consistency of the proposed project revision with the applicable laws, ordinances, regulations, and standards (LORS) and whether the changes are based on new information that changes or undermines the assumptions, rationale, findings, or other basis of the final decision (Title 20, CCR Section 1769 [a][1][D]). If the project is no longer consistent with the certification, the request for modifications must provide an explanation why the changes should be permitted.

The proposed project modifications are consistent with all applicable LORS. This Request for Minor Project Modifications is based on a review of consistency with the revised May 2012 SCAQMD PTC/PTO and an application recently submitted to the SCAQMD requesting administrative changes to the PTC/PTO and is not based on new information that changes or undermines any basis for the Final Decision, as amended. The findings and conclusions contained in the Commission Decision for WCEP (CEC, 2008) are still applicable to the WCEP, as amended.

1.7 Summary of Environmental Impacts

The CEC Siting Regulations require that an analysis be conducted to address the potential impacts the proposed modifications may have on the environment, and proposed measures to mitigate any potentially significant adverse impacts (Title 20, CCR, Section 1769 [a][1][E]).

The regulations also require a discussion of the impact of the modifications on the facility's ability to comply with applicable LORS (Section 1769 [1][a][F]). Section 3.0 of this Request for Minor Project Modifications includes a discussion of the potential environmental impacts associated with the changes, as well as a discussion of the consistency of the modifications with LORS. Because the changes to COCs requested are changes to the mitigation measures for Air Quality only, this request does not include a discussion of other environmental disciplines. Section 3.0 concludes that there will be no significant environmental impacts associated with implementing the actions specified in the Request for Minor Project Modifications and that the project as modified will comply with all applicable LORS.

1.8 Conditions of Certification

The modifications identified in this request would only involve changes to some of the Air Quality COCs. Specifically, it seeks to modify COCs AQ-1, AQ-3, AQ-7, AQ-8, AQ-11, AQ-13, AQ-14, AQ-15, AQ-16, and removed AQ-17 in order to ensure consistency with the revised May 2012 SCAQMD PTC/PTO and an application recently submitted to the SCAQMD requesting administrative changes to the PTC/PTO. These changes are needed to support final construction of the WCEP. The modifications do not involve changes to the WCEP equipment or project design.

1.9 References

California Energy Commission (CEC). 2011. Order Approving A Petition to Amend Air Quality Conditions of Certification for Walnut Creek Energy Park. California Energy Commission, Sacramento, California. May.

CEC. 2008. Final Commission Decision on Walnut Creek Energy Park. California Energy Commission, Sacramento, California. February.

South Coast Air Quality Management District (SCAQMD). 2011. Final Determination of Compliance for Walnut Creek Energy Park, Sacramento, California. May.

SCAQMD. 2008. Final Determination of Compliance for Walnut Creek Energy Park, Sacramento, California. February.

Walnut Creek Energy, LLC (WCE). 2011. Petition for Amendment, Air Quality Conditions of Certification for the Walnut Creek Energy Park. Submitted to the California Energy Commission. Submitted by Walnut Creek Energy, LLC, a wholly owned subsidiary of Edison Mission Energy.

WCE. 2005. Application for Certification for the Walnut Creek Energy Park. Submitted to the California Energy Commission. Submitted by Walnut Creek Energy, LLC.

SECTION 2.0

Description of Project Modifications

This section includes a description of the proposed project modifications, consistent with CEC Siting Regulations (Title 20, CCR, Section 1769 [a][1][A]). In order to ensure consistency with the revised SCAQMD rules, WCE proposes to change COCs related to Air Quality mitigation measures in the following ways:

- AQ-SC7: Changes to make this COC consistent with AQ-16 and the SCAQMD's PTC.
- AQ-1: Include the annual PM2.5 and CO emission limits and the associated CO and PM2.5 emission factors.
- AQ-3: Change the NOx emission factor.
- AQ-11: Remove the CEC ammonia slip calculation method and only refer to the SCAQMD ammonia slip calculation method.
- AQ-13: Revise the SCR catalyst temperature limit range.
- AQ-14: Revise the SCR maximum pressure drop limit.
- AQ-16: Correct the gas turbine NOx RTC amounts for the commissioning year and normal operating years to remove the NOx RTC amount associated with the fire pump engine.
- AQ-17: Remove this COC, as it is an outdated COC based on an earlier version of the SCAQMD PTC for the project regarding the requirements of SCAQMD Rule 1309.1 for power plants obtaining ERCs from the Priority Reserve.
- AQ-19: Clarification regarding the operation of the gas turbines relative to the shutdown and surrender of the permits for Huntington Beach Units 3 & 4 .

The proposed modifications are further detailed in Section 3.1. With adherence to the COCs, the WCEP, as modified, will not cause significant adverse impacts to the environment and will not cause environmental impacts substantially different than those addressed in the Commission Decision, as amended.

SECTION 3.0

Environmental Analysis of Project Modifications

The proposed modifications to WCEP's certification, as requested, would be limited to proposed changes to the COCs for Air Quality. There are no proposed changes to the project design or to project equipment. The discussion that follows is, therefore, restricted to the discipline of Air Quality. There would be no changes to the environmental baseline or to the environmental effects of the WCEP as it pertains to the other disciplines.

As a result, the environmental analysis for all of the environmental disciplines does not differ significantly from that described in the AFC, and the impacts associated with this Request for Minor Project Modifications would be less than significant. The environmental analysis for the following environmental disciplines would not differ significantly from the AFC:

- Biological Resources
- Cultural Resources
- Geology and Paleontology
- Hazardous Materials Management
- Land Use
- Noise
- Public Health
- Socioeconomics
- Soil and Water Resources
- Traffic and Transportation
- Visual Resources
- Waste Management
- Worker Safety and Fire Protection

3.1 Air Quality

The Commission Decision determined that the WCEP would not have significant impacts on Air Quality. These changes are being proposed in order to ensure consistency with the revised SCAQMD rules. Pursuant to this proposed Request for Minor Project Modifications, the proposed changes to the Air Quality COCs are not expected to have a significant impact on Air Quality.

3.1.1 Environmental Baseline Information

This Request for Minor Project Modifications does not require changes to the Environmental Baseline Information as described in the AFC. The changes requested are only related to Air Quality mitigation measures. There have been no significant changes that would alter the analysis or conclusions for Air Quality.

3.1.2 Conditions of Certification

The proposed revised language to the COCs is not expected to cause any significant change to Air Quality, as discussed in the AFC. In preparation of the WCEP AFC, no issues or significant impacts were identified for Air Quality.

WCE requests the following changes to the COCs (as amended May 4, 2011). In the following, suggested deletions are indicated in strikethrough text and suggested insertions are indicted in bold face and underlined type. The proposed revisions to the CEC COCs are as follows:

AQ-SC7 To comply with offset requirements an affiliate of WCE, under common ownership of Edison Mission Energy (EME), has been created to purchase two electric utility steam boilers from AES Huntington Beach, LLC, and will permanently retire these units to qualify for a partial offset exemption on a net megawatt to net megawatt basis (450 MWs). The project owner shall also provide emission reduction credits (ERCs) to offset turbine exhaust and emergency equipment for VOC, PM10 and PM2.5 emissions associated with the increased generating capacity of 50.5 MWs in the form and amount required by the District. RECLAIM Trading Credits (RTCs) shall be provided for NOx and SOx as is necessary to demonstrate compliance with Condition of Certification AQ-16.

The project shall be exempt under District Rule 1304(a)(2) from providing ERCs for VOC and PM10/PM2.5 for 89.91 percent of the full amount required by the District for these pollutants, and shall provide ERCs at an offset ratio of 1.2:1.0 for the remaining 10.09 percent in accordance with the following:

Pollutant (lb/day)	**VOC**	**PM10/PM2.5**
1. Total emissions to be offset	173.82	432.00
2. Emissions not exempt from offsetting under Rule 1304(a)(2) (10.09%)	17.54	43.59
3. ERCs required to offset non-exempt emissions at a ratio of 1.2 lb/day offsets to 1 lb/day non-exempt emissions	21	52

The project owner shall surrender the ERCs for VOC and PM10/PM2.5 from among those that are listed in the table below or a modified list, as allowed by this condition. If additional ERCs are submitted, the project owner shall submit an updated table including the additional ERCs to the CPM. The project owner shall request CPM approval for any substitutions, modifications, or additions of credits listed.

The CPM, in consultation with the District, may approve any such change to the ERC list provided that the project remains in compliance with all applicable laws, ordinances, regulations, and standards, the requested change(s) will not cause the project to result in a significant environmental impact, and the District confirms that each requested change is consistent with applicable federal and state laws and regulations.

The project owner shall request from the District the verification to identify the ERCs used to offset the project emissions after the District has issued the Permit to Construct.

Certificate Number	Amount (lb/day)	Pollutant
AQ003679	8	VOC
AQ002683	1	VOC
Former AQ004209	117	VOC
Former AQ006303	100	VOC

Verification: At least 10 days prior to commencement of construction, the project owner shall provide CPM by email and post to the U.S. mail a copy of the SCAQMD approved Permit to Construct to show that the project's offset requirements have been met, by actual offset or exemption under Rule 1304(a)(2). ~~Prior to commencement of construction,~~ **The equipment shall not be operated unless** the project owner obtains sufficient RTCs to satisfy the District's requirements for the first year of operation as prescribed in Condition of Certification **AQ-16**. If the CPM approves a substitution or modification to the list of ERCs, the CPM shall file a statement of the approval with the project owner and commission docket. The CPM shall maintain an updated list of approved ERCs for the project.

AQ-1 The project owner shall limit the emissions from each gas fired combustion turbine train exhaust stacks as follows:

Contaminant	Emissions Limit
PM10	2,592 lbs in any one month
VOC	1,106 lbs in any one month

For the purpose of this condition, the limit(s) shall be based on the emissions from a single exhaust stack. During commissioning, the VOC emissions shall not exceed 1,043 lbs in any one month.

The project owner shall calculate the emission limit(s) by using the monthly fuel use data and the following emission factors: PM10: 7.04 lb/mmscf, VOC: 2.73 lb/mmscf.

The project owner shall limit emissions from the facility as follows:

Contaminant	Emissions Limit
PM2.5	60.89 tons/year
CO	112.96 tons/normal operating year
CO	134.6 tons/commissioning year

The project owner shall calculate the monthly emissions for PM2.5 and CO using monthly fuel use data and the following emission factors: PM2.5: 7.04 lbs/mmscf or a District approved factor based on compliance test data, CO: 125.87 lbs/mmscf (during commissioning period prior to catalyst installation), CO: 13.76 lbs/mmscf (after catalyst installation but prior to SCAQMD approval of CO CEMs certification test results), CO: CO CEMs data (following SCAQMD approval of CO CEMs certification test results)

For the purpose of this condition, the yearly emission limit shall be defined as a period of 12 consecutive months determined on a rolling basis with a new 12 month period beginning on the first day of each calendar month.

Verification: The project owner shall submit all emission calculations, fuel use, CEM records and a summary demonstrating compliance with all emission limits stated in this Condition for approval to the CPM on a quarterly basis in the quarterly emissions report (**AQ-SC10).**

AQ-3 The 2.5 ppm NOx emission limit, 2.0 ppm VOC emission limit and the 4.0 ppm CO emission limit shall not apply during turbine commissioning, start-up and shutdown. The commissioning period shall not exceed 134 operating hours per turbine from the initial start-up. Following commissioning, start-ups shall not exceed 60 minutes for each startup and the number of start-ups shall not exceed 480 per year. Following commissioning, shutdowns shall not exceed 10 minutes for each shutdown. **Following commissioning, t**~~T~~he number of startups shall not exceed two per day per turbine. Written records of commissioning, start-ups and shutdowns shall be kept and made available to District and submitted to the CPM for approval. The 123.46 lb/mmscf NOx emission limit(s) shall only apply during interim reporting period during initial turbine commissioning and the 10.**73**~~29~~ lbs/mmscf shall apply only during the interim reporting period after the initial turbine commissioning period, to report RECLAIM emissions. The interim period shall not exceed 12 months from the initial start-up date.

Verification: The project owner shall provide the District and the CPM with the written notification of the initial start-up date no later than 60 days prior to the startup date. The project owner shall submit, commencing one month from the time of gas turbine first fire, a monthly commissioning status report throughout the duration of the commissioning phase that demonstrates compliance with this condition and the emission limits of Condition **AQ-**

13. The monthly commissioning status report shall include criteria pollutant emission estimates for each commissioning activity and total commissioning emission estimates. The monthly commissioning status report shall be submitted to the CPM until the report includes the completion of the initial commissioning activities. The project owner shall provide start-up and shutdown occurrence and duration data as part as part of the Quarterly Operation Report (**AQ-SC10**). The project owner shall make the site available for inspection of the commissioning and startup/shutdown records by representatives of the District, CARB and the Commission.

AQ-11 The owner/operator shall determine the hourly ammonia slip emissions from each exhaust stack for each gas turbine train individually via ~~both~~ the following formula:

District Requirement
NH3 (ppmv) = [a-b*(c*1.2)/1E6]*1E6/b
Where:

a = NH3 injection rate (lb/hr) / 17(lb/lbmol),
b = dry exhaust flow rate (scf/hr) / 385.5 (scf/lbmol),
c = change in measured NOx across the SCR (ppmvd at 15% O2)

The above described ammonia slip calculation procedure shall not be used for compliance determination or emission information determination without corroborative data using an approved reference method for the determination of ammonia for the District.

~~Energy Commission Requirement~~
~~NH3 (ppmv @ 15% O2) = ((a-b*(c/1E6))*1E6/b)*d,~~
~~Where:~~

~~a = NH3 injection rate(lb/hr)/17(lb/lbmol),~~
~~b = dry exhaust gas flow rate (lb/hr)/(29(lb/lbmol), or~~
~~b = dry exhaust flow rate (scf/hr) / 385.5 (scf/lbmol),~~
~~c = change in measured NOx concentration ppmv corrected to 15% O2 across catalyst, and~~
~~d = correction factor.~~

~~The correction factor shall be derived through compliance testing by comparing the measured and calculated ammonia slip. The correction factor shall be reviewed and approved by the CPM on at least an annual basis. The correction factor may rely on previous compliance source test results or other comparable analysis as the CPM finds the situation warrants. The above described ammonia slip calculation procedure shall be used for Energy Commission compliance determination for the ammonia slip limit as prescribed in Condition of Certification AQ-4 and reported to the CPM on a quarterly basis as prescribed in Condition of Certification AQ-SC10.~~

The owner/operator shall install a NOx analyzer to measure the SCR inlet NOx ppm accurate to within +/- 5 percent calibrated at least once every 12 months.

Verification: The project owner shall include ammonia slip concentrations averaged on an hourly basis calculated via ~~both protocols~~ **the District Requirement protocol** provided as part of the Quarterly Operational Report required in Condition of Certification **AQ-SC10**. The project owner shall submit all calibration results performed to the CPM within 60 days of the calibration date. ~~The project owner shall submit to the CPM for approval a proposed correction factor to be used in the Energy Commission formula at least once a year but not to exceed 180 days following the completion of the annual ammonia compliance source test.~~

AQ-13 The operator shall install and maintain a temperature gauge and recorder to accurately indicate and record the temperature in the exhaust as the inlet of the SCR reactor. The gauge shall be accurate to within plus or minus 5 percent and shall be calibrated once every twelve months.

Continuously recording is defined for this condition as at least once every hour and is based on the average of the continuous monitoring for that hour.

Under any operating condition, including start-up, the maximum operating temperature shall not exceed ~~750°~~ **840 °F**.

Verification: The project owner shall submit to the CPM no less than 30 days after installation, a written statement by a California registered Professional Engineer stating that said engineer has reviewed the as-built-designs or inspected the identified equipment and certifies that the appropriate device has been installed and is functioning properly. The project owner shall submit annual calibration results within 30 days of their successful completion.

AQ-14 The operator shall install and maintain a pressure gauge and recorder to accurately indicate and record the pressure differential across the SCR catalyst bed in inches of water column. The gauge shall be accurate to within plus or minus 5 percent and shall be calibrated once every twelve months.

Continuously recording is defined for this condition as at least once every month and is based on the average of the continuous monitoring for that month.

Under any operating condition, including start-up, the maximum operating pressure shall not exceed ~~7.6~~ **12** inches of water.

Verification: The project owner shall submit to the CPM no less than 30 days after installation, a written statement by a California registered Professional Engineer stating that said engineer has reviewed the as-built-designs or inspected the identified equipment and

certifies that the appropriate device has been installed and is functioning properly. The project owner shall submit annual calibration results within 30 days of their successful completion.

AQ-16 The project equipment shall not be operated unless the project owner demonstrates to the SCAQMD Executive Officer that the facility holds sufficient RTCs to offset the prorated annual emissions increase for the first compliance year of operation. In addition, this equipment shall not be operated unless the project owner demonstrates to the Executive Officer that, at the commencement of each compliance year after the first compliance year of operation, the facility hold sufficient RTCs in an amount equal to the annual emission increase. The project owner shall submit all such information to the CPM for approval. To comply with this condition, the project owner shall hold a minimum of ~~**43,900**~~ **43,682** lbs/year of NOx RTCs and 2,280 lbs/year of SOx RTCs for the first year of operation **(commissioning year)** and ~~**35,458**~~ **35,240** lbs/year of NOx RTCs and 2,280lbs/year of SOx RTCs thereafter **(operating years)**.

Verification: The project owner shall submit all identified evidence demonstrating compliance to the CPM on an annual basis as part of the annual compliance report.

~~**AQ-17** The project owner shall conduct one source test over the lifetime of the project for NOx and PM10 on each gas turbine exhaust stack in accordance with the following requirements:~~

- ~~The project owner shall submit a source test protocol to the AQMD and the CPM 45 days prior to the proposed source test date for approval. The protocol shall include the proposed operating conditions of the gas turbine, the correction and degradation factors and documentation of their validity, the identity of the testing lab, a statement from the lab certifying that it meets the criteria of AQMD Rule 304, and a description of all sampling and analytical procedures.~~

- ~~The initial source test shall be conducted no later than 180 days following the date of first fire.~~

- ~~The AQMD and CPM shall be notified at least 10 days prior to the date and time of the source test.~~

- ~~The source test shall be conducted with the gas turbine operating under maximum load.~~

- ~~The test shall be conducted in accordance with AQMD approved test protocol. The source test shall be conducted for the pollutants listed~~

using the methods, averaging times, and test locations indicated and as approved by the CPM:

Pollutant	Method	Averaging Time	Test Location
NOx	AQMD Method 100.1	1 hour	Outlet of SCR
PM10	AQMD approved method	AQMD approved averaging time	Outlet of SCR

- The source test results shall be submitted to the AQMD and the CPM no later than 60 days after the source test was conducted.
- The test results shall demonstrate compliance with the following emission limits as required by AQMD Rule 1309.1:
    - PM10 emission rates shall not exceed 0.060 lb/MW-hr.
    - NOx emission rates shall not exceed 0.080 lb/MW-hr.
- If the actual measurement is within the accuracy of the devices used for electrical power measurement, the result will be acceptable.
- The lb/MW-hr emission rate of each electrical generating unit for each pollutant (NOx and PM10) shall be determined by dividing (a) the lb/hr emission rate measured at the location and in accordance with the test method specified above, by (b) the adjusted gross electrical output of each electrical generating unit.
- The adjusted gross electrical output of each electrical generating unit shall be determined by making the following adjustments to the measured gross electrical output:
    - Apply the manufacturer's standard correction factors to calculate gross electrical output at ISO conditions.
    - Apply the GE site-specific LMS100 power degradation curve to adjust measured gross electrical output, as corrected to ISO conditions, to undegraded electrical generating unit conditions as defined by the turbine manufacturer. The maximum power degradation adjustment shall not exceed 1 percent.

Verification: The project owner shall submit the proposed protocol for the initial source tests at least 45 days prior to the proposed source test date to both the AQMD and CPM for approval. The project owner shall submit source test results no later than 60 days following

~~the source test date to both the AQMD and CPM. The project owner shall notify the AQMD and CPM no later than 10 days prior to the proposed initial source test date and time.~~

AQ-19 The project owner shall not start operation of ~~any equipment~~ **the gas turbines** until both boiler units 3 and 4 currently located at AES Huntington Beach Generating Station have been retired and permits for boilers 3 and 4 have been surrendered to the SCAQMD.

Verification: The project owner shall provide by email and post to the U.S. mail evidence demonstrating that they have surrendered the permits to operate for Huntington Beach boilers 3 and 4 prior to the first turbine fire. The project owner shall make the site available for inspection by representatives of the District, CARB, EPA and the Commission. In addition, the project owner shall make Huntington Beach boiler units 3 and 4 available for inspection to confirm shutdown of these boilers by representatives of the District, CARB, EPA and the Commission.

3.2 LORS

The Commission Decision certifying the WCEP project concluded that the project is in compliance with all applicable LORS. The project, as modified, will continue to comply with all applicable LORS.

SECTION 4.0

Potential Effects on the Public

This section discusses the potential effects on the public that may result from the modifications proposed in this Request for Minor Project Modifications application, pursuant to CEC Siting Regulations (Title 20, CCR, Section 1769[a][1][G]).

No adverse effects on the public will occur because of the changes to the project, as proposed in this Request for Minor Project Modifications.

SECTION 5.0

List of Property Owners

This section lists the property owners in accordance with the CEC Siting Regulations (Title 20, CCR, Section 1769[a][1][H]). The list of property owners within 1,000 feet of the WCEP that was included in the two prior Petitions for Modification (#5 Cooling Tower Modifications and #6 Electricity Generation Interconnection) has not changed. Therefore, the lists of property owners within 1,000 feet of the project submitted with these two prior Petitions are incorporated by reference.

SECTION 6.0

Potential Effects on Property Owners

This section addresses potential effects of the project changes proposed in this Request for Minor Project Modifications on nearby property owners, the public, and parties in the application proceeding, pursuant to CEC Siting Regulations (Title 20, CCR, Section 1769 [a][1][I]).

The Project, as modified, will not differ significantly in potential effects on adjacent land owners, compared with the Project as previously proposed. The Project, therefore, would have no adverse effects on nearby property owners, the public, or other parties in the application proceeding.

ATTACHMENT 1

South Coast Air Quality Management District Letter

Walnut Creek Energy, LLC
3 MacArthur Place, Suite 100
Santa Ana, CA 92707

Walnut Creek Energy Park

June 11, 2012

Mohsen Nazemi
Deputy Executive Director
South Coast AQMD
21865 E. Copley Drive
Diamond Bar, CA 91765-4182

Subject: RECLAIM/Title V Facility Permit for the Walnut Creek Energy Park
(Facility ID 146536)

Dear Mr. Nazemi:

Walnut Creek Energy, LLC (WCE) is pleased to submit the enclosed District application forms requesting administrative changes to the revised RECLAIM/Title V permit for the Walnut Creek Energy Park (WCEP) issued on May 4, 2012. We are requesting the following administrative changes to the RECLAIM/Title V permit:

- A clarification regarding the timing of retiring Edison Mission Huntington Beach (EMHB) Units 3 and 4 and surrendering the SCAQMD permits for these units (Sections D and H, Permit Condition F52.1);

- A revision to the oxidation catalyst manufacturer and catalyst volume for the five gas turbines (Section H, Equipment Summary Table, Device Numbers C3, C9, C15, C21, and C27);

- A revision to the SCR model number and catalyst volume and dimensions for the five gas turbines (Section H, Equipment Summary Table, Device Numbers C4, C10, C16, C22, and C28);

- A revision to the ammonia storage tank dimensions (Section H, Equipment Summary Table, Device Number D31);

- Clarification that the startup limits do not apply during the commissioning period (Section H, Permit Conditions A99.1, A99.2, A99.5, Device Numbers D1, D7, D13, D19, and D25);

- A revision to the SCR system aqueous ammonia flow rates for the five gas turbines (Section H, Permit Condition D12.2, Device Numbers C4, C10, C16, C22, and C28);

- Correction of the maximum allowable operating temperature for the SCR catalyst for the five gas turbines (Section H, Permit Condition D12.3, Device Numbers C4, C10, C16, C22, and C28);

- The addition of a $PM_{2.5}$ emission factor to a permit condition for the five gas turbines (Sections D and H, Permit Condition F2.1, Device Numbers D1, D7, D13, D19, and D25);

- The addition of a natural gas heating value to a permit condition for the five gas turbines (Section H, Permit Condition C1.1, Device Numbers D1, D7, D13, D19, and D25); and

The requested administrative permit changes are discussed in more detail below.

Retirement/Surrendering the SCAQMD Permits for EMHB Units 3 and 4

The RECLAIM/Title V Facility Permit (Sections D and H, Permit Condition F52.1) includes a requirement to retire EMHB Units 3 and 4 and surrender the SCAQMD permits for these units prior to the start of operation of any equipment at the WCEP. The regulatory citation for these permit conditions is Regulation XIII (SCAQMD Rule 1303.b.2 - offsets). As background, the shutdown of EMHB Units 3 and 4 (allowed under SCAQMD Rule 1304.a.2) is necessary to provide a portion of the VOC and PM_{10} emission offsets required under the SCAQMD Regulation XIII for the new gas turbines at WCEP. Other than the five gas turbines (and associated emission control systems), the only remaining permitted equipment at the WCEP is an emergency fire pump engine (Device Number D34) and an aqueous ammonia storage tank (Device Number D31). The emergency fire pump engine is exempt from VOC/PM_{10} emission offset requirements under SCAQMD Regulation XIII (per SCAQMD Rule 1304.a.4). The aqueous ammonia storage tank does not trigger VOC/PM_{10} emission offset requirements under SCAQMD Regulation XIII because the tank has no VOC or PM_{10} emissions.

The only other stationary equipment at the WCEP with VOC and/or PM_{10} emissions is a cooling tower that will emit PM_{10} emissions due to cooling tower drift. However, since this unit is exempt from permitting under the SCAQMD regulations (per SCAQMD Rule 219.d.3), it does not trigger PM_{10} emission offset requirements under SCAQMD Regulation XIII. Therefore, there appears to be no regulatory basis under Regulation XIII linking the operation of the emergency fire pump engine, aqueous ammonia tank, or cooling tower to the retirement of EMHB Units 3 and 4 and the surrendering of the permits for this units.

To meet the requirements of the National Fire Protection Agency (NFPA code 850), it will be necessary to complete the installation/initial operation of the emergency fire pump engine prior to completing construction of the administration building, cooling tower, or backfeed system. To comply with this requirement, under the current construction schedule for the WCEP the installation/initial operation of the emergency fire pump engine must be done in August 2012. This is an additional reason to remove the link between the operation of the emergency fire pump engine and the retirement of EMHB

Units 3 and 4. Consequently, WCE is requesting that the language of these two permit conditions be clarified as shown below.

In addition, under this condition the Permits to Construct for the new equipment at WCEP will expire on November 9, 2012 unless the AQMD issues a written approval that WCE has complied with all of the requirements in Condition F52.1 (includes permanent retirement of EMHB Units 3 and 4 and surrendering the SCAQMD permits). Because the permit condition does not include a timing obligation for the SCAQMD to issue this approval once all of the requirements of Condition F52.1 have been met, a situation could arise where WCE complies with all of the requirements of Condition F52.1 prior to the November 9, 2012 deadline and the Permits to Construct for the equipment at WCEP expire because the SCAQMD did not issue the written approval by the November 9 deadline. To avoid this situation, WCE is requesting that the language in these two permit conditions be revised.

Because these requested changes are simply clarifications to existing permit conditions, WCE believes this change qualifies as an administrative change to the permit and requests that the SCAQMD process this change as such.

F52.1 This facility is subject to the applicable requirements of the following rules or regulation(s):

5. Walnut Creek Energy, LLC shall not start operation of ~~any equipment~~ ***Device Numbers D1, D7, D13, D19, or D25*** *covered under the Permits to Construct for the Walnut Creek Energy Park project until both Edison Mission Huntington Beach, LLC boiler Units 3 & 4, currently located at the AES Huntington Beach Generating Station, have been permanently retired, and permits for boiler units 3 and 4 have been surrendered to AQMD.*

In addition, Walnut Creek Energy, LLC shall not start operation of ~~any equipment~~ ***Device Numbers D1, D7, D13, D19, or D25*** *covered under Permits to Construct for the Walnut Creek Energy Park project until AQMD has issued approval in writing that Walnut Creek Energy, LLC has, to the* ***reasonable*** *satisfaction of AQMD, complied with all of the above conditions. ~~and the requirements to permanently retire boiler units 3 and 4.~~*

6. Upon compliance with ***the*** *conditions ~~2throught 5 above~~* ***requirement to surrender the permits for both Units 3 and 4****, the Permits to Construct listed in Section H will be automatically extended to May 5, 2013.*

Revision to the Oxidation Catalyst Manufacturer/Volume

The RECLAIM/Title V Facility Permit (Section H, Equipment Summary Table, Device Numbers C3, C9, C15, C21, and C27) lists the oxidation catalyst as an Engelhard Camet with a catalyst volume of 72 cubic feet. Based on more recent information, the actual oxidation catalyst that will be installed on the gas turbines is a BASF Camet (BASF purchased Engelhard) with a total volume of approximately 420 cubic feet. This change to the description of the oxidation catalyst will have no impact on the expected CO removal efficiency and/or CO permit limit of 4 ppmv. Therefore, WCE believes this

change qualifies as an administrative change to the permit and requests that the SCAQMD process this change as such.

Revision to the SCR Catalyst Manufacturer/Volume

The RECLAIM/Title V Facility Permit (Section H, Equipment Summary Table, Device Numbers C4, C10, C16, C22, and C28) lists the selective catalytic reduction (SCR) catalyst as a Haldor-Topsoe DNX-920 with a catalyst volume of 718 cubic feet and dimensions of 20 feet, 3 inches (wide); 28 feet, 8 inches (high); and 1 foot, 8 inches (length). Based on more recent information, the actual SCR catalyst that will be installed on the gas turbines is a Haldor-Topsoe DNX-629 with a catalyst volume of 1,272 cubic feet and dimensions of 19 feet, 6 inches (wide); 33 feet, 0 inches (high); and 2 feet, 6 inches (length). This change to the description of the SCR catalyst will have no impact on the expected NOx removal efficiency and/or NOx and NH_3 permit limits of 2.5 and 5 ppmv, respectively. Therefore, WCE believes this change qualifies as an administrative change to the permit and requests that the SCAQMD process this change as such.

Revision to Aqueous Ammonia Storage Tank Dimensions

The RECLAIM/Title V Facility Permit (Section H, Equipment Summary Table, Device Number D31) lists an aqueous ammonia storage tank with dimensions of 12 feet, 0 inches (diameter) and 12 feet, 0 inches (high), with a storage capacity of 16,000 gallons. Based on more recent information, the actual aqueous ammonia storage tank that will be installed will have dimensions of 10 feet, 0 inches (diameter) and 24 feet, 0 inches (high), with a storage capacity of 16,000 gallons. Because this change to the dimensions of the aqueous ammonia storage tank has no impact on other permit requirements (i.e., emission limits, operating limits, monitoring/testing requirements, reporting requirements, etc.), WCE believes this change qualifies as an administrative change to the permit and requests that the SCAQMD process this change as such.

Clarification Regarding Gas Turbine Startups/Shutdowns

The RECLAIM/Title V Facility Permit (Section H, Permit Conditions A99.1, A99.2, A99.5, Device Numbers D1, D7, D13, D19, and D25) limits gas turbine startups to 60 minutes for each startup, limits gas turbine shutdowns to 10 minutes for each shutdown, and limits each gas turbine to a maximum of 480 startups per year. There was some uncertainty regarding whether these limits on gas turbine startups/shutdowns were applicable during the gas turbine commissioning period. After a request for clarification, the SCAQMD concluded that these startup/shutdown limits do not apply during the commissioning period (see Attachment 1).

Shown below are the clarifications/revisions that WCE is requesting to these permit conditions. Because these changes are for clarification/consistency purposes, are intended to enhance compliance, and have no impact on other permit requirements (i.e., emission limits, operating limits, monitoring/testing requirements, reporting

requirements, etc.), WCE believes these changes qualify as administrative changes to the permit and requests that the SCAQMD process these changes as such.

Shown below are the requested changes to Permit Condition A99.1. We request the same changes to Permit Conditions A99.2 and A99.5.

A99.1: The 2.5 PPM NOX emission limit(s) shall not apply during turbine commissioning, start-up, and shutdown periods. The commissioning period shall not exceed 134 hours. ***Following commissioning, s****~~S~~tart-up time shall not exceed 60 minutes for each start-up.* ***Following commissioning, s****~~S~~hutdown periods shall not exceed 10 minutes for each shutdown.* ***Following commissioning, t****~~T~~he turbine shall be limited to maximum of 480 start-ups/year. Written records of commissioning, start-ups, and shutdowns shall be maintained and made available upon request from the Executive Officer.*

Aqueous Ammonia Flow Rate Revision

The RECLAIM/Title V Facility Permit (Section H, Permit Condition D12.2, Device Numbers C4, C10, C16, C22, and C28) currently limits the aqueous ammonia flow to the gas turbine SCR catalysts to a maximum of 190 lbs/hour. Final design information provided recently shows that this maximum level needs to be increased slightly to 215 lbs/hour. Because this change will have no impact on other permit requirements (i.e., emission limits, operating limits, monitoring/testing requirements, reporting requirements, etc.), WCE believes this change qualifies as an administrative change to the permit and requests that the SCAQMD process this change as such. The requested change to Permit Condition D12.2 is as follows:

D12.2 The operator shall install and maintain a(n) flow meter to accurately indicate the flow rate of the total hourly throughput of injected ammonia.

...The ammonia injection rate shall not exceed ***~~190~~*** ***215*** *lb/hr...*

SCR Operating Temperature Revision

The RECLAIM/Title V Facility Permit (Section H, Permit Condition D12.3, Device Numbers C4, C10, C16, C22, and C28) currently limits the maximum operating temperature for the gas turbine SCR units to 817°F. Final design information provided recently shows that this maximum operating temperature needs to be increased slightly to 840°F. Because this change will have no impact on other permit requirements (i.e., emission limits, operating limits, monitoring/testing requirements, reporting requirements, etc.), WCE believes this change qualifies as an administrative change to the permit and requests that the SCAQMD process this change as such. The requested change to Permit Condition D12.3 is as follows:

D12.3 The operator shall install and maintain a(n) temperature gauge to accurately indicate the temperature of the exhaust at the inlet to the SCR reactor.

*...The catalyst temperature range shall remain between 715 degrees F and ~~817~~ **840** degrees F...*

Addition of a $PM_{2.5}$ Emission Factor

The RECLAIM/Title V Facility Permit (Sections D and H, Permit Condition F2.1, Device Numbers D1, D7, D13, D19, and D25) includes permit conditions limiting the facility-wide $PM_{2.5}$ annual emissions for the facility. While these permit conditions do explain that compliance with the $PM_{2.5}$ emission limit needs to be demonstrated using fuel use data and an emission factor, no $PM_{2.5}$ emission factor is included in the permit conditions. Based on a review of the draft version of this permit condition included in the March 11, 2011 SCAQMD engineering evaluation,[1] it appears that the $PM_{2.5}$ emission factor should be 7.04 lbs/mmcf. Therefore, WCE requests that this emission factor be added to these permit conditions. Because this change is for clarification purposes and has no impact on other permit requirements (i.e., emission limits, operating limits, monitoring/testing requirements, reporting requirements, etc.), WCE believes this change qualifies as administrative change to the permit and requests that the SCAQMD process this change as such.

The requested change to Permit Condition F2.1 is shown below.

F2.1 The operator shall limit emissions from this facility as follows:

...The operator shall calculate the monthly emissions for PM2.5 and CO using the equation below and the following emission factors: ***PM2.5: 7.04 lb/mmcf or a District approved factor based on compliance test data****...*

Addition of a Natural Gas Heating Value

The RECLAIM/Title V Facility Permit (Section H, Permit Condition C1.1, Device Numbers D1, D7, D13, D19, and D25) includes a natural gas usage limit of 367 million cubic feet per month per gas turbine. However, this permit condition does not include the assumed natural gas heating value used by the SCAQMD to establish this operating limit. According to the March 11, 2011 SCAQMD engineering evaluation,[2] this operating limit was based on a natural gas high heating value of 1,050 Btu/scf. Therefore, WCE requests that for clarification purposes this natural gas high heating value be added to this permit condition. Because this change is for clarification purposes and has no impact on other permit requirements (i.e., emission limits, operating limits, monitoring/testing requirements, reporting requirements, etc.), WCE believes this change qualifies as administrative change to the permit and requests that the SCAQMD process this change as such.

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[1] SCAQMD March 11, 2011 Revised Determination of Compliance for the Walnut Creek Energy Park, page 42 of 52.

[2] SCAQMD March 11, 2011 Revised Determination of Compliance for the Walnut Creek Energy Park, page 32 of 52

The requested change to Permit Condition C1.1 is shown below.

C1.1 The operator shall limit the fuel usage to no more than 367 MM cubic feet in any one calendar month ***based on an assumed natural gas high heating value of 1,050 Btu/scf****...*

NOx RTC Requirements

WCE requests a minor correction to the annual NOx RTC requirements for each gas turbine because it appears that the permitted amounts included the emissions from the fire pump engine.[3] Since the fire pump engine NOx RTC requirements of 218 lbs/year are addressed in a separate permit condition (Permit Condition I296.2), this amount has been removed from the gas turbine NOx RTC annual amount.

Because this change consists of a minor correction to existing limits and has no impact on other permit requirements (i.e., emission limits, operating limits, monitoring/testing requirements, reporting requirements, etc.), WCE believes this change qualifies as an administrative change to the permit and requests that the SCAQMD process this change as such.

I296.1 The equipment shall not be operated unless the operator demonstrates to the Executive Officer that the facility holds sufficient RTCs to offset the annual emissions increase for the first 12 months of operation. In addition, this equipment shall not be operated unless the operator demonstrates to the Executive Officer that, at the commencement of each compliance year after the start of operation, the facility holds sufficient RTCs in an amount equal to the annual emissions increase.

For the purposes of this condition, the annual emission increase is ~~35458~~ ***35240*** *lbs. of NOx.*

RTCs held for the purpose of demonstrating compliance with this condition either at the commencement of initial operation or of a compliance year may be sold only after 12 months of start of initial operation or after the fourth quarter of the applicable compliance year, respectively.

For the purpose of this condition, prior to the beginning of the first compliance year, the annual emission increase is ~~43900~~ ***43682*** *lbs of NOx.*

This condition shall apply to each turbine individually.

Permit Application Fee

Enclosed are the SCAQMD application forms for the requested changes to the permit conditions for the five gas turbines and the aqueous ammonia storage tank. Also enclosed is a check in the amount of $9,035.87 payable to the District to cover the filing

[3] See SCAQMD March 11, 2011 Revised Determination of Compliance for the Walnut Creek Energy Park, Appendix F.

fee for the requested permit change, including the 50% additional fee for an expedited review by the District. The amount of this filing fee was determined based on the SCAQMD's online permit application filing fee calculator, as summarized below.

- Change of condition for first gas turbine (administrative change per SCAQMD Rule 301.c.3.C, Equipment Schedule G): $694.16
- Change of condition for remaining four gas turbines (50% discount for each gas turbine for identical units per SCAQMD Rule 301.c.1.F): $1,388.32
- Change of condition for first SCR/oxidation catalyst system (administrative change per SCAQMD Rule 301.c.3.C, Equipment Schedule C): $694.16
- Change of condition for remaining four SCR/oxidation catalyst systems (50% discount for each system for identical units per SCAQMD Rule 301.c.1.F): $1,388.32
- Change of condition for ammonia storage tank (administrative change per SCAQMD Rule 301.c.3.C, Equipment Schedule B): $694.16
- Expedited permit fee (50% of above amounts per SCAQMD Rule 301.v.1): $2,429.56
- Title V/RECLAIM permit change of conditions (change of conditions with no engineering evaluation per SCAQMD Rule 301.l.5): $1,747.19

Total fee required: $9,035.87

If you have any questions or need further information, please don't hesitate to contact me at 714-513-8107.

Sincerely,

Jenifer Morris Lee

Jenifer Morris Lee
Vice President

Attachments

cc: Larry Kostrzewa, WCE, Vice President
Joan Walter, CEC
CEC Dockets (05-AFC-2C)
Alexis Utvich, AECOM
Heather MacLeod, Edison Mission Energy
Andrea Grenier, Grenier & Associates, Inc.
Gary Rubenstein, Sierra Research
Tom W. Andrews, Sierra Research

ATTACHMENT 1

SCAQMD DETERMINATION REGARDING COMMISSIONING ACTIVITIES

From: Ken Coats
Sent: Thursday, November 17, 2011 5:06 PM
To: 'TAndrews@sierraresearch.com'
Cc: John Yee
Subject: Response to email dated Nov 16, 2011

Tom,
Thank you for your email dated November 16, 2011 in which you requested (1) clarification regarding the intent of permit conditions A99.1, A99.2 and A99.5 with regard to start-up shut down and commissioning periods and (2) further clarification with regard to the use of a 12 month rolling average versus a compliance year average in the Walnut Creek Energy Park Facility Permit. Below is our response to your inquiries:

QUESTION NO. 1
The SCAQMD final RECLAIM/Facility Permit issued for the Walnut Creek Energy Park on May 5, 2011, includes permit conditions A99.1, A99.2, and A99.5. These permit conditions limit the NOx, VOC, and CO emissions for the gas turbines (in terms of ppm). The permit conditions include exemptions from the emission limits during the commissioning phase of the project, during gas turbine startups, and during gas turbine shutdowns. As shown below by permit condition A99.1, the permit conditions do not clearly distinguish between the commissioning exemptions and the startups/shutdowns exemptions:

A99.1: The 2.5 PPM NOX emission limit(s) shall not apply during turbine commissioning, start-up, and shutdown periods. The commissioning period shall not exceed 134 hours. Start-up time shall not exceed 60 minutes for each startup. Shutdown periods shall not exceed 10 minutes for each shutdown. The turbine shall be limited to maximum of 480 start-ups/year...

Therefore, based on the language in the permit conditions, it is difficult to determine whether during the commissioning period the gas turbine startups are limited to 60 minutes, whether the shutdowns are limited to 10 minutes, and if the startups during the commissioning period are counted towards the limit of 480 startups/year. As shown below, however, although the permit conditions are not clear on these issues, the March 11, 2011 SCAQMD engineering evaluation[1] clearly distinguishes between startup hours, shutdown hours, commissioning hours, and normal operating hours:

Startup/Shutdown of CTGs
The applicant has stated that there will be 480 start-ups and 480 shutdown hours per year, with up to 2 start ups per day, the balance of the 3,040 hours left for commissioning and normal operations...

This clear distinction between startup hours, shutdown hours, commissioning hours, and normal operating hours is also shown in the detailed emission calculations included in the

[1] SCAQMD March 11, 2011 Revised Determination of Compliance for the Walnut Creek Energy Park, page 20 of 52.

March 11, 2011 SCAQMD engineering evaluation.[2] The SCAQMD detailed emission calculations during the commissioning year show 134 commissioning hours, 480 startup hours, 480 shutdown hours, and 2,906 normal operating hours, which results in a total of 4,000 operating hours per gas turbine during the commissioning year. Therefore, it appears that the SCAQMD intended that the startup/shutdown limits (limits on durations of startups/shutdowns and number of startups/year) be separate from the commissioning period. However, we are requesting that the SCAQMD permit group confirm this interpretation.

RESPONSE TO QUESTION NO. 1

AQMD staff has reviewed your question above regarding your request for further interpretation of how start-up, shutdown, and commissioning periods are determined for purposes of Facility Permit conditions A99.1, A99.2 and A99.5. Based on a review of the engineering evaluation and the applicable Rules and Regulations, there is a total of 4,000 hours per year of operation allowed for each of the gas turbines. Out of this total, 134 hours are allocated for the commissioning operations, 480 hours are allocated for start-up operations, and 480 hours are allocated for shutdown operations and the remainder (2,096 hours) is allocated for normal, steady state operations, meaning that each of these operating scenarios are separate from one another. Also, note that the 60 minute start-up and 10 minute shutdown periods are applicable during normal steady state operations and not during the initial 134 hour commissioning period.

QUESTION NO. 2

With regards to the permit limit of 480 start-ups per year, does the SCAQMD require this to be tracked on a 12-month rolling average basis or on a compliance year average basis?

RESPONSE TO QUESTION NO.2

During start-up operations, the emissions of NOx and CO from the gas turbine(s) will typically be uncontrolled because the SCR and CO catalyst units will not have achieved a sufficient operating temperature to ensure reduction of these contaminants. As a result, the modeling results on an annual basis for these pollutants during the start-up period tends to be significantly higher than during normal steady-state operations. As a result, in order to ensure compliance with the annual ambient air quality standards, emissions during the annual 480 hour start-up period are based on a 12-month rolling average time period. The 12 month rolling average time period is defined as 12 consecutive months determined on a rolling basis with a new 12 month period beginning on the first day of each calendar month. Please note that this clarification will be added to these conditions at the next annual reissuance of your Facility Permit.

If you have any further questions, please call me.

---

[2] SCAQMD March 11, 2011 Revised Determination of Compliance for the Walnut Creek Energy Park, Appendix C, annual emissions during commissioning year.

Kenneth L. Coats
Air Quality Engineer II
Engineering & Compliance Office
South Coast Air Quality Management District
Phone: (909) 396-2527
Fax: (909) 396-3341
kcoats@aqmd.gov

ATTACHMENT 2

SCAQMD APPLICATION FORMS

South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive (Street Address)
City of Industry (City), CA (State), 91745 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100 (Address)
Santa Ana (City), CA (State), 92707 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:
- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:
- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:
- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450904

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Gas Turbine SCR/Ox. Cat. Devices C21 and C22

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System): 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6/11/12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive (Street Address)
City of Industry (City), CA (State) 91745 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100 (Address)
Santa Ana (City), CA (State) 92707 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:
- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:
- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:
- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450897

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Gas Turbine Device D19

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System) 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6/11/12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive
Street Address

City of Industry , CA 91745
City Zip

Jenifer Morris Lee — Vice President
Contact Name — Title

(714) 513-8107 — Ext. — (949) 225-2788
Phone # — Ext. — Fax #

E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100
Address

Santa Ana , CA 92707
City State Zip

Jenifer Morris Lee — Vice President
Contact Name — Title

(714) 513-8107 — Ext. — (949) 225-2788
Phone # — Ext. — Fax #

E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:

- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:

- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:

- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450896

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Gas Turbine Device D13

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System) 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6-11-12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive (Street Address)
City of Industry (City), CA, 91745 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100 (Address)
Santa Ana (City), CA (State), 92707 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:

- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:

- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:

- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450900

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Gas Turbine SCR/Ox. Cat. Devices C9 and C10

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System) 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6/11/12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive
Street Address

City of Industry, CA 91745
City, Zip

Jenifer Morris Lee — Vice President
Contact Name — Title

(714) 513-8107 — Ext. — (949) 225-2788
Phone # — Ext. — Fax #

E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100
Address

Santa Ana, CA 92707
City, State, Zip

Jenifer Morris Lee — Vice President
Contact Name — Title

(714) 513-8107 — Ext. — (949) 225-2788
Phone # — Ext. — Fax #

E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:

- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:

- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:

- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450901

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):

8b. Estimated End Date of Construction (mm/dd/yyyy):

8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule):
Gas Turbine SCR/Ox. Cat. Devices C15 and C16

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location?
Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System): 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6/11/12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive (Street Address)
City of Industry (City), CA, 91745 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
[ ] Check here if same as equipment location address

3 MacArthur Place, Suite 100 (Address)
Santa Ana (City), CA (State), 92707 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:

- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:

- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:

- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450895

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Gas Turbine Device D7

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System) 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6-11-12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: [X] Authorized Signature/Date [X] Form 400-CEQA [ ] Supplemental Form(s) (ie., Form 400-E-xx) [X] Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive (Street Address)
City of Industry (City), CA, 91745 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100 (Address)
Santa Ana (City), CA (State), 92707 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:

- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:

- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:

- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450899

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Gas Turbine SCR/Ox. Cat. Devices C3 and C4

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System) 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6-12-12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive (Street Address)
City of Industry (City), CA, 91745 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100 (Address)
Santa Ana (City), CA (State), 92707 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:
- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:
- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:
- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450894

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Gas Turbine Device D1

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System) 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6-11-12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 500-A2
Title V Application Certification

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section I - Operator Information

1. Facility Name (Business Name of Operator That Appears On Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. This Certification is submitted with a (Check one):
- a. (●) Title V Application (Initial, Revision or Renewal)
- b. ( ) Supplement/Correction to a Title V Application
- c. ( ) MACT Part 1

4. Is Form 500-C2 included with this Certification? ( ) Yes (●) No

Section II - Responsible Official Certification Statement

*Read each statement carefully and check each that applies – **You must check 3a or 3b.***

1. For Initial, Permit Renewal, and Administrative Application Certifications:

a. ( ) The facility, including equipment that are exempt from written permit per Rule 219, is currently operating and will continue to operate in compliance with all applicable requirement(s) identified in Section II and Section III of Form 500-C1,

i. [ ] except for those requirements that do not specifically pertain to such devices or equipment and that have been identified as "Remove" on Section III of Form 500-C1.

ii. [ ] except for those devices or equipment that have been identified on the completed and attached Form 500-C2 that will not be operating in compliance with the specified applicable requirement(s).

b. ( ) The facility, including equipment that are exempt from written permit per Rule 219, will meet in a timely manner, all applicable requirements with future effective dates.

2. For Permit Revision Application Certifications:

a. [✓] The equipment or devices to which this permit revision applies, will in a timely manner comply with all applicable requirements identified in Section II and Section III of Form 500-C1.

3. For MACT Hammer Certifications:

a. ( ) The facility is subject to Section 112(j) of the Clean Air Act (Subpart B of 40 CFR part 63), also known as the MACT "hammer." The following information is submitted with a Title V application to comply with the Part 1 requirements of Section 112(j).

b. (●) The facility is not subject to Section 112(j) of the Clean Air Act (Subpart B of 40 CFR part 63).

Section III - Authorization/Signature

I certify under penalty of law that I am the responsible official for this facility as defined in AQMD Regulation XXX and that based on information and belief formed after reasonable inquiry, the statement and information in this document and in all attached application forms and other materials are true, accurate, and complete.

1. Signature of Responsible Official:	2. Title of Responsible Official:
Jenifer Morris Lee	Vice President
3. Print Name:	**4. Date:**
Jenifer Morris Lee	6-11-12
5. Phone #:	**6. Fax #:**
(714) 513-8107	(949) 225-2788

7. Address of Responsible Official:

3 MacArthur Place, Suite 100	Santa Ana	CA	92707
Street #	City	State	Zip

Acid Rain Facilities Only: Please Complete Section IV

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Acid Rain facilities must certify their compliance status of the devices subject to applicable requirements under Title IV by an individual who meets the definition of Designated (or Alternate) Representative in 40 CFR Part 72.

Section IV - Designated Representative Certification Statement	
For Acid Rain Facilities Only: I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.	
1. Signature of Designated Representative or Alternate: Jenifer Morris Lee	2. Title of Designated Representative or Alternate: Vice President
3. Print Name of Designated Representative or Alternate: Jenifer Morris Lee	4. Date: 6-11-12
5. Phone #: (714) 513-8107	6. Fax #: (949) 225-2788

7. Address of Designated Representative or Alternate:

3 MacArthur Place, Suite 100	Santa Ana	CA	92707
Street #	City	State	Zip

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South Coast Air Quality Management District

Form 400 - XPP

Express Permit Processing Request

Form 400-A, Form 400-CEQA and one or more 400-E-xx form(s) must accompany all submittals.

Mail To:
SCAQMD
P.O Box 4944
Diamond Bar, CA 91765-0944

Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator To Appear On The Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

Section B - Equipment Location Address

3. (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive
Street Address

City of Industry, CA 91745
City State Zip

Jenifer Morris Lee — Vice President
Contact Name — Title

(714) 513-8107 — Ext. — (949) 225-2788
Phone # — Ext. — Fax #

jlee@edisonmission.com
E-Mail

Section C - Permit Mailing Address

4. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100
Address

Santa Ana, CA 92707
City State Zip

Jenifer Morris Lee — Vice President
Contact Name — Title

(714) 513-8107 — Ext. — (949) 225-2788
Phone # — Ext. — Fax #

jlee@edisonmission.com
E-Mail

Section D - Authorization/Signature

I understand that the Expedited Permit Processing fees must be submitted at the time of application submittal, and that the application may be subject to additional fees per Rule 301. I understand that requests for Express Permit Processing neither guarantees action by any specific date nor does it guarantee permit approval; that Express Permit Processing is subject to availability of qualified staff; and that once Express Permit Processing has commenced, the expedited fees will not be refunded. I hereby certify that all information contained herein and information submitted with the application are true and correct.

5. Signature of Responsible Official: Jenifer Morris Lee

6. Title of Responsible Official: Vice President

7. Print Name of Responsible Official: Jenifer Morris Lee

8. Date: 6-11-12

9. Phone #: (714) 513-8107

10. Fax #: (949) 225-2788

AQMD USE ONLY	APPLICATION TRACKING #	TYPE B C	EQUIPMENT CATEGORY CODE:	FEE SCHEDULE: $		VALIDATION
ENG. A R DATE	ENG. A R DATE	CLASS I III	ASSIGNMENT Unit Engineer	CHECK/MONEY ORDER #	AMOUNT $	TRACKING #

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South Coast Air Quality Management District

Form 400-CEQA

California Environmental Quality Act (CEQA) Applicability

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944

Tel: (909) 396-3385
www.aqmd.gov

The SCAQMD is required by state law, the California Environmental Quality Act (CEQA), to review discretionary permit project applications for potential air quality and other environmental impacts. This form is a screening tool to assist the SCAQMD in clarifying whether or not the project[1] has the potential to generate significant adverse environmental impacts that might require preparation of a CEQA document [CEQA Guidelines §15060(a)].[2] Refer to the attached instructions for guidance in completing this form.[3] For each Form 400-A application, also complete and submit one Form 400-CEQA. If submitting multiple Form 400-A applications for the same project at the same time, only one 400-CEQA form is necessary for the entire project. If you need assistance completing this form, contact Permit Services at (909) 396-3385 or (909) 396-2668.

Section A - Facility Information

1. Facility Name (Business Name of Operator To Appear On The Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Project Description: Administrative Title V permit change

Section B - Review For Exemption From Further CEQA Action

Check "Yes" or "No" as applicable

	Yes	No	Is this application for:
1.	○	◉	**A CEQA and/or NEPA document previously or currently prepared that specifically evaluates this project?** If yes, attach a copy of the signed Notice of Determination to this form.
2.	○	◉	**A request for a change of permittee only (without equipment modifications)?**
3.	○	◉	**A functionally identical permit unit replacement with no increase in rating or emissions?**
4.	○	◉	**A change of daily VOC permit limit to a monthly VOC permit limit?**
5.	○	◉	**Equipment damaged as a result of a disaster during state of emergency?**
6.	○	◉	**A Title V** (i.e., Regulation XXX) **permit renewal (without equipment modifications)?**
7.	◉	○	**A Title V administrative permit revision?**
8.	○	◉	**The conversion of an existing permit into an initial Title V permit?**

If "**Yes**" is checked for any question in Section B, your application does not require additional evaluation for CEQA applicability. Skip to Section D - Signatures on page 2 and sign and date this form.

Section C - Review of Impacts Which May Trigger CEQA

Complete Parts I-VI by checking "Yes" or "No" as applicable. To avoid delays in processing your application(s), explain all "Yes" responses on a separate sheet and attach it to this form.

	Yes	No	Part I - General
1.	○	○	**Has this project generated any known public controversy regarding potential adverse impacts that may be generated by the project?** Controversy may be construed as concerns raised by local groups at public meetings; adverse media attention such as negative articles in newspapers or other periodical publications, local news programs, environmental justice issues, etc.
2.	○	○	**Is this project part of a larger project?** If yes, attach a separate sheet to briefly describe the larger project.
			Part II - Air Quality
3.	○	○	**Will there be any demolition, excavating, and/or grading construction activities that encompass an area exceeding 20,000 square feet?**
4.	○	○	**Does this project include the open outdoor storage of dry bulk solid materials that could generate dust?** If Yes, include a plot plan with the application package.

[1] A "project" means the whole of an action which has a potential for resulting in physical change to the environment, including construction activities, clearing or grading of land, improvements to existing structures, and activities or equipment involving the issuance of a permit. For example, a project might include installation of a new, or modification of an existing internal combustion engine, dry-cleaning facility, boiler, gas turbine, spray coating booth, solvent cleaning tank, etc.

[2] To download the CEQA guidelines, visit http://ceres.ca.gov/env_law/state.html.

[3] To download this form and the instructions, visit http://www.aqmd.gov/ceqa or http://www.aqmd.gov/permit

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive
Street Address

City of Industry , CA 91745
City Zip

Jenifer Morris Lee — Vice President
Contact Name — Title

(714) 513-8107 — Ext. — (949) 225-2788
Phone # — Ext. — Fax #

E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100
Address

Santa Ana , CA 92707
City State Zip

Jenifer Morris Lee — Vice President
Contact Name — Title

(714) 513-8107 — Ext. — (949) 225-2788
Phone # — Ext. — Fax #

E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:

- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:

- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- ( ) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:

- (●) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 451185

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Aqueous Ammonia Tank - Device D31

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process)

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System) 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6-11-12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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Section C - Review of Impacts Which May Trigger CEQA (cont.)			
	Yes	No	**Part II - Air Quality (cont.)**
5.	○	○	**Would this project result in noticeable off-site odors from activities that may not be subject to SCAQMD permit requirements?** For example, compost materials or other types of greenwaste (i.e., lawn clippings, tree trimmings, etc.) have the potential to generate odor complaints subject to Rule 402 – Nuisance.
6.	○	○	**Does this project cause an increase of emissions from marine vessels, trains and/or airplanes?**
7.	○	○	**Will the proposed project increase the QUANTITY of hazardous materials stored aboveground onsite or transported by mobile vehicle to or from the site by greater than or equal to the amounts associated with each compound on the attached Table 1?[4]**
			Part III – Water Resources
8.	○	○	**Will the project increase demand for water at the facility by more than 5,000,000 gallons per day?** The following examples identify some, but not all, types of projects that may result in a "yes" answer to this question: 1) projects that generate steam; 2) projects that use water as part of the air pollution control equipment; 3) projects that require water as part of the production process; 4) projects that require new or expansion of existing sewage treatment facilities; 5) projects where water demand exceeds the capacity of the local water purveyor to supply sufficient water for the project; and 6) projects that require new or expansion of existing water supply facilities.
9.	○	○	**Will the project require construction of new water conveyance infrastructure?** Examples of such projects are when water demands exceed the capacity of the local water purveyor to supply sufficient water for the project, or require new or modified sewage treatment facilities such that the project requires new water lines, sewage lines, sewage hook-ups, etc.
			Part IV – Transportation/Circulation
10.			**Will the project result in** (Check all that apply):
	○	○	**a. the need for more than 350 new employees?**
	○	○	**b. an increase in heavy-duty transport truck traffic to and/or from the facility by more than 350 truck round-trips per day?**
	○	○	**c. increase customer traffic by more than 700 visits per day?**
			Part V – Noise
11.	○	○	**Will the project include equipment that will generate noise GREATER THAN 90 decibels (dB) at the property line?**
			Part VI – Public Services
12.			**Will the project create a permanent need for new or additional public services in any of the following areas** (Check all that apply):
	○	○	**a. Solid waste disposal?** Check "No" if the projected potential amount of wastes generated by the project is less than five tons per day.
	○	○	**b. Hazardous waste disposal?** Check "No" if the projected potential amount of hazardous wastes generated by the project is less than 42 cubic yards per day (or equivalent in pounds).

REMINDER: *For each "Yes" response in Section C, attach all pertinent information including but not limited to estimated quantities, volumes, weights, etc.*

Section D - Signatures

I HEREBY CERTIFY THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT THIS FORM IS A SCREENING TOOL AND THAT THE SCAQMD RESERVES THE RIGHT TO CONSIDER OTHER PERTINENT INFORMATION IN DETERMINING CEQA APPLICABILITY.

1. Signature of Responsible Official of Firm:		2. Title of Responsible Official of Firm:
Jenifer Morris Lee		Vice President
3. Print Name of Responsible Official of Firm:		**4. Date Signed:**
Jenifer Morris Lee		6-11-12
5. Phone # of Responsible Official of Firm:	**6. Fax # of Responsible Official of Firm:**	**7. Email of Responsible Official of Firm:**
(714) 513-8107	(949) 225-2788	jlee@edisonmission.com
8. Signature of Preparer, (If prepared by person other than responsible official of firm):		**9. Title of Preparer:**
		SENIOR ENGINEER
10. Print Name of Preparer:		**11. Date Signed:**
TOM ANDREWS		6/11/12
12. Phone # of Preparer:	**13. Fax # of Preparer:**	**14. Email of Preparer:**
916-444-6666	916-444-8373	TANDREWS@SIERRARESEARCH.COM

THIS CONCLUDES FORM 400-CEQA. INCLUDE THIS FORM AND ANY ATTACHMENTS WITH FORM 400-A.

[4] Table 1 – Regulated Substances List and Threshold Quantities for Accidental Release Prevention can be found in the Instructions for Form 400-CEQA.

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South Coast Air Quality Management District

Form 400-A

Application Form for Permit or Plan Approval

List only one piece of equipment or process per form.

Mail To:
SCAQMD
P.O. Box 4944
Diamond Bar, CA 91765-0944
Tel: (909) 396-3385
www.aqmd.gov

Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive (Street Address)
City of Industry (City), CA, 91745 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section C - Permit Mailing Address

5. Permit and Correspondence Information:
☐ Check here if same as equipment location address

3 MacArthur Place, Suite 100 (Address)
Santa Ana (City), CA (State), 92707 (Zip)
Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
E-Mail: jlee@edisonmission.com

Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:
- ( ) New Construction (Permit to Construct)
- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
- ( ) Compliance Plan
- ( ) Registration/Certification
- ( ) Streamlined Standard Permit

7b. Facility Permits:
- ( ) Title V Application or Amendment (Also submit Form 500-A1)
- (●) RECLAIM Facility Permit Amendment

7c. Equipment or Process with an Existing/Previous Application or Permit:
- ( ) Administrative Change
- ( ) Alteration/Modification
- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number:

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Title V Permit Administrative Change

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process)

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System) 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6-11-12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

AQMD USE ONLY	APPLICATION TRACKING #	CHECK #	AMOUNT RECEIVED $	PAYMENT TRACKING #	VALIDATION

DATE	APP REJ	DATE	APP REJ	CLASS I III	BASIC CONTROL	EQUIPMENT CATEGORY CODE	TEAM	ENGINEER	REASON/ACTION TAKEN

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South Coast Air Quality Management District

Form 400-A

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Tel: (909) 396-3385
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Section A - Operator Information

1. Facility Name (Business Name of Operator to Appear on the Permit): Walnut Creek Energy, LLC

2. Valid AQMD Facility ID (Available On Permit Or Invoice Issued By AQMD): 146536

3. Owner's Business Name (If different from Business Name of Operator): N/A

Section B - Equipment Location Address

4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

911 Bixby Drive (Street Address)
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Jenifer Morris Lee (Contact Name), Vice President (Title)
(714) 513-8107 (Phone #), (Ext.), (949) 225-2788 (Fax #)
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Section C - Permit Mailing Address

5. Permit and Correspondence Information:
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3 MacArthur Place, Suite 100 (Address)
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Section D - Application Type

6. The Facility Is: ( ) Not In RECLAIM or Title V ( ) In RECLAIM ( ) In Title V (●) In RECLAIM & Title V Programs

7. Reason for Submitting Application (Select only ONE):

7a. New Equipment or Process Application:
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- ( ) Equipment On-Site But Not Constructed or Operational
- ( ) Equipment Operating Without A Permit *
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- ( ) Registration/Certification
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- ( ) Title V Application or Amendment (Also submit Form 500-A1)
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7c. Equipment or Process with an Existing/Previous Application or Permit:
- (●) Administrative Change
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- ( ) Alteration/Modification without Prior Approval *
- ( ) Change of Condition
- ( ) Change of Condition without Prior Approval *
- ( ) Change of Location
- ( ) Change of Location without Prior Approval *
- ( ) Equipment Operating with an Expired/Inactive Permit *

Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450907

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule):
Gas Turbine SCR/Ox. Cat. Devices C27 and C28

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location?
Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System): 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

16. Are there any schools (K-12) within 1000 feet of the facility property line? (●) No ( ) Yes

Section F - Authorization/Signature

I hereby certify that all information contained herein and information submitted with this application are true and correct.

17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6-11-12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

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South Coast Air Quality Management District

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3. Owner's Business Name (If different from Business Name of Operator): N/A

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4. Equipment Location Is: (●) Fixed Location ( ) Various Location
(For equipment operated at various locations, provide address of initial site.)

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Section C - Permit Mailing Address

5. Permit and Correspondence Information:
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Jenifer Morris Lee (Contact Name), Vice President (Title)
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Existing or Previous Permit/Application
If you checked any of the items in 7c., you MUST provide an existing Permit or Application Number: 450898

* A Higher Permit Processing Fee and additional Annual Operating Fees (up to 3 full years) may apply (Rule 301(c)(1)(D)(i)).

8a. Estimated Start Date of Construction (mm/dd/yyyy):
8b. Estimated End Date of Construction (mm/dd/yyyy):
8c. Estimated Start Date of Operation (mm/dd/yyyy):

9. Description of Equipment or Reason for Compliance Plan (list applicable rule): Gas Turbine Device D25

10. For Identical equipment, how many additional applications are being submitted with this application? (Form 400-A required for each equipment / process): 4

11. Are you a Small Business as per AQMD's Rule 102 definition? (10 employees or less and total gross receipts are $500,000 or less OR a not-for-profit training center) (●) No ( ) Yes

12. Has a Notice of Violation (NOV) or a Notice to Comply (NC) been issued for this equipment? (●) No ( ) Yes
If Yes, provide NOV/NC#:

Section E - Facility Business Information

13. What type of business is being conducted at this equipment location? Electric Power Generation

14. What is your business primary NAICS Code? (North American Industrial Classification System): 221112

15. Are there other facilities in the SCAQMD jurisdiction operated by the same operator? (●) No ( ) Yes

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Section F - Authorization/Signature

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17. Signature of Responsible Official: Jenifer Morris Lee

18. Title of Responsible Official: Vice President

19. I wish to review the permit prior to issuance. (This may cause a delay in the application process.) ( ) No (●) Yes

20. Print Name: Jenifer Morris Lee

21. Date: 6-11-12

22. Do you claim confidentiality of data? (If Yes, see instructions.) (●) No ( ) Yes

23. Check List: ☒ Authorized Signature/Date ☒ Form 400-CEQA ☐ Supplemental Form(s) (ie., Form 400-E-xx) ☒ Fees Enclosed

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ATTACHMENT 2

South Coast Air Quality Management District
Permit to Construct and Operate

South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

May 4, 2012

Ms. Jenifer Morris Lee
Vice President
Walnut Creek Energy, LLC
3 MacArthur Place, Suite 100
Santa Ana, CA 92707

SUBJECT: RECLAIM/Title V Facility Permit
Walnut Creek Energy, LLC (Facility ID No. 146536)

Dear Ms. Lee:

Please find attached the revised RECLAIM/Title V Facility Permit for your facility located at 911 Bixby Drive, City of Industry, CA 91744. The revised Facility Permit is issued as a minor permit revision and includes the following changes:

- Change of the name of permittee from Walnut Creek Energy Park to Walnut Creek Energy, LLC
- Revision of Condition F52.1 to incorporate all conditions specified in my letter to you, dated May 4, 2012, regarding the extension of the Permits to Construct

If you have any questions regarding this, please contact the undersigned at 909.396.2662.

Sincerely,

Mohsen Nazemi, P.E.
Deputy Executive Officer
Engineering and Compliance

MN:BLY:AYL:JTY:KLC
Enclosure: RECLAIM/Title V Facility Permit

cc: Gerardo Rios, US EPA, Region IX
Joan Walter, AICP, CEC
Barry Wallerstein (w/o attachment)
Kurt Wiese (w/o attachment)

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
21865 Copley Drive, Diamond Bar, CA 91765

FACILITY PERMIT TO OPERATE

WALNUT CREEK ENERGY, LLC
911 BIXBY DR
CITY OF INDUSTRY, CA 91745

NOTICE

IN ACCORDANCE WITH RULE 206, THIS PERMIT TO OPERATE OR A COPY THEREOF MUST BE KEPT AT THE LOCATION FOR WHICH IT IS ISSUED.

THIS PERMIT DOES NOT AUTHORIZE THE EMISSION OF AIR CONTAMINANTS IN EXCESS OF THOSE ALLOWED BY DIVISION 26 OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA OR THE RULES OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. THIS PERMIT SHALL NOT BE CONSTRUED AS PERMISSION TO VIOLATE EXISTING LAWS, ORDINANCES, REGULATIONS OR STATUTES OF ANY OTHER FEDERAL, STATE OR LOCAL GOVERNMENTAL AGENCIES.

Barry R. Wallerstein, D. Env.
EXECUTIVE OFFICER

By
Mohsen Nazemi, P.E.
Deputy Executive Officer
Engineering & Compliance

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

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FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION A: FACILITY INFORMATION

LEGAL OWNER &/OR OPERATOR:	WALNUT CREEK ENERGY, LLC
LEGAL OPERATOR (if different than owner):	
EQUIPMENT LOCATION:	911 BIXBY DR CITY OF INDUSTRY, CA 91745-1702
MAILING ADDRESS:	3 MAC ARTHUR PL SANTA ANA, CA 92707
RESPONSIBLE OFFICIAL:	JENIFER LEE
TITLE:	VICE PRESIDENT
TELEPHONE NUMBER:	(714) 513-8107
CONTACT PERSON:	JENIFER LEE
TITLE:	VICE PRESIDENT
TELEPHONE NUMBER:	(714) 513-8107
INITIAL TITLE V PERMIT ISSUED:	May 05, 2011
TITLE V PERMIT EXPIRATION DATE:	May 04, 2016

TITLE V	RECLAIM	
YES	NOx:	YES
	SOx:	YES
	CYCLE:	1
	ZONE:	INLAND

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION B: RECLAIM ANNUAL EMISSION ALLOCATION

The annual allocation of NOx RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. Total NOx emission shall not exceed such annual allocations unless the operator obtains RTCs corresponding to the facility's increased emissions in compliance with Rules 2005 and 2007.

The level of Starting Allocation plus Non-Tradable Credits used to determine compliance with Rule 2005(c)(4) and applicability of Rule 2005(e) - Trading Zone Restrictions is listed on the last page of this Section.

The following table lists the annual allocations that were issued to this facility and the amounts of RTCs held by this facility on the day of printing this Section.

RECLAIM POLLUTANT ANNUAL ALLOCATION (POUNDS)

Year Begin (month/year)	Year End (month/year)	Zone	NOx RTC Initially Allocated	NOx RTC [1] Holding as of 05/04/2012 (pounds)	Non-Tradable [2] Non-Usable RTCs (pounds)
1/2011	12/2011	Inland	0	0	0
7/2011	6/2012	Inland	0	47362	0
1/2012	12/2012	Inland	0	44322	0
7/2012	6/2013	Inland	0	47362	0
1/2013	12/2013	Inland	0	44322	0
7/2013	6/2014	Inland	0	47362	0
1/2014	12/2014	Inland	0	44322	0
7/2014	6/2015	Inland	0	47362	0
1/2015	12/2015	Inland	0	44322	0
7/2015	6/2016	Inland	0	47362	0
1/2016	12/2016	Inland	0	44322	0
7/2016	6/2017	Inland	0	47362	0
1/2017	12/2017	Inland	0	44322	0
7/2017	6/2018	Inland	0	47362	0
1/2018	12/2018	Inland	0	44322	0
7/2018	6/2019	Inland	0	47362	0
1/2019	12/2019	Inland	0	44322	0

Footnotes:

1. This number may change due to pending trades, emissions reported under Quarterly Certification of Emissions Report (QCER) and Annual Permit Emission Program (APEP) Report required pursuant to Rule 2004, or deductions made pursuant to Rule 2010(b). The most recent total RTC information can be obtained from the District's RTC Listing.

2. The use of such credits is subject to restrictions set forth in paragraph (f)(1) of Rule 2002.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION B: RECLAIM ANNUAL EMISSION ALLOCATION

The annual allocation of NOx RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. Total NOx emission shall not exceed such annual allocations unless the operator obtains RTCs corresponding to the facility's increased emissions in compliance with Rules 2005 and 2007.

The level of Starting Allocation plus Non-Tradable Credits used to determine compliance with Rule 2005(c)(4) and applicability of Rule 2005(e) - Trading Zone Restrictions is listed on the last page of this Section.

The following table lists the annual allocations that were issued to this facility and the amounts of RTCs held by this facility on the day of printing this Section.

RECLAIM POLLUTANT ANNUAL ALLOCATION (POUNDS)

Year Begin (month/year)	Year End (month/year)	Zone	NOx RTC Initially Allocated	NOx RTC [1] Holding as of 05/04/2012 (pounds)	Non-Tradable [2] Non-Usable RTCs (pounds)
7/2019	6/2020	Inland	0	47362	0
1/2020	12/2020	Inland	0	44322	0
7/2020	6/2021	Inland	0	47362	0
1/2021	12/2021	Inland	0	44322	0
7/2021	6/2022	Inland	0	47362	0
1/2022	12/2022	Inland	0	44322	0
7/2022	6/2023	Inland	0	47362	0
1/2023	12/2023	Inland	0	44322	0
7/2023	6/2024	Inland	0	47362	0
1/2024	12/2024	Inland	0	44322	0
7/2024	6/2025	Inland	0	47362	0
1/2025	12/2025	Inland	0	44322	0
7/2025	6/2026	Inland	0	47362	0
1/2026	12/2026	Inland	0	44322	0
7/2026	6/2027	Inland	0	47362	0
1/2027	12/2027	Inland	0	44322	0

Footnotes:

1. This number may change due to pending trades, emissions reported under Quarterly Certification of Emissions Report (QCER) and Annual Permit Emission Program (APEP) Report required pursuant to Rule 2004, or deductions made pursuant to Rule 2010(b). The most recent total RTC information can be obtained from the District's RTC Listing.

2. The use of such credits is subject to restrictions set forth in paragraph (f)(1) of Rule 2002.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION B: RECLAIM ANNUAL EMISSION ALLOCATION

The annual allocation of SOx RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. Total SOx emission shall not exceed such annual allocations unless the operator obtains RTCs corresponding to the facility's increased emissions in compliance with Rules 2005 and 2007.

The level of Starting Allocation plus Non-Tradable Credits used to determine compliance with Rule 2005(c)(4) and applicability of Rule 2005(e) - Trading Zone Restrictions is listed on the last page of this Section.

The following table lists the annual allocations that were issued to this facility and the amounts of RTCs held by this facility on the day of printing this Section.

RECLAIM POLLUTANT ANNUAL ALLOCATION (POUNDS)

Year Begin (month/year)	Year End (month/year)	Zone	SOx RTC Initially Allocated	SOx RTC [1] Holding as of 05/04/2012 (pounds)	Non-Tradable [2] Credits (NTCs) (pounds)
7/2011	6/2012	Coastal	0	5840	
1/2011	12/2011	Inland	0	0	
7/2012	6/2013	Coastal	0	5840	
7/2013	6/2014	Coastal	0	5840	
7/2014	6/2015	Coastal	0	5840	
7/2015	6/2016	Coastal	0	5840	
7/2016	6/2017	Coastal	0	5840	
7/2017	6/2018	Coastal	0	5840	
7/2018	6/2019	Coastal	0	5840	
7/2019	6/2020	Coastal	0	5840	
7/2020	6/2021	Coastal	0	5840	
7/2021	6/2022	Coastal	0	5840	
7/2022	6/2023	Coastal	0	5840	
7/2023	6/2024	Coastal	0	5840	
7/2024	6/2025	Coastal	0	5840	
7/2025	6/2026	Coastal	0	5840	
7/2026	6/2027	Coastal	0	5840	

Footnotes:

1. This number may change due to pending trades, emissions reported under Quarterly Certification of Emissions Report (QCER) and Annual Permit Emission Program (APEP) Report required pursuant to Rule 2004, or deductions made pursuant to Rule 2010(b). The most recent total RTC information can be obtained from the District's RTC Listing.

2. The use of such credits is subject to restrictions set forth in paragraph (h)(2) of Rule 2002.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION B: RECLAIM ANNUAL EMISSION ALLOCATION

The annual allocation of RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. If the facility submits a permit application to increase in an annual allocation to a level greater than the facility's starting Allocation plus Non-Tradable credits as listed below, the application will be evaluated for compliance with Rule 2005 (c)(4). Rule 2005 (e) - Trading Zone Restrictions applies if an annual allocation is increased to a level greater than the facility's Starting Allocation plus Non-Tradable Credits:

Year Begin (month/year)	Year End (month/year)	Zone	RTC Starting Allocation (pounds)	Non-Tradable Credits(NTC) (pounds)

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION C: FACILITY PLOT PLAN

(TO BE DEVELOPED)

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 3: RULE 219 EXEMPT EQUIPMENT SUBJECT TO SOURCE SPECIFIC RULES					
RULE 219 EXEMPT EQUIPMENT, COATING EQUIPMENT, PORTABLE, ARCHITECTURAL COATINGS	E32			**VOC**: (9) **[RULE 1113, 11-8-1996;** *RULE 1113, 7-9-2004;* **RULE 1171, 11-7-2003;** *RULE 1171, 5-6-2005*]	K67.3
RULE 219 EXEMPT EQUIPMENT, EXEMPT HAND WIPING OPERATIONS	E33			**VOC**: (9) **[RULE 1171, 11-7-2003;** *RULE 1171, 5-6-2005*]	

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION D: DEVICE ID INDEX

The following sub-section provides an index to the devices that make up the facility description sorted by device ID.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION D: DEVICE ID INDEX

Device Index For Section D			
Device ID	**Section D Page No.**	**Process**	**System**
E32	1	3	0
E33	1	3	0

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

FACILITY CONDITIONS

F2.1 The operator shall limit emissions from this facility as follows:

CONTAMINANT	EMISSIONS LIMIT
PM	Less than 60.89 TONS IN ANY ONE YEAR
CO	Less than or equal to 112.96 TONS IN ANY ONE YEAR

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

For the purpose of this condition, the PM emission limit shall be defined as particulate matter with aerodynamic diameter of 2.5 microns or less.

The CO emission limit of 112.96 tons per year in this condition shall only apply during non-commissioning years. The total annual CO emissions during the commissioning year shall not exceed 134.6 tons per year

The operator shall calculate the monthly emissions for PM2.5 and CO using the equation below and the following emission factors:

Monthly emissions, lb/month = x (EF); where x = monthly fuel usage in mmcf/month and EF = emission factor indicated above

Compliance with the CO emission limit shall be verified through valid CEMS data.

The operator shall calculate the emission limits for the purpose of determining compliance with the CO limit in the absence of valid CEMS data by using the above equation and the following emission factors:

A) During the commissioning period and prior to CO catalyst installation - 125.87 lb CO/ mmcf

B) After installation of the CO catalyst but prior to CO CEMS certification testing - 13.76 lb CO/mmcf. The emission rate shall be recalculated in accordance with condition D82.1 if the approved CEMS certification test results in emission concentration higher than 4 ppmv.

C) After CO CEMS certification testing - 13.76 lb CO/mmcf. After CO CEMS certification test is approved by the AQMD, the emissions monitored by the CEMS and calculated in accordance with condition D82.1 shall be used to calculate emissions

For the purpose of this condition, the yearly emission limit shall be defined as a period of 12 consecutive months determined on a rolling basis with a new 12 month period beginning on the first day of each calendar month

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[40CFR 51 Subpart S, 3-8-2007]

F9.1 Except for open abrasive blasting operations, the operator shall not discharge into the atmosphere from any single source of emissions whatsoever any air contaminant for a period or periods aggregating more than three minutes in any one hour which is:

(a) As dark or darker in shade as that designated No.1 on the Ringelmann Chart, as published by the United States Bureau of Mines; or

(b) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subparagraph (a) of this condition.

[RULE 3004(a)(4)-Periodic Monitoring, 12-12-1997]

F52.1 This facility is subject to the applicable requirements of the following rules or regulation(s):

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

1. Pursuant to Condition 1.b in Section E, an extension of the Permits to Construct is granted and the Permits to Construct listed in Section H shall expire on November 9, 2012.

2. Walnut Creek Energy, LLC (WCE) will require Edison Mission Huntington Beach (EMHB) and AES Huntington Beach (AESHB, Operator of Facility Permit for ID # 167432) to submit a detailed retirement plan for the permanent shutdown of Huntington Beach Units 3 & 4, describing in detail the steps and schedule that will be taken to meet condition F52.1 of the WCE Facility Permit for ID #146536, as well as the responsible party taking those steps to render the units permanently inoperable.

The retirement plan must be submitted to AQMD by June 1, 2012. Within 30 days, AQMD shall notify Walnut Creek Energy, LLC whether the plan is approvable. If AQMD notifies Walnut Creek Energy, LLC that the plan is not approvable, Walnut Creek Energy, LLC shall submit a revised plan addressing AQMD's concerns within 30 days.

3. Walnut Creek Energy, LLC shall require EMHB by November 1, 2012 to surrender all AQMD permits for Huntington Beach Units 3 & 4 (Facility ID # 167432) that were issued to EMHB on May 4, 2011 and along with that provide the AQMD with a notarized statement that the units are permanently shut down and that any re-start or operation of the units shall require new Permits to Construct and be subject to all requirements of nonattainment new source review and the prevention of significant deterioration program.

Walnut Creek Energy, LLC shall require EMHB to ensure that the units are permanently shut down and rendered permanently inoperable in accordance with the approved plan by November 9, 2012, or other date specified in the approved plan.

4. Walnut Creek Energy, LLC, or their designee, shall notify AQMD 30 days prior to implementation of the approved retirement plan for permanent shut down of Huntington Beach Units 3 & 4, or advise AQMD as soon as practicable should AESHB undertake permanent shutdown prior to November 9, 2012.

5. Walnut Creek Energy, LLC shall not start operation of any equipment covered

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

under the Permits to Construct for the Walnut Creek Energy Park project until both Edison Mission Huntington Beach, LLC boiler Units 3 & 4, currently located at the AES Huntington Beach Generating Station, have been permanently retired, and permits for boiler units 3 and 4 have been surrendered to AQMD.

In addition, Walnut Creek Energy, LLC shall not start operation of any equipment covered under Permits to Construct for the Walnut Creek Energy Park project until AQMD has issued approval in writing that Walnut Creek Energy, LLC has, to the satisfaction of AQMD, complied with all of the above conditions and the requirements to permanently retire boiler units 3 and 4.

6. Upon compliance with conditions 2 through 5 above, the Permits to Construct listed in Section H will be automatically extended to May 5, 2013.

[RULE 1303(b)(2)-Offset, 5-10-1996; RULE 1303(b)(2)-Offset, 12-6-2002]

DEVICE CONDITIONS

K. Record Keeping/Reporting

K67.3 The operator shall keep records, in a manner approved by the District, for the following parameter(s) or item(s):

For architectural applications where no thinners, reducers, or other VOC containing materials are added, maintain semi-annual records for all coating consisting of (a) coating type, (b) VOC content as supplied in grams per liter (g/l) of materials for low-solids coatings, (c) VOC content as supplied in g/l of coating, less water and exempt solvent, for other coatings.

For architectural applications where thinners, reducers, or other VOC containing materials are added, maintain daily records for each coating consisting of (a) coating type, (b) VOC content as applied in grams per liter (g/l) of materials used for low-solids coatings, (c) VOC content as applied in g/l of coating, less water and exempt solvent, for other coatings.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[RULE 3004(a)(4)-Periodic Monitoring, 12-12-1997]

[Devices subject to this condition : E32]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION E: ADMINISTRATIVE CONDITIONS

The operating conditions in this section shall apply to all permitted equipment at this facility unless superseded by condition(s) listed elsewhere in this permit.

1. The permit shall remain effective unless this permit is suspended, revoked, modified, reissued, denied, or it is expired for nonpayment of permit processing or annual operating fees. [201, 203, 209, 301]
   a. The permit must be renewed annually by paying annual operating fees, and the permit shall expire if annual operating fees are not paid pursuant to requirements of Rule 301(d). [301(d)]
   b. The Permit to Construct listed in Section H shall expire one year from the Permit to Construct issuance date, unless a Permit to Construct extension has been granted by the Executive Officer or unless the equipment has been constructed and the operator has notified the Executive Officer prior to the operation of the equipment, in which case the Permit to Construct serves as a temporary Permit to Operate. [202, 205]
   c. The Title V permit shall expire as specified under Section K of the Title V permit. The permit expiration date of the Title V facility permit does not supercede the requirements of Rule 205. [205, 3004]
2. The operator shall maintain all equipment in such a manner that ensures proper operation of the equipment. [204]
3. This permit does not authorize the emissions of air contaminants in excess of those allowed by Division 26 of the Health and Safety Code of the State of California or the Rules and Regulations of the AQMD. This permit cannot be considered as permission to violate existing laws, ordinances, regulations, or statutes of other governmental agencies. [204]
4. The operator shall not use equipment identified in this facility permit as being connected to air pollution control equipment unless they are so vented to the identified air pollution control equipment which is in full use and which has been included in this permit. [204]

SECTION E: ADMINISTRATIVE CONDITIONS

5. The operator shall not use any equipment having air pollution control device(s) incorporated within the equipment unless the air pollution control device is in full operation. [204]

6. The operator shall maintain records to demonstrate compliance with rules or permit conditions that limit equipment operating parameters, or the type or quantity of material processed. These records shall be made available to AQMD personnel upon request and be maintained for at least: [204]

   a. Three years for a facility not subject to Title V; or

   b. Five years for a facility subject to Title V.

7. The operator shall maintain and operate all equipment to ensure compliance with all emission limits as specified in this facility permit. Compliance with emission limits shall be determined according to the following specifications, unless otherwise specified by AQMD rules or permit conditions: [204]

   a. For internal combustion engines and gas turbines, measured concentrations shall be corrected to 15 percent stack-gas oxygen content on a dry basis and be averaged over a period of 15 consecutive minutes; [1110.2, 1134, 204]

   b. For other combustion devices, measured concentrations shall be corrected to 3 percent stack-gas oxygen content on a dry basis and be averaged over a period of 15 consecutive minutes; [1146, 1146.1, 204]

   c. For a large NOx source, compliance with a RECLAIM concentration limit shall be measured over a continuous 60 minutes for that source; [2012]

   d. For non-combustion sources, compliance with emission limits shall be determined and averaged over a period of 60 minutes; [204]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION E: ADMINISTRATIVE CONDITIONS

e. For the purpose of determining compliance with Rule 407, carbon monoxide (CO) shall be measured on a dry basis and be averaged over 15 consecutive minutes, and sulfur compounds which would exist as liquid or gas at standard conditions shall be calculated as sulfur dioxide (SO2) and be averaged over 15 consecutive minutes; [407]

f. For the purpose of determining compliance with Rule 409, combustion contaminant emission measurements shall be corrected to 12 percent of carbon dioxide (CO2) at standard conditions and averaged over 15 consecutive minutes. [409]

g. For the purpose of determining compliance with Rule 475, combustion contaminant emission measurements shall be corrected to 3 percent of oxygen (O2) at standard conditions and averaged over 15 consecutive minutes or any other averaging time specified by the Executive Officer. [475]

8. All equipment operating under the RECLAIM program shall comply concurrently with all provisions of AQMD Rules and Regulations, except those listed in Table 1 of Rule 2001 for NOx RECLAIM sources and Table 2 of Rule 2001 for SOx RECLAIM sources. Those provisions listed in Tables 1 or 2 shall not apply to NOx or SOx emissions after the date the facility has demonstrated compliance with all monitoring and reporting requirements of Rules 2011 or 2012, as applicable. Provisions of the listed AQMD rules in Tables 1 or 2 which have initial implementation dates in 1994 shall not apply to a RECLAIM NOx or SOx source, respectively. [2001]

9. The operator shall, when a source test is required by AQMD, provide a source test protocol to AQMD no later than 60 days before the proposed test date. The test shall not commence until the protocol is approved by AQMD. The test protocol shall contain the following information: [204, 304]

a. Brief description of the equipment tested.

SECTION E: ADMINISTRATIVE CONDITIONS

b. Brief process description, including maximum and normal operating temperatures, pressures, through-put, etc.

c. Operating conditions under which the test will be performed.

d. Method of measuring operating parameters, such as fuel rate and process weight. Process schematic diagram showing the ports and sampling locations, including the dimensions of the ducts/stacks at the sampling locations, and distances of flow disturbances, (e,g. elbows, tees, fans, dampers) from the sampling locations (upstream and downstream).

e. Brief description of sampling and analytical methods used to measure each pollutant, temperature, flow rates, and moisture.

f. Description of calibration and quality assurance procedures.

g. Determination that the testing laboratory qualifies as an "independent testing laboratory" under Rule 304 (no conflict of interest).

10. The operator shall submit a report no later than 60 days after conducting a source test, unless otherwise required by AQMD Rules or equipment-specific conditions. The report shall contain the following information: [204]

a. The results of the source test.

b. Brief description of the equipment tested.

c. Operating conditions under which test will be performed.

d. Method of measuring operating parameters, such as fuel rate and process weight. Process schematic diagram showing the ports and sampling locations, including the dimensions of the ducts/stacks at the sampling locations, and distances of flow disturbances, (e.g. elbows, tees, fans, dampers) from the sampling locations (upstream and downstream).

e. Field and laboratory data forms, strip charts and analyses.

SECTION E: ADMINISTRATIVE CONDITIONS

f. Calculations for volumetric flow rates, emission rates, control efficiency, and overall control efficiency.

11. The operator shall, when a source test is required, provide and maintain facilities for sampling and testing. These facilities shall comply with the requirements of AQMD Source Test Method 1.1 and 1.2. [217]

12. Whenever required to submit a written report, notification or other submittal to the Executive Officer, AQMD, or the District, the operator shall mail or deliver the material to: Deputy Executive Officer, Engineering and Compliance, AQMD, 21865 E. Copley Drive, Diamond Bar, CA 91765-4182. [204]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION F: RECLAIM MONITORING AND SOURCE TESTING REQUIREMENTS

The Facility shall comply with all applicable monitoring and source testing requirements in Regulation XX. These requirements may include but are not limited to the following:

I. NOx Monitoring Conditions

A. The Operator of a NOx Major Source, as defined in Rule 2012, shall, as applicable:

1. Install, maintain, and operate an AQMD certified direct or time-shared monitoring device or an approved alternative monitoring device for each major NOx source to continuously measure the concentration of NOx emissions and all other applicable variables specified in Rule 2012, Table 2012-1 and Rule 2012, Appendix A, Table 2-A to determine the NOx emissions rate from each source. The time-sharing of CEMS among NOx sources may be allowed by the Executive Officer in accordance with the requirements for time sharing specified in Appendix A. [2012]

2. Install, maintain, and operate a totalizing fuel meter approved by the Executive Officer for each major source. [2012]

3. If the facility is operating existing CEMS and fuel meters, continue to follow recording and reporting procedures required by AQMD Rules and Regulations in effect prior to October 15, 1993 until the CEMS is certified pursuant to Rule 2012. [2012]

4. Use valid data collected by an AQMD certified or provisionally certified CEMS in proper operation that meets all the requirements of Appendix A of Rule 2012, unless final certification of the CEMS is denied, to determine mass emissions for all purposes, including, but not limited to, determining: [2012]
   a. compliance with the annual Allocation;
   b. excess emissions;
   c. the amount of penalties; and
   d. fees.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION F: RECLAIM MONITORING AND SOURCE TESTING REQUIREMENTS

5. Follow missing data procedures as specified in Rule 2012 Appendix A whenever valid data is not available or collected to determine mass emissions for all purposes, including, but not limited to, determining: [2012]
   a. compliance with the annual Allocation;
   b. excess emissions;
   c. the amount of penalties; and
   d. fees.

B. The Operator of a NOx large Source, as defined in Rule 2012, shall, as applicable:

Not Applicable

C. The Operator of a NOx Process Unit, as defined in Rule 2012, shall, as applicable:

1. Install, maintain, and operate a totalizing fuel meter or any device approved by the Executive Officer to measure quarterly fuel usage or other applicable variables specified in Rule 2012, Table 2012-1, and Rule 2012, Appendix A, Table 4-A. The sharing of totalizing fuel meters may be allowed by the Executive Officer if the fuel meter serves process units which have the same emission factor or emission rate. The sharing of totalizing meter shall not be allowed for process units which are required to comply with an annual heat input limit. [2012]

II. NOx Source Testing and Tune-up conditions

1. The operator shall conduct all required NOx source testing in compliance with an AQMD-approved source test protocol. [2012]

SECTION F: RECLAIM MONITORING AND SOURCE TESTING REQUIREMENTS

2. The operator shall, as applicable, conduct source tests for every large NOx source no later than December 31, 1996 and every 3 years thereafter. The source test shall include the determination of NOx concentration and a relative accuracy audit of the exhaust stack flow determination (e.g. in-stack flow monitor or fuel flow monitor based F-factor calculation). Such source test results shall be submitted per the schedule described by APEP. In lieu of submitting the first source test report, the facility permit holder may submit the results of a source test not more than 3 years old which meets the requirements when conducted. [2012]

3. All NOx large sources and NOx process units shall be tuned-up in accordance with the schedule specified in Rule 2012, Appendix A, Chapter 5, Table 5-B. [2012]

III. SOx monitoring conditions

D. The Operator of a SOx Major Source, as defined in Rule 2011, shall, as applicable:

Not Applicable

E. The Operator of a SOx Process Unit, as defined in Rule 2011, shall, as applicable:

1. Install, maintain, and operate a totalizing fuel meter or any device approved by the Executive Officer to measure quarterly fuel usage or other applicable variables specified in Rule 2011, Table 2011-1, and Rule 2011, Appendix A, Table 3-A. The sharing of totalizing meters shall be allowed for process units except those using fuels with different sulfur contents. [2011]

IV. SOx Source Testing Conditions

1. The operator shall conduct all required SOx source testing in compliance with an AQMD-approved source test protocol. [2011]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION G: RECORDKEEPING AND REPORTING REQUIREMENTS FOR RECLAIM SOURCES

The Facility shall comply with all applicable reporting and recordkeeping requirements in Regulation XX. These requirements may include but are not limited to the following:

I. Recordkeeping Requirements for all RECLAIM Sources

1. The operator shall maintain all monitoring data required to be measured or reported pursuant to Rule 2011 and Rule 2012, whichever is applicable. All records shall be made available to AQMD staff upon request and be maintained for at least:
   a. Three years after each APEP report is submitted to AQMD for a facility not subject to Title V, unless a different time period is required in Rule 2011 or Rule 2012 [2011 & 2012]; or
   b. Five years after each APEP report is submitted to AQMD for a facility subject to Title V. [3004(a)(4)(E)]
   c. Notwithstanding the above, all data gathered or computed for intervals of less than 15 minutes shall only be maintained a minimum of 48 hours. [2011 & 2012]
2. The operator shall store on site and make available to the Executive Officer upon request: records used to determine emissions, maintenance records, sources test reports, relative accuracy test audit reports, relative accuracy audit reports and fuel meter calibration records. [2011 & 2012]

II. Reporting Requirements for all RECLAIM Sources

1. The opearator shall submit a quarterly certification of emissions including the total facility NOx or SOx emissions, whichever is applicable, for the quarter within 30 days after the end of the first three quarters and 60 days after the end of the fourth quarter of a compliance year. [2004]

NOx Reporting Requirements

A. The Operator of a NOx Major Source, as defined in Rule 2012, shall, as applicable:

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION G: RECORDKEEPING AND REPORTING REQUIREMENTS FOR RECLAIM SOURCES

1. No later than 12 months after entry into the RECLAIM program or after the initial operation of a new major source, whichever is later, install, maintain, and operate a reporting device to electronically report everyday to the AQMD central station for each major NOx source, the total daily mass emissions of NOx and daily status codes. Such data shall be transmitted by 5:00 p.m. of the following day. If the facility experiences a power, computer, or other system failure that prevents the submittal of the daily report, the Facility Permit holder shall be granted 24 hours extension to submit the report. [2012]

2. Calculate NOx emissions pursuant to missing data procedures set forth in Appendix A, Chapter 2 of Rule 2012 if the Facility Permit holder fails to meet the deadline for submitting the daily report. [2012]

3. Submit an electronic report within 15 days following the end of each month totaling NOX emissions from all major NOx sources during the month. [2012]

4. For those facilities with existing CEMS and fuel meters as of October 15, 1993, continue to follow recording and reporting procedures required by AQMD Rules and Regulations in effect until the CEMS is certified pursuant to Rule 2011 and/or Rule 2012, as applicable. [2012]

B. The Operator of a NOx Large Source, as defined in Rule 2012, shall:

Not Applicable

C. The Operator of a NOx Process Unit, as defined in Rule 2012, shall:

1. Electronically report the calculated quarterly NOx emissions for each NOx process unit. The Operator shall comply with this requirement within 12 months of the date of entry to the RECLAIM Program. [2012]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION G: RECORDKEEPING AND REPORTING REQUIREMENTS FOR RECLAIM SOURCES

SOx Reporting Requirements

D. The Operator of a SOx Major Source, as defined in Rule 2011, shall, as applicable:

Not Applicable

E. The Operator of a SOx Process Unit, as defined in Rule 2011, shall:

1. Electronically report the calculated quarterly SOx emissions for each SOx process unit. [2011]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
System 1: GAS TURBINES, POWER GENERATION					

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GAS TURBINE, UNIT NO.1, NATURAL GAS, GENERAL ELECTRIC, MODEL LMS100PA, SIMPLE CYCLE, INTERCOOLED, 891.7 MMBTU/HR AT 30 DEGREES F, WITH WATER INJECTION WITH A/N: 450894 Permit to Construct Issued: 05/05/11	D1	C3	NOX: MAJOR SOURCE**; SOX: PROCESS UNIT**	**CO**: 4 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988]; **CO**: 2000 PPMV NATURAL GAS (5) **[RULE 407, 4-2-1982]**; **NOX**: 2.5 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005]**; **NOX**: 10.73 LBS/MMSCF NATURAL GAS (1) **[RULE 2012, 5-6-2005]**; **NOX**: 15 PPMV NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **NOX**: 123.46 LBS/MMSCF (1) **[RULE 2012, 5-6-2005]**; **PM10**: 0.01 GRAINS/SCF NATURAL GAS (5) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **PM10**: 0.1 GRAINS/SCF NATURAL GAS (5B) **[RULE 409, 8-7-1981]**; **PM10**: 11 LBS/HR NATURAL GAS (5A) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **SO2**: (9) **[40CFR 72 - Acid Rain Provisions, 11-24-1997]**; **SOX**: 0.06 LBS/MMBTU NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **SOX**: 0.67 LBS/MMSCF (1) **[RULE 2011, 5-6-2005]**; **VOC**: 2 PPMV NATURAL GAS (4) **[RULE 1303(a)(1)-BACT,**	A63.1, A99.1, A99.2, A99.3, A99.4, A99.5, A195.1, A195.2, A195.3, A327.1, C1.1, D12.1, D29.1, D29.2, D29.3, D82.1, D82.2, E193.1, H23.1, I296.1, I296.3, K40.1, K67.1

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GENERATOR, 100.1 NET MW (104 GROSS MW)				**5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002*]	
CO OXIDATION CATALYST, NO.1, ENGLEHARD CAMET, WITH 72 CUBIC FEET OF TOTAL CATALYST VOLUME A/N: 450899 Permit to Construct Issued: 05/05/11	C3	D1 C4			
SELECTIVE CATALYTIC REDUCTION, NO. 1, HALDOR-TOPSOE DNX-920, 718 CU.FT.; WIDTH: 20 FT 3 IN; HEIGHT: 28 FT 8 IN; LENGTH: 1 FT 8 IN WITH A/N: 450899 Permit to Construct Issued: 05/05/11 AMMONIA INJECTION, GRID	C4	C3 S6		**NH3**: 5 PPMV NATURAL GAS (4) [**RULE 1303(a)(1) -BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002*]	A195.4, D12.2, D12.3, D12.4, E179.1, E179.2, E193.1
STACK, NO.1, HEIGHT: 90 FT ; DIAMETER: 13 FT 6 IN A/N: 450894 Permit to Construct Issued: 05/05/11	S6	C4			

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GAS TURBINE, UNIT NO.2, NATURAL GAS, GENERAL ELECTRIC, MODEL LMS100PA, SIMPLE CYCLE, INTERCOOLED, 891.7 MMBTU/HR AT 30 DEGREES F, WITH WATER INJECTION WITH A/N: 450895 Permit to Construct Issued: 05/05/11	D7	C9	NOX: MAJOR SOURCE**; SOX: PROCESS UNIT**	**CO**: 4 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988]; **CO**: 2000 PPMV NATURAL GAS (5) **[RULE 407, 4-2-1982]**; **NOX**: 2.5 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005]**; **NOX**: 10.73 LBS/MMSCF NATURAL GAS (1) **[RULE 2012, 5-6-2005]**; **NOX**: 15 PPMV NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **NOX**: 123.46 LBS/MMSCF (1) **[RULE 2012, 5-6-2005]**; **PM10**: 0.01 GRAINS/SCF NATURAL GAS (5) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **PM10**: 0.1 GRAINS/SCF NATURAL GAS (5B) **[RULE 409, 8-7-1981]**; **PM10**: 11 LBS/HR NATURAL GAS (5A) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **SO2**: (9) **[40CFR 72 - Acid Rain Provisions, 11-24-1997]**; **SOX**: 0.06 LBS/MMBTU NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **SOX**: 0.67 LBS/MMSCF (1) **[RULE 2011, 5-6-2005]**; **VOC**: 2 PPMV NATURAL GAS (4) **[RULE 1303(a)(1)-BACT,**	A63.1, A99.1, A99.2, A99.3, A99.4, A99.5, A195.1, A195.2, A195.3, A327.1, C1.1, D12.1, D29.1, D29.2, D29.3, D82.1, D82.2, E193.1, H23.1, I296.1, I296.3, K40.1, K67.1

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GENERATOR, 100.1 NET MW (104 GROSS MW)				**5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002*]	
CO OXIDATION CATALYST, NO.2, ENGLEHARD CAMET, WITH 72 CUBIC FEET OF TOTAL CATALYST VOLUME A/N: 450900 Permit to Construct Issued: 05/05/11	C9	D7 C10			
SELECTIVE CATALYTIC REDUCTION, NO. 2, HALDOR-TOPSOE DNX-920, 718 CU.FT.; WIDTH: 20 FT 3 IN; HEIGHT: 28 FT 8 IN; LENGTH: 1 FT 8 IN WITH A/N: 450900 Permit to Construct Issued: 05/05/11 AMMONIA INJECTION, GRID	C10	C9 S12		**NH3**: 5 PPMV NATURAL GAS (4) **[RULE 1303(a)(1) -BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002*]	A195.4, D12.2, D12.3, D12.4, E179.1, E179.2, E193.1
STACK, NO.2, HEIGHT: 90 FT ; DIAMETER: 13 FT 6 IN A/N: 450895 Permit to Construct Issued: 05/05/11	S12	C10			

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GAS TURBINE, UNIT NO.3, NATURAL GAS, GENERAL ELECTRIC, MODEL LMS100PA, SIMPLE CYCLE, INTERCOOLED, 891.7 MMBTU/HR AT 30 DEGREES F, WITH WATER INJECTION WITH A/N: 450896 Permit to Construct Issued: 05/05/11	D13	C15	NOX: MAJOR SOURCE**; SOX: PROCESS UNIT**	**CO**: 4 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988]; **CO**: 2000 PPMV NATURAL GAS (5) **[RULE 409, 8-7-1981]**; **NOX**: 2.5 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005]**; **NOX**: 10.73 LBS/MMSCF NATURAL GAS (1) **[RULE 2012, 5-6-2005]**; **NOX**: 15 PPMV NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **NOX**: 123.46 LBS/MMSCF (1) **[RULE 2012, 5-6-2005]**; **PM10**: 0.01 GRAINS/SCF NATURAL GAS (5) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **PM10**: 0.1 GRAINS/SCF NATURAL GAS (5B) **[RULE 409, 8-7-1981]**; **PM10**: 11 LBS/HR NATURAL GAS (5A) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **SO2**: (9) **[40CFR 72 - Acid Rain Provisions, 11-24-1997]**; **SOX**: 0.06 LBS/MMBTU NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **SOX**: 0.67 LBS/MMSCF (1) **[RULE 2011, 5-6-2005]**; **VOC**: 2 PPMV NATURAL GAS (4) **[RULE 1303(a)(1)-BACT,**	A63.1, A99.1, A99.2, A99.3, A99.4, A99.5, A195.1, A195.2, A195.3, A327.1, C1.1, D12.1, D29.1, D29.2, D29.3, D82.1, D82.2, E193.1, H23.1, I296.1, I296.3, K40.1, K67.1

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GENERATOR, 100.1 NET MW (104 GROSS MW)				**5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002*]	
CO OXIDATION CATALYST, NO.3, ENGLEHARD CAMET, WITH 72 CUBIC FEET OF TOTAL CATALYST VOLUME A/N: 450901 Permit to Construct Issued: 05/05/11	C15	D13 C16			
SELECTIVE CATALYTIC REDUCTION, NO. 3, HALDOR-TOPSOE DNX-920, 718 CU.FT.; WIDTH: 20 FT 3 IN; HEIGHT: 28 FT 8 IN; LENGTH: 1 FT 8 IN WITH A/N: 450901 Permit to Construct Issued: 05/05/11 AMMONIA INJECTION, GRID	C16	C15 S18		**NH3**: 5 PPMV NATURAL GAS (4) **[RULE 1303(a)(1) -BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002*]	A195.4, D12.2, D12.3, D12.4, E179.1, E179.2, E193.1
STACK, NO.3, HEIGHT: 90 FT ; DIAMETER: 13 FT 6 IN A/N: 450896 Permit to Construct Issued: 05/05/11	S18	C16			

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GAS TURBINE, UNIT NO.4, NATURAL GAS, GENERAL ELECTRIC, MODEL LMS100PA, SIMPLE CYCLE, INTERCOOLED, 891.7 MMBTU/HR AT 30 DEGREES F, WITH WATER INJECTION WITH A/N: 450897 Permit to Construct Issued: 05/05/11	D19	C21	NOX: MAJOR SOURCE**; SOX: PROCESS UNIT**	**CO**: 4 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988]; **CO**: 2000 PPMV NATURAL GAS (5) **[RULE 407, 4-2-1982]**; **NOX**: 2.5 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005]**; **NOX**: 10.73 LBS/MMSCF (1A) **[RULE 2012, 5-6-2005]**; **NOX**: 15 PPMV NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **NOX**: 123.46 LBS/MMSCF (1) **[RULE 2012, 5-6-2005]**; **PM10**: 0.01 GRAINS/SCF NATURAL GAS (5) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **PM10**: 0.1 GRAINS/SCF NATURAL GAS (5B) **[RULE 409, 8-7-1981]**; **PM10**: 11 LBS/HR NATURAL GAS (5A) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **SO2**: (9) **[40CFR 72 - Acid Rain Provisions, 11-24-1997]**; **SOX**: 0.06 LBS/MMBTU NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **SOX**: 0.67 LBS/MMSCF (1) **[RULE 2011, 5-6-2005]**; **VOC**: 2 PPMV NATURAL GAS (4) **[RULE 1303(a)(1)-BACT,**	A63.1, A99.1, A99.2, A99.3, A99.4, A99.5, A195.1, A195.2, A195.3, A327.1, C1.1, D12.1, D29.1, D29.2, D29.3, D82.1, D82.2, E193.1, H23.1, I296.1, I296.3, K40.1, K67.1

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GENERATOR, 100.1 NET MW (104 GROSS MW)				**5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002*]	
CO OXIDATION CATALYST, NO.4, ENGLEHARD CAMET, WITH 72 CUBIC FEET OF TOTAL CATALYST VOLUME A/N: 450904 Permit to Construct Issued: 05/05/11	C21	D19 C22			
SELECTIVE CATALYTIC REDUCTION, NO. 4, HALDOR-TOPSOE DNX-920, 718 CU.FT.; WIDTH: 20 FT 3 IN; HEIGHT: 28 FT 8 IN; LENGTH: 1 FT 8 IN WITH A/N: 450904 Permit to Construct Issued: 05/05/11 AMMONIA INJECTION, GRID	C22	C21 S24		**NH3**: 5 PPMV NATURAL GAS (4) **[RULE 1303(a)(1) -BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002*]	A195.4, D12.2, D12.3, D12.4, E179.1, E179.2, E193.1
STACK, NO.4, HEIGHT: 90 FT ; DIAMETER: 13 FT 6 IN A/N: 450897 Permit to Construct Issued: 05/05/11	S24	C22			

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GAS TURBINE, UNIT NO.5, NATURAL GAS, GENERAL ELECTRIC, MODEL LMS100PA, SIMPLE CYCLE, INTERCOOLED, 891.7 MMBTU/HR AT 30 DEGREES F, WITH WATER INJECTION WITH A/N: 450898 Permit to Construct Issued: 06/01/11	D25	C27	NOX: MAJOR SOURCE**; SOX: PROCESS UNIT**	**CO**: 4 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988]; **CO**: 2000 PPMV NATURAL GAS (5) **[RULE 409, 8-7-1981]**; **NOX**: 2.5 PPMV NATURAL GAS (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005]**; **NOX**: 10.73 LBS/MMSCF NATURAL GAS (1) **[RULE 2012, 5-6-2005]**; **NOX**: 15 PPMV NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **NOX**: 123.46 LBS/MMSCF (1) **[RULE 2012, 5-6-2005]**; **PM10**: 0.01 GRAINS/SCF NATURAL GAS (5) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **PM10**: 0.1 GRAINS/SCF NATURAL GAS (5B) **[RULE 409, 8-7-1981]**; **PM10**: 11 LBS/HR NATURAL GAS (5A) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **SO2**: (9) **[40CFR 72 - Acid Rain Provisions, 11-24-1997]**; **SOX**: 0.06 LBS/MMBTU NATURAL GAS (8) **[40CFR 60 Subpart KKKK, 7-6-2006]**; **SOX**: 0.67 LBS/MMSCF (1) **[RULE 2011, 5-6-2005]**; **VOC**: 2 PPMV NATURAL GAS (4) **[RULE 1303(a)(1)-BACT,**	A63.1, A99.1, A99.2, A99.3, A99.4, A99.5, A195.1, A195.2, A195.3, A327.1, C1.1, D12.1, D29.1, D29.2, D29.3, D82.1, D82.2, E193.1, H23.1, I296.1, I296.3, K40.1, K67.1

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GENERATOR, 100.1 NET MW (104 GROSS MW)				**5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002*]	
CO OXIDATION CATALYST, NO.5, ENGLEHARD CAMET, WITH 72 CUBIC FEET OF TOTAL CATALYST VOLUME A/N: 450907 Permit to Construct Issued: 05/05/11	C27	D25 C28			
SELECTIVE CATALYTIC REDUCTION, NO. 5, HALDOR-TOPSOE DNX-920, 718 CU.FT.; WIDTH: 20 FT 3 IN; HEIGHT: 28 FT 8 IN; LENGTH: 1 FT 8 IN WITH A/N: 450907 Permit to Construct Issued: 05/05/11	C28	C27 S30		**NH3**: 5 PPMV NATURAL GAS (4) **[RULE 1303(a)(1) -BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002*]	A195.4, D12.2, D12.3, D12.4, E179.1, E179.2, E193.1
AMMONIA INJECTION, GRID					
STACK, NO.5, HEIGHT: 90 FT ; DIAMETER: 13 FT 6 IN A/N: 450898 Permit to Construct Issued: 06/01/11	S30	C28			
System 2: EMERGENCY FIRE PUMP					

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
INTERNAL COMBUSTION ENGINE, EMERGENCY FIRE, LEAN BURN, DIESEL FUEL, CLARKE, MODEL JU6H-UFAD58, WITH AFTERCOOLER, TURBOCHARGER, 183 BHP A/N: 450908 Permit to Construct Issued: 05/05/11	D34		NOX: PROCESS UNIT**; SOX: PROCESS UNIT**	**CO**: 0.9 GRAM/BHP-HR DIESEL (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988]; **NOX**: 469 LBS/1000 GAL DIESEL (1) **[RULE 2012, 5-6-2005]**; **NOX + ROG**: 2.8 GRAM/BHP-HR DIESEL (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005]**; **PM10**: 0.1 GRAM/BHP-HR DIESEL (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002*]; **SOX**: 0.004 GRAM/BHP-HR (4) [RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005]**; **SOX**: 0.103 LBS/1000 GAL (1) **[RULE 2011, 5-6-2005]**	C1.3, D12.5, D12.6, E193.1, E193.2, I296.2, K67.2
Process 2: INORGANIC CHEMICAL STORAGE					
STORAGE TANK, FIXED ROOF, TK-1, AMMONIA, 19 PERCENT AQUEOUS AMMONIA, WITH PRV SETTING AT 25 PSIG, 16000 GALS; DIAMETER: 12 FT ; HEIGHT: 12 FT A/N: 451185 Permit to Construct Issued: 05/05/11	D31				C157.1, E144.1, E193.1

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
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(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: DEVICE ID INDEX

The following sub-section provides an index to the devices that make up the facility description sorted by device ID.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: DEVICE ID INDEX

Device Index For Section H			
Device ID	**Section H Page No.**	**Process**	**System**
D1	3	1	1
C3	3	1	1
C4	3	1	1
S6	3	1	1
D7	5	1	1
C9	5	1	1
C10	5	1	1
S12	5	1	1
D13	7	1	1
C15	7	1	1
C16	7	1	1
S18	7	1	1
D19	9	1	1
C21	9	1	1
C22	9	1	1
S24	9	1	1
D25	11	1	1
C27	11	1	1
C28	11	1	1
S30	11	1	1
D31	12	2	0
D34	12	1	2

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

FACILITY CONDITIONS

F2.1 The operator shall limit emissions from this facility as follows:

CONTAMINANT	EMISSIONS LIMIT
PM	Less than 60.89 TONS IN ANY ONE YEAR
CO	Less than or equal to 112.96 TONS IN ANY ONE YEAR

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

For the purpose of this condition, the PM emission limit shall be defined as particulate matter with aerodynamic diameter of 2.5 microns or less.

The CO emission limit of 112.96 tons per year in this condition shall only apply during non-commissioning years. The total annual CO emissions during the commissioning year shall not exceed 134.6 tons per year

The operator shall calculate the monthly emissions for PM2.5 and CO using the equation below and the following emission factors:

Monthly emissions, lb/month = x (EF); where x = monthly fuel usage in mmcf/month and EF = emission factor indicated above

Compliance with the CO emission limit shall be verified through valid CEMS data.

The operator shall calculate the emission limits for the purpose of determining compliance with the CO limit in the absence of valid CEMS data by using the above equation and the following emission factors:

A) During the commissioning period and prior to CO catalyst installation - 125.87 lb CO/ mmcf

B) After installation of the CO catalyst but prior to CO CEMS certification testing - 13.76 lb CO/mmcf. The emission rate shall be recalculated in accordance with condition D82.1 if the approved CEMS certification test results in emission concentration higher than 4 ppmv.

C) After CO CEMS certification testing - 13.76 lb CO/mmcf. After CO CEMS certification test is approved by the AQMD, the emissions monitored by the CEMS and calculated in accordance with condition D82.1 shall be used to calculate emissions

For the purpose of this condition, the yearly emission limit shall be defined as a period of 12 consecutive months determined on a rolling basis with a new 12 month period beginning on the first day of each calendar month

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

[40CFR 51 Subpart S, 3-8-2007]

F9.1 Except for open abrasive blasting operations, the operator shall not discharge into the atmosphere from any single source of emissions whatsoever any air contaminant for a period or periods aggregating more than three minutes in any one hour which is:

(a) As dark or darker in shade as that designated No.1 on the Ringelmann Chart, as published by the United States Bureau of Mines; or

(b) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subparagraph (a) of this condition.

[RULE 3004(a)(4)-Periodic Monitoring, 12-12-1997]

F52.1 This facility is subject to the applicable requirements of the following rules or regulation(s):

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

1. Pursuant to Condition 1.b in Section E, an extension of the Permits to Construct is granted and the Permits to Construct listed in Section H shall expire on November 9, 2012.

2. Walnut Creek Energy, LLC (WCE) will require Edison Mission Huntington Beach (EMHB) and AES Huntington Beach (AESHB, Operator of Facility Permit for ID # 167432) to submit a detailed retirement plan for the permanent shutdown of Huntington Beach Units 3 & 4, describing in detail the steps and schedule that will be taken to meet condition F52.1 of the WCE Facility Permit for ID #146536, as well as the responsible party taking those steps to render the units permanently inoperable.

The retirement plan must be submitted to AQMD by June 1, 2012. Within 30 days, AQMD shall notify Walnut Creek Energy, LLC whether the plan is approvable. If AQMD notifies Walnut Creek Energy, LLC that the plan is not approvable, Walnut Creek Energy, LLC shall submit a revised plan addressing AQMD's concerns within 30 days.

3. Walnut Creek Energy, LLC shall require EMHB by November 1, 2012 to surrender all AQMD permits for Huntington Beach Units 3 & 4 (Facility ID # 167432) that were issued to EMHB on May 4, 2011 and along with that provide the AQMD with a notarized statement that the units are permanently shut down and that any re-start or operation of the units shall require new Permits to Construct and be subject to all requirements of nonattainment new source review and the prevention of significant deterioration program.

Walnut Creek Energy, LLC shall require EMHB to ensure that the units are permanently shut down and rendered permanently inoperable in accordance with the approved plan by November 9, 2012, or other date specified in the approved plan.

4. Walnut Creek Energy, LLC, or their designee, shall notify AQMD 30 days prior to implementation of the approved retirement plan for permanent shut down of Huntington Beach Units 3 & 4, or advise AQMD as soon as practicable should AESHB undertake permanent shutdown prior to November 9, 2012.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

5. Walnut Creek Energy, LLC shall not start operation of any equipment covered under the Permits to Construct for the Walnut Creek Energy Park project until both Edison Mission Huntington Beach, LLC boiler Units 3 & 4, currently located at the AES Huntington Beach Generating Station, have been permanently retired, and permits for boiler units 3 and 4 have been surrendered to AQMD.

In addition, Walnut Creek Energy, LLC shall not start operation of any equipment covered under Permits to Construct for the Walnut Creek Energy Park project until AQMD has issued approval in writing that Walnut Creek Energy, LLC has, to the satisfaction of AQMD, complied with all of the above conditions and the requirements to permanently retire boiler units 3 and 4.

6. Upon compliance with conditions 2 through 5 above, the Permits to Construct listed in Section H will be automatically extended to May 5, 2013.

[**RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002]

DEVICE CONDITIONS

A. Emission Limits

A63.1 The operator shall limit emissions from this equipment as follows:

CONTAMINANT	EMISSIONS LIMIT
PM10	Less than or equal to 2,592 LBS IN ANY ONE MONTH
VOC	Less than or equal to 1035 LBS IN ANY ONE MONTH

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

The operator shall calculate the monthly emissions for PM10 and VOC using the equation below and the following emission factors: VOC: 2.73 lb/mmcf; and PM10: 7.04 lb/mmcf

Monthly Emissions, lb/month = X (EF),

Where X = monthly fuel usage, mmscf/month and EF = emission factor indicated above

For the purposes of this condition, the limits shall based on the emissions from a single turbine. During commissioning, the VOC emissions shall not exceed 1,043 lbs in any one month

the operator shall provide the AQMD with written notification of the date of initial catalyst use within 7 days of this event

[**RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002]

[Devices subject to this condition : D1, D7, D13, D19, D25]

A99.1 The 2.5 PPM NOX emission limit(s) shall not apply during turbine commissioning, start-up, and shutdown periods. The commissioning period shall not exceed 134 hours. Start-up time shall not exceed 60 minutes for each start-up. Shutdown periods shall not exceed 10 minutes for each shutdown. The turbine shall be limited to maximum of 480 start-ups/year. Written records of commissioning, start-ups, and shutdowns shall be maintained and made available upon request from the Executive Officer.

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005]**

[Devices subject to this condition : D1, D7, D13, D19, D25]

A99.2 The 4.0 PPM CO emission limit(s) shall not apply during turbine commissioning, start-up, and shutdown periods. The commissioning period shall not exceed 134 hours. Start-up time shall exceed 60 minutes for each start-up. Shutdown periods shall not exceed 10 minutes for each shutdown. The turbine shall be limited to maximum of 480 start-ups/year. Written records of commissioning, start-ups, and shutdowns shall be maintained and made available upon request from the Executive Officer.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988]

[Devices subject to this condition : D1, D7, D13, D19, D25]

A99.3 The 123.46 LBS/MMSCF NOX emission limit(s) shall only apply during the interim reporting period during initial turbine commissioning to report RECLAIM emissions. The interim reporting period shall not exceed 12 months from entry into RECLAIM.

[RULE 2012, 5-6-2005]

[Devices subject to this condition : D1, D7, D13, D19, D25]

A99.4 The 10.73 LBS/MMSCF NOX emission limit(s) shall only apply during the interim reporting period after intial turbine commissioning to report RECLAIM emissions. The interim reporting period shall not exceed 12 months from entry into RECLAIM.

[RULE 2012, 5-6-2005]

[Devices subject to this condition : D1, D7, D13, D19, D25]

A99.5 The 2.0 PPM ROG emission limit(s) shall not apply during turbine commissioning, start-up, and shutdown periods. The commissioning period shall not exceed 134 hours. Start-up time shall not exceed 60 minutes for each start-up. Shutdown periods shall not exceed 10 minutes for each shutdown. The turbine shall be limited to maximum of 480 start-ups/year. Written records of commissioning, start-ups, and shutdowns shall be maintained and made available upon request from the Executive Officer.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : D1, D7, D13, D19, D25]

A195.1 The 4.0 PPMV CO emission limit(s) is averaged over 60 minutes at 15% O2, dry.

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988]

[Devices subject to this condition : D1, D7, D13, D19, D25]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

A195.2 The 2.5 PPMV NOX emission limit(s) is averaged over 60 minutes at 15% O2, dry.

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005**]

[Devices subject to this condition : D1, D7, D13, D19, D25]

A195.3 The 2.0 PPMV VOC emission limit(s) is averaged over 60 minutes at 15% O2, dry.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : D1, D7, D13, D19, D25]

A195.4 The 5.0 PPMV NH3 emission limit(s) is averaged over 60 minutes at 15% O2, dry basis. The operator shall calculate and continuously record the NH3 slip concentration using the following:.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

NH3 (ppmv) = [a-b*c/1EE+06]*1EE+06/b; where

a = NH3 injection rate (lb/hr)/17 lb-lb-mol

b = dry exhaust gas flow rate (scf/hr)/385.3 scf/lb-mol

c = change in measured NOx across the SCR (ppmvd at 15% O2)

The operator shall install and maintain a NOX analyzer to measure the SCR inlet NOx ppmv accurate to plus or minus 5 percent calibrated at least once every twelve months.

The NOx analyzer shall be installed and operated within 90 days of initial start-up.

The operator shall use the above described method or other alternative method apporoved by the Executive Officer.

The ammonia slip calculation procedures described above shall not be used for compliance determination or emission information without corroborative data using an approved reference method for the determination of ammonia.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 2012, 5-6-2005**]

[Devices subject to this condition : C4, C10, C16, C22, C28]

A327.1 For the purpose of determining compliance with District Rule 475, combustion contaminant emissions may exceed the concentration limit or the mass emission limit listed, but not both limits at the same time.

[**RULE 475, 10-8-1976;** RULE 475, 8-7-1978]

[Devices subject to this condition : D1, D7, D13, D19, D25]

C. Throughput or Operating Parameter Limits

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

C1.1 The operator shall limit the fuel usage to no more than 367 MM cubic feet in any one calendar month.

For the purpose of this condition, fuel usage shall be defined as the total natural gas usage of a single turbine.

The operator shall maintain records in a manner approved by the District, to demonstrate compliance with this condition.

[RULE 1303(b)(2)-Offset, 5-10-1996; RULE 1303(b)(2)-Offset, 12-6-2002]

[Devices subject to this condition : D1, D7, D13, D19, D25]

C1.3 The operator shall limit the operating time to no more than 200 hour(s) in any one year.

For the purpose of this condition, the operating time is inclusive of time allotted for maintenance and testing.

[RULE 1110.2, 6-3-2005; **RULE 1304(a)-Modeling and Offset Exemption, 6-14-1996; RULE 1304(c)-Offset Exemption, 6-14-1996; RULE 2012, 5-6-2005**]

[Devices subject to this condition : D34]

C157.1 The operator shall install and maintain a pressure relief valve with a minimum pressure set at 25 psig.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : D31]

D. Monitoring/Testing Requirements

D12.1 The operator shall install and maintain a(n) flow meter to accurately indicate the fuel usage being supplied to the turbine.

The operator shall also install and maintain a device to continuously record the parameter being measured.

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WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

[**RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2012, 5-6-2005**]

[Devices subject to this condition : D1, D7, D13, D19, D25]

D12.2 The operator shall install and maintain a(n) flow meter to accurately indicate the flow rate of the total hourly throughput of injected ammonia.

The operator shall also install and maintain a device to continuously record the parameter being measured.

The measuring device or gauge shall be accurate to within plus or minus 5 percent. It shall be calibrated once every 12 months.

The ammonia injection rate shall not exceed 190 lb/hr

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005**]

[Devices subject to this condition : C4, C10, C16, C22, C28]

D12.3 The operator shall install and maintain a(n) temperature gauge to accurately indicate the temperature of the exhaust at the inlet to the SCR reactor.

The measuring device or gauge shall be accurate to within plus or minus 5 percent. It shall be calibrated once every 12 months.

The operator shall also install and maintain a device to continuously record the parameter being measured.

The catalyst temperature range shall remain between 715 degrees F and 817 degrees F

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005**]

[Devices subject to this condition : C4, C10, C16, C22, C28]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

D12.4 The operator shall install and maintain a(n) pressure gauge to accurately indicate the differential pressure across the SCR catalyst bed in inches of water column.

The operator shall also install and maintain a device to continuously record the parameter being measured.

The measuring device or gauge shall be accurate to within plus or minus 5 percent. It shall be calibrated once every 12 months.

The pressure drop across the catalyst shall not exceed 12 inches of water column

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005**]

[Devices subject to this condition : C4, C10, C16, C22, C28]

D12.5 The operator shall install and maintain a(n) non-resettable elapsed time meter to accurately indicate the elapsed operating time of the engine.

The operator shall also install and maintain a device to continuously record the parameter being measured.

The measuring device or gauge shall be accurate to within plus or minus 5 percent. It shall be calibrated once every 12 months.

[RULE 1304(a)-Modeling and Offset Exemption, 6-14-1996; RULE 1304(c)-Offset Exemption, 6-14-1996; RULE 1470, 3-4-2005; **RULE 2012, 5-6-2005]**

[Devices subject to this condition : D34]

D12.6 The operator shall install and maintain a(n) non-resettable totalizing fuel meter to accurately indicate the fuel usage of the engine.

The operator shall also install and maintain a device to continuously record the parameter being measured.

The measuring device or gauge shall be accurate to within plus or minus 5 percent. It shall be calibrated once every 12 months.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

[RULE 1304(a)-Modeling and Offset Exemption, 6-14-1996; RULE 1304(c)-Offset Exemption, 6-14-1996; RULE 2012, 5-6-2005]

[Devices subject to this condition : D34]

D29.1 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
NOX emissions	District method 100.1	1 hour	Outlet of the SCR serving this equipment
CO emissions	District method 100.1	1 hour	Outlet of the SCR serving this equipment
SOX emissions	AQMD Laboratory Method 307-91	Not Applicable	Fuel sample
VOC emissions	District Method 25.3	1 hour	Outlet of the SCR serving this equipment
PM10 emissions	District Method 5	4 hours	Outlet of the SCR serving this equipment
NH3 emissions	District method 207.1 and 5.3 or EPA method 17	1 hour	Outlet of the SCR serving this equipment

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

The test shall be conducted after AQMD approval of the source test protocol, but no later than 180 days after initial start-up. The AQMD shall be notified of the date and time of the test at least 10 days prior to the test.

The test shall be conducted to determine the oxygen levels in the exhaust. In addition, the tests shall measure the mass flow rates in lb/hr, fuel flow rate (CFH), the flue gas flow rate, and the turbine generating output in MW.

The test shall be conducted in accordance with AQMD approved test protocol. The protocol shall be submitted to the AQMD engineer no later than 45 days before the proposed test date and shall be approved by the AQMD before the test commences. The test protocol shall include the proposed operating conditions of the turbine during the tests, the identity of the testing lab, a statement from the testing lab certifying that it meets the criteria of Rule 304, and a description of all sampling and analytical procedures.

The test shall be conducted when this equipment is operating at maximum, average, and minimum loads.

The test shall be conducted for compliance verification of the BACT 2.0 ppmv limit.

For natural gas fired turbines only, VOC compliance shall be demonstrated as follows: a) Stack gas samples are extracted into Summa canisters maintaining a final canister pressure between 400-500 mmHg absolute, b) Pressurization of canisters is done with zero gas analyzed/certified to contain less than 0.05 ppmv total hydrocarbon as carbon, and c) Analysis of canisters are per EPA Method TO-12 (with preconcentration) and temperature of canisters when extracting samples for analysis is not below 70 deg F

The test results shall be reported with two significant digits

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005**]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

[Devices subject to this condition : D1, D7, D13, D19, D25]

D29.2 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
NH3 emissions	District method 207.1 and 5.3 or EPA method 17	1 hour	Outlet of the SCR serving this equipment

The test shall be conducted and the results submitted to the District within 45 days after the test date. The AQMD shall be notified of the date and time of the test at least 7 days prior to the test.

The test shall be conducted at least quarterly during the first twelve months of operation and at least annually thereafter. The NOx concentration, as determined by the CEMS, shall be simultaneously recorded during the ammonia slip test. If the CEMS is inoperable, a test shall be conducted to determine the NOx emissions using District Method 100.1 measured over a 60 minute averaging time period.

The test shall be conducted to determine compliance with the Rule 1303 BACT concentration limit.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : D1, D7, D13, D19, D25]

D29.3 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
SOX emissions	AQMD Laboratory Method 307-91	Not Applicable	Fuel sample

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

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The operator shall comply with the terms and conditions set forth below:

VOC emissions	District Method 25.3	1 hour	Outlet of the SCR serving this equipment
PM10 emissions	District Method 5	4 hours	Outlet of the SCR serving this equipment

The test(s) shall be conducted at least once every three years.

The test shall be conducted to determine the oxygen levels in the exhaust. In addition, the test shall measure the fuel flow rate (CFH), the flue gas flow rate, and the turbine generating output in MW.

The test shall be conducted n accordance with AQMD approved test protocol. The protocol shall be submitted to the AQMD engineer no later than 45 days before the proposed test date and shall be approved by the AQMD before the test commences. The test protocol shall include the proposed operating conditions of the turbine during the tests, the identity of the testing lab, a statement from the testing lab certifying that it meets the criteria of Rule 304, and a description of all sampling and analytical procedures.

The test shall be conducted when this equipment is operating at maximum, average, and minimum loads.

The test shall be conducted for compliance verification of the BACT 2.0 ppmv limit.

For natural gas fired turbines only, VOC compliance shall be demonstrated as follows: a) Stack gas samples are extracted into Summa canisters maintaining a final canister pressure between 400-500 mmHg absolute, b) Pressurization of canisters is done with zero gas analyzed/certified to contain less than 0.05 ppmv total hydrocarbon as carbon, and c) Analysis of canisters are per EPA Method TO-12 (with preconcentration) and temperature of canisters when extracting samples for analysis is not below 70 deg F

The test results shall be reported with two significant digits

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

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The operator shall comply with the terms and conditions set forth below:

[**RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; RULE 1703(a)(2) - PSD-BACT, 10-7-1988]

[Devices subject to this condition : D1, D7, D13, D19, D25]

D82.1 The operator shall install and maintain a CEMS to measure the following parameters:

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

CO concentration in ppmv

Concentrations shall be corrected to 15 percent oxygen on a dry basis.

The CEMS shall be installed and operated no later than 90 days after initial start-up of the turbine, and in accordance with approved AQMD Rule 218 CEMS plan application. The operator shall not install the CEMS prior to receiving initial approval from AQMD. Within two weeks of intial turbine start-up, the operator shall provide written notification to the District of the exact date of start-up.

The CEMS shall be installed and operated to measure CO concentrations over a 15 minute averaging time period.

The CEMS will convert the actual CO concentrations to mass emission rates (lb/hr) using the equation below and record the hourly emission rates on a continuous basis

CO Emission Rate, lb/hr = K Cco Fd[20.9/(20.9% - %O2 d)][(Qg*HHV)/106], where

K = 7.267EE-8 (lb/scf)/ppm

Cco = Average of four consecutive 15 min ave CO concentration, ppm

Fd = 8710 dscf/MMBTU natural gas

%O2 d = Hourly ave % by volume O2, dry corresponding to Cco

Qg = Fuel gas usage during the hour, scf/hr

HHV = Gross high heating value of fuel gas, BTU/scf

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988]

[Devices subject to this condition : D1, D7, D13, D19, D25]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

D82.2 The operator shall install and maintain a CEMS to measure the following parameters:

NOX concentration in ppmv

Concentrations shall be corrected to 15 percent oxygen on a dry basis.

The CEMS shall be installed and operating no later than 90 days after initial start-up of the turbine and shall comply with the requirements of Rule 2012. During the interim period between initial start-up and the provisional certification date of the CEMS, the operator shall comply with the monitoring requirements of Rule 2012(h)(2) and 2012(h)(3). Within two weeks of the turbine start-up date, the operator shall provide written notification to the District of the exact date of start-up.

The CEMS shall be installed and operating (for BACT purposes only) no later than 90 days after initial start-up of the turbine

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005; RULE 2012, 5-6-2005**]

[Devices subject to this condition : D1, D7, D13, D19, D25]

E. Equipment Operation/Construction Requirements

E144.1 The operator shall vent this equipment, during filling, only to the vessel from which it is being filled.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : D31]

E179.1 For the purpose of the following condition number(s), continuously record shall be defined as recording at least once every hour and shall be calculated based upon the average of the continuous monitoring for that hour.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Condition Number D 12- 2

Condition Number D 12- 3

[RULE 1703(a)(2) - PSD-BACT, 10-7-1988]

[Devices subject to this condition : C4, C10, C16, C22, C28]

E179.2 For the purpose of the following condition number(s), continuously record shall be defined as measuring at least once every month and shall be calculated based upon the average of the continuous monitoring for that month.

Condition Number D 12- 4

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; RULE 1703(a)(2) - PSD-BACT, 10-7-1988]

[Devices subject to this condition : C4, C10, C16, C22, C28]

E193.1 The operator shall upon completion of construction, operate and maintain this equipment according to the following specifications:

In accordance with all mitigation measures stipulated in the final California Energy Commission decision for the 05-AFC-2 project.

[CA PRC CEQA, 11-23-1970]

[Devices subject to this condition : D1, C4, D7, C10, D13, C16, D19, C22, D25, C28, D31, D34]

E193.2 The operator shall operate and maintain this equipment according to the following requirements:

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

This equipment shall only operate if utility electricity is not available

This equipment shall only be operated for the primary purpose of providing a backup source of power to drive an emergency fire pump

This equipment shall only be operated for maintenance and testing, not to exceed 50 hours in any one year

This equipment shall not be operated under a Demand Response Program (DRP)

An engine operating log shall be kept in writing, listing the date of operation, the elapsed time, in hours, and the reason for operation. The log shall be maintained for a minimum of 5 years and shall be made available to AQMD personnel upon request

[RULE 1110.2, 6-3-2005; RULE 1470, 3-4-2005]

[Devices subject to this condition : D34]

H. Applicable Rules

H23.1 This equipment is subject to the applicable requirements of the following rules or regulations:

Contaminant	Rule	Rule/Subpart
NOX	40CFR60, SUBPART	KKKK
SOX	40CFR60, SUBPART	KKKK

[40CFR 60 Subpart KKKK, 7-6-2006]

[Devices subject to this condition : D1, D7, D13, D19, D25]

I. Administrative

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

I296.1 This equipment shall not be operated unless the operator demonstrates to the Executive Officer that the facility holds sufficient RTCs to offset the annual emissions increase for the first 12 months of operation. In addition, this equipment shall not be operated unless the operator demonstrates to the Executive Officer that, at the commencement of each compliance year after the start of operation, the facility holds sufficient RTCs in an amount equal to the annual emissions increase.

For the purposes of this condition, the annual emission increase is 35458 lbs. of NOx

RTCs held for the purpose of demonstrating compliance with this condition either at the commencement of initial operation or of a compliance year may be sold only after 12 months of start of initial operation or after the fourth quarter of the applicable compliance year, respectively.

For the purpose of this condition, prior to the beginning of the first compliance year, the annual emission increase is 43900 lbs of NOx

This condition shall apply to each turbine individually

[RULE 2005, 5-6-2005]

[Devices subject to this condition : D1, D7, D13, D19, D25]

I296.2 This equipment shall not be operated unless the operator demonstrates to the Executive Officer that the facility holds sufficient RTCs to offset the annual emissions increase for the first 12 months of operation. In addition, this equipment shall not be operated unless the operator demonstrates to the Executive Officer that, at the commencement of each compliance year after the start of operation, the facility holds sufficient RTCs in an amount equal to the annual emissions increase.

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WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

For the purposes of this condition, the annual emission increase is 218 lbs. of NOx

RTCs held for the purpose of demonstrating compliance with this condition either at the commencement of initial operation or of a compliance year may be sold only after 12 months of start of initial operation or after the fourth quarter of the applicable compliance year, respectively.

[RULE 2005, 5-6-2005]

[Devices subject to this condition : D34]

I296.3 This equipment shall not be operated unless the operator demonstrates to the Executive Officer that the facility holds sufficient RTCs to offset the annual emissions increase for the first 12 months of operation. In addition, this equipment shall not be operated unless the operator demonstrates to the Executive Officer that, at the commencement of each compliance year after the start of operation, the facility holds sufficient RTCs in an amount equal to the annual emissions increase.

For the purposes of this condition, the annual emission increase is 2280 lbs. of SOx

RTCs held for the purpose of demonstrating compliance with this condition either at the commencement of initial operation or of a compliance year may be sold only after 12 months of start of initial operation or after the fourth quarter of the applicable compliance year, respectively.

This condition shall apply to each turbine individually

[RULE 2005, 5-6-2005]

[Devices subject to this condition : D1, D7, D13, D19, D25]

K. Record Keeping/Reporting

K40.1 The operator shall provide to the District a source test report in accordance with the following specifications:

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WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Source test results shall be submitted to the District no later than 60 days after the source test was conducted.

Emission data shall be expressed in terms of concentration (ppmv) corrected to 15 percent oxygen (dry basis), mass rate (lbs/hr), and lbs/MM Cubic Feet. In addition, solid PM emissions, if required to be tested, shall also be reported in terms of grains per DSCF.

All exhaust flow rate shall be expressed in terms of dry standard cubic feet per minute (DSCFM) and dry actual cubic feet per minute (DACFM).

All moisture concentration shall be expressed in terms of percent corrected to 15 percent oxygen.

Source test results shall also include the oxygen levels in the exhaust, fuel flow rate (CFH), the flue gas temperature, and the generator power output (MW) under which the test was conducted.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; RULE 1703(a)(2) - PSD-BACT, 10-7-1988; **RULE 2005, 5-6-2005**]

[Devices subject to this condition : D1, D7, D13, D19, D25]

K67.1 The operator shall keep records, in a manner approved by the District, for the following parameter(s) or item(s):

Natural gas fuel use after CEMS certification

Natural gas fuel use during the commissioning period

Natural gas fuel use after the commissioning period and prior to CEMS certification

[**RULE 2012, 5-6-2005**]

[Devices subject to this condition : D1, D7, D13, D19, D25]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

K67.2 The operator shall keep records, in a manner approved by the District, for the following parameter(s) or item(s):

Date of operation, the elapsed time, in hours, and the reason for operation

[RULE 1110.2, 6-3-2005]

[Devices subject to this condition : D34]

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WALNUT CREEK ENERGY, LLC

SECTION I: PLANS AND SCHEDULES

This section lists all plans approved by AQMD for the purposes of meeting the requirements of applicable AQMD rules.

NONE

NOTE: This section does not list compliance schedules pursuant to the requirements of Regulation XXX - Title V Permits; Rule 3004(a)(10)(C). For equipment subject to a variance, order for abatement, or alternative operating condition granted pursuant to Rule 518.2, equipment specific conditions are added to the equipment in Section D or H of the permit.

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SECTION J: AIR TOXICS

NOT APPLICABLE

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION K: TITLE V Administration

GENERAL PROVISIONS

1. This permit may be revised, revoked, reopened and reissued, or terminated for cause, or for failure to comply with regulatory requirements, permit terms, or conditions. [3004(a)(7)(C)]

2. This permit does not convey any property rights of any sort or any exclusive privilege. [3004(a)(7)(E)]

Permit Renewal and Expiration

3. (A) Except for solid waste incineration facilities subject to standards under section 129(e) of the Clean Air Act, this permit shall expire five years from the date that this Title V permit is issued. The operator's right to operate under this permit terminates at midnight on this date, unless the facility is protected by an application shield in accordance with Rule 3002(b), due to the filing of a timely and complete application for a Title V permit renewal, consistent with Rule 3003. [3004(a)(2), 3004(f)]

   (B) A Title V permit for a solid waste incineration facility combusting municipal waste subject to standards under Section 129(e) of the Clean Air Act shall expire 12 years from the date of issuance unless such permit has been renewed pursuant to this regulation. These permits shall be reviewed by the Executive Officer at least every five years from the date of issuance. [3004(f)(2)]

4. To renew this permit, the operator shall submit to the Executive Officer an application for renewal at least 180 days, but not more than 545 days, prior to the expiration date of this permit. [3003(a)(6)]

Duty to Provide Information

5. The applicant for, or holder of, a Title V permit shall furnish, pursuant to Rule 3002(d) and (e), timely information and records to the Executive Officer or designee within a reasonable time as specified in writing by the Executive Officer or designee. [3004(a)(7)(F)]

Payment of Fees

6. The operator shall pay all required fees specified in Regulation III - Fees. [3004(a)(7)(G)]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION K: TITLE V Administration

Reopening for Cause

7. The Executive Officer will reopen and revise this permit if any of the following circumstances occur:

   (A) Additional regulatory requirements become applicable with a remaining permit term of three or more years. Reopening is not required if the effective date of the requirement is later than the expiration date of this permit, unless the permit or any of its terms and conditions has been extended pursuant to paragraph (f)(4) of Rule 3004.

   (B) The Executive Officer or EPA Administrator determines that this permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of this permit.

   (C) The Executive Officer or EPA Administrator determines that the permit must be revised or revoked to assure compliance with the applicable requirements. [3005(g)(1)]

COMPLIANCE PROVISIONS

8. The operator shall comply with all regulatory requirements, and all permit terms and conditions, except:

   (A) As provided for by the emergency provisions of condition no. 17 or condition no. 18, or

   (B) As provided by an alternative operating condition granted pursuant to a federally approved (SIP-approved) Rule 518.2.

   Any non-compliance with any federally enforceable permit condition constitutes a violation of the Federal Clean Air Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or revision; or denial of a permit renewal application. Non-compliance may also be grounds for civil or criminal penalties under the California State Health and Safety Code. [3004(a)(7)(A)]

FACILITY PERMIT TO OPERATE
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SECTION K: TITLE V Administration

9. The operator shall allow the Executive Officer or authorized representative, upon presentation of appropriate credentials to:

   (A) Enter the operator's premises where emission-related activities are conducted, or records are kept under the conditions of this permit;

   (B) Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;

   (C) Inspect at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and

   (D) Sample or monitor at reasonable times, substances or parameters for the purpose of assuring compliance with the facility permit or regulatory requirements. [3004(a)(10)(B)]

10. All terms and conditions in this permit, including any provisions designed to limit a facility's potential to emit, are enforceable by the EPA Administrator and citizens under the federal Clean Air Act, unless the term or condition is designated as not federally enforceable. Each day during any portion of which a violation occurs is a separate offense. [3004(g)]

11. A challenge to any permit condition or requirement raised by EPA, the operator, or any other person, shall not invalidate or otherwise affect the remaining portions of this permit. [3007(b)]

12. The filing of any application for a permit revision, revocation, or termination, or a notification of planned changes or anticipated non-compliance does not stay any permit condition. [3004(a)(7)(D)]

13. It shall not be a defense for a person in an enforcement action, including those listed in Rule 3002(c)(2), that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit, except as provided for in "Emergency Provisions" of this section. [3004(a)(7)(H)]

FACILITY PERMIT TO OPERATE
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SECTION K: TITLE V Administration

14. The operator shall not build, erect, install, or use any equipment, the use of which, without resulting in a reduction in the total release of air contaminants to atmosphere, reduces or conceals an emission which would otherwise constitute a violation of Chapter 3 (commencing with Section 41700) of Part 4, of Division 26 of the California Health and Safety Code or of AQMD rules. This rule shall not apply to cases in which the only violation involved is of Section 41700 of the California Health and Safety Code, or Rule 402 of AQMD Rules. [408]

15. Nothing in this permit or in any permit shield can alter or affect:

    (A) Under Section 303 of the federal Clean Air Act, the provisions for emergency orders;

    (B) The liability of the operator for any violation of applicable requirements prior to or at the time of permit issuance;

    (C) The applicable requirements of the Acid Rain Program, Regulation XXXI;

    (D) The ability of EPA to obtain information from the operator pursuant to Section 114 of the federal Clean Air Act;

    (E) The applicability of state or local requirements that are not "applicable requirements", as defined in Rule 3000, at the time of permit issuance but which do apply to the facility, such as toxics requirements unique to the State; and

    (F) The applicability of regulatory requirements with compliance dates after the permit issuance date. [3004(c)(3)]

16. For any portable equipment that requires an AQMD or state permit or registration, excluding a) portable engines, b) military tactical support equipment and c) AQMD-permitted portable equipment that are not a major source, are not located at the facility for more than 12 consecutive months after commencing operation, and whose operation does not conflict with the terms or conditions of this Title V permit: 1) the facility operator shall keep a copy of the AQMD or state permit or registration; 2) the equipment operator shall comply with the conditions on the permit or registration and all other regulatory requirements; and 3) the facility operator shall treat the permit or registration as a part of its Title V permit, subject to recordkeeping, reporting and certification requirements. [3004(a)(1)]

FACILITY PERMIT TO OPERATE
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SECTION K: TITLE V Administration

EMERGENCY PROVISIONS

17. An emergency[1] constitutes an affirmative defense to an action brought for noncompliance with a technology-based emission limit only if:

    (A) Properly signed, contemporaneous operating records or other credible evidence demonstrate that:

        (1) An emergency occurred and the operator can identify the cause(s) of the emergency;

        (2) The facility was operated properly (i.e. operated and maintained in accordance with the manufacturer's specifications, and in compliance with all regulatory requirements or a compliance plan), before the emergency occurred;

        (3) The operator took all reasonable steps to minimize levels of emissions that exceeded emissions standard, or other requirements in the permit; and,

        (4) The operator submitted a written notice of the emergency to the AQMD within two working days of the time when the emissions limitations were exceeded due to the emergency. The notice shall contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken; and

    (B) The operator complies with the breakdown provisions of Rule 430 – Breakdown Provisions, or subdivision (i) of Rule 2004 – Requirements, whichever is applicable. [3002(g), 430, 2004(i)]

18. The operator is excused from complying with any regulatory requirement that is suspended by the Executive Officer during a state of emergency or state of war emergency, in accordance with Rule 118 - Emergencies. [118]

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1 "Emergency" means any situation arising from sudden and reasonably unforeseeable events beyond the control of the operator, including acts of God, which: (A) requires immediate corrective action to restore normal operation; and (B) causes the facility to exceed a technology-based emission limitation under the permit, due to unavoidable increases in emissions attributable to the emergency; and (C) is not caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error.

FACILITY PERMIT TO OPERATE
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SECTION K: TITLE V Administration

RECORDKEEPING PROVISIONS

19. In addition to any other recordkeeping requirements specified elsewhere in this permit, the operator shall keep records of required monitoring information, where applicable, that include:

    (A) The date, place as defined in the Title V permit, and time of sampling or measurements;

    (B) The date(s) analyses were performed;

    (C) The company or entity that performed the analyses;

    (D) The analytical techniques or methods used;

    (E) The results of such analyses; and

    (F) The operating conditions as existing at the time of sampling or measurement. [3004(a)(4)(B)]

20. The operator shall maintain records pursuant to Rule 109 and any applicable material safety data sheet (MSDS) for any equipment claimed to be exempt from a written permit by Rule 219 based on the information in those records. [219(t)]

21. The operator shall keep all records of monitoring data required by this permit or by regulatory requirements for a period of at least five years from the date of the monitoring sample, measurement, report, or application. [3004(a)(4)(E)]

REPORTING PROVISIONS

22. The operator shall comply with the following requirements for prompt reporting of deviations:

    (A) Breakdowns shall be reported as required by Rule 430 – Breakdown Provisions or subdivision (i) of Rule 2004 - Requirements, whichever is applicable.

(B) Other deviations from permit or applicable rule emission limitations, equipment operating conditions, or work practice standards, determined by observation or by any monitoring or testing required by the permit or applicable rules that result in emissions greater than those allowed by the permit or applicable rules shall be reported within 72 hours (unless a shorter reporting period is specified in an applicable State or Federal Regulation) of discovery of the deviation by contacting AQMD enforcement personnel assigned to this facility or otherwise calling (800) CUT-SMOG.

(C) A written report of such deviations reported pursuant to (B), and any corrective actions or preventative measures taken, shall be submitted to AQMD, in an AQMD approved format, within 14 days of discovery of the deviation.

(D) All other deviations shall be reported with the monitoring report required by condition no. 23. [3004(a)(5)]

23. Unless more frequent reporting of monitoring results are specified in other permit conditions or in regulatory requirements, the operator shall submit reports of any required monitoring to the AQMD at least twice per year. The report shall include a) a statement whether all monitoring required by the permit was conducted; and b) identification of all instances of deviations from permit or regulatory requirements. A report for the first six calendar months of the year is due by August 31 and a report for the last six calendar months of the year is due by February 28. [3004(a)(4)(F)]

24. The operator shall submit to the Executive Officer and to the Environmental Protection Agency (EPA), an annual compliance certification. For RECLAIM facilities, the certification is due when the Annual Permit Emissions Program (APEP) report is due and shall cover the same reporting period. For other facilities, the certification is due on March 1 for the previous calendar year. The certification need not include the period preceding the date the initial Title V permit was issued. Each compliance certification shall include:

(A) Identification of each permit term or condition that is the basis of the certification;

(B) The compliance status during the reporting period;

(C) Whether compliance was continuous or intermittent;

(D) The method(s) used to determine compliance over the reporting period and currently, and

(E) Any other facts specifically required by the Executive Officer to determine compliance.

The EPA copy of the certification shall be sent to: Director of the Air Division Attn: Air-3 USEPA, Region IX 75 Hawthorne St. San Francisco, CA 94105 [3004(a)(10)(E)]

25. All records, reports, and documents required to be submitted by a Title V operator to AQMD or EPA shall contain a certification of accuracy consistent with Rule 3003(c)(7) by a responsible official (as defined in Rule 3000). [3004(a)(12)]

PERIODIC MONITORING

26. All periodic monitoring required by this permit pursuant to Rule 3004(a)(4)(c) is based on the requirements and justifications in the AQMD document "Periodic Monitoring Guidelines for Title V Facilities" or in case-by-case determinations documented in the TitleV application file. [3004(a)(4)]

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

SECTION K: TITLE V Administration

FACILITY RULES

This facility is subject to the following rules and regulations

With the exception of Rule 402, 473, 477, 1118 and Rules 1401 through 1420, the following rules that are designated as non-federally enforceable are pending EPA approval as part of the state implementation plan. Upon the effective date of that approval, the approved rule(s) will become federally enforceable, and any earlier versions of those rules will no longer be federally enforceable.

RULE SOURCE	Adopted/Amended Date	FEDERAL Enforceability
RULE 1110.2	6-3-2005	Non federally enforceable
RULE 1113	11-8-1996	Federally enforceable
RULE 1113	7-9-2004	Non federally enforceable
RULE 1171	11-7-2003	Federally enforceable
RULE 1303(a)(1)-BACT	12-6-2002	Non federally enforceable
RULE 1303(a)(1)-BACT	5-10-1996	Federally enforceable
RULE 1303(b)(2)-Offset	12-6-2002	Non federally enforceable
RULE 1303(b)(2)-Offset	5-10-1996	Federally enforceable
RULE 1304(a)-Modeling and Offset Exemption	6-14-1996	Federally enforceable
RULE 1304(c)-Offset Exemption	6-14-1996	Federally enforceable
RULE 1309.1	12-7-1995	Federally enforceable
RULE 1309.1	4-20-2001	Non federally enforceable
RULE 1309.1	5-3-2002	Federally enforceable
RULE 1309.1	9-8-2006	Non federally enforceable
RULE 1470	3-4-2005	Non federally enforceable
RULE 1703(a)(2) - PSD-BACT	10-7-1988	Non federally enforceable
RULE 2005	5-6-2005	Federally enforceable
RULE 2011	5-6-2005	Federally enforceable
RULE 2012	5-6-2005	Federally enforceable

FACILITY PERMIT TO OPERATE
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RULE SOURCE	Adopted/Amended Date	FEDERAL Enforceability
RULE 3004(a)(4)-Periodic Monitoring	12-12-1997	Federally enforceable
RULE 407	4-2-1982	Federally enforceable
RULE 409	8-7-1981	Federally enforceable
RULE 475	10-8-1976	Federally enforceable
RULE 475	8-7-1978	Non federally enforceable
CA PRC CEQA	11-23-1970	Non federally enforceable
40CFR 51 Subpart S	3-8-2007	Federally enforceable
40CFR 60 Subpart KKKK	7-6-2006	Federally enforceable
40CFR 72 - Acid Rain Provisions	11-24-1997	Federally enforceable

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APPENDIX A: NOX AND SOX EMITTING EQUIPMENT EXEMPT FROM WRITTEN PERMIT PURSUANT TO RULE 219

NONE

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

APPENDIX B: RULE EMISSION LIMITS
[RULE 1113 11-08-1996]

(1) Except as provided in paragraphs (c)(2), (c)(3), and (c)(4) of Rule 1113, the operator shall not supply, sell, offer for sale, apply, or solicit the application of, any architectural coating which, at the time of sale or manufacture, contains more than 250 grams of VOC per liter of coating (2.08 pounds per gallon), less water, less exempt compounds, and less any colorant added to tint bases, or manufacture, blend, or repackage such a coating for use within the District.

(2) Except as provided in paragraphs (c)(3) and (c)(4) of Rule 1113, the operator shall not supply, sell, offer for sale, apply, solicit the application of, manufacture, blend, or repackage, for use within the District, any architectural coating listed in the Table of Standards which contains VOC (excluding any colorant added to tint bases) in excess of the corresponding VOC limit specified in the table, after the effective date specified.

TABLE OF STANDARDS

VOC LIMITS

Grams of VOC Per Liter of Coating, Less Water And Less Exempt Compounds

COATING	Limit*	Effective Date of Adoption	Effective 1/1/1998	Effective 1/1/1999	Effective 7/1/2001	Effective 1/1/2005	Effective 7/1/2008
Bond Breakers	350						
Clear Wood Finishes							
Varnish	350						
Sanding Sealers	350						
Lacquer	680		550			275	
Concrete-Curing Compounds	350						
Dry-Fog Coatings	400						
Fire-proofing Exterior Coatings	350	450		350			
Fire-Retardant Coatings							
Clear	650						
Pigmented	350						
Flats	250				100		50
Graphic Arts (Sign) Coatings	500						

FACILITY PERMIT TO OPERATE
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~~APPENDIX B: RULE EMISSION LIMITS~~
[RULE 1113 11-08-1996]

Industrial Maintenance Primers and Topcoats							
Alkyds	420						
Catalyzed Epoxy	420						
Bituminous Coatings	420						
Materials							
Inorganic Polymers	420						
Vinyl Chloride Polymers	420						
Chlorinated Rubber	420						
Acrylic Polymers	420						
Urethane Polymers	420						
Silicones	420						
Unique Vehicles	420						
Japans/Faux Finishing	350	700		350			
Coatings							
Magnesite Cement Coatings	600			450			
Mastic Coatings	300						
Metallic Pigmented Coatings	500						
Multi-Color Coatings	420		250				
Pigmented Lacquer	680		550			275	
Pre-Treatment Wash Primers	780						
Primers, Sealers, and Undercoaters	350						
Quick-Dry Enamels	400						
Roof Coatings	300						
Shellac							
Clear	730						
Pigmented	550						
Stains	350						
Swimming Pool Coatings							
Repair	650						
Other	340						
Traffic Coatings	250		150				
Waterproofing Sealers	400						
Wood Preservatives							
Below-Ground	350						
Other	350						

* The specified limits remain in effect unless revised limits are listed in subsequent columns in the Table of Standards

TABLE OF STANDARDS (cont.)

VOC LIMITS

Grams of VOC Per Liter of Material

COATING	Limit
Low-Solids Coating	120

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

APPENDIX B: RULE EMISSION LIMITS
[RULE 1113 07-09-2004]

(1) Except as provided in paragraphs (c)(2), (c)(3), (c)(4), and specified coatings averaged under (c)(6), no person shall supply, sell, offer for sale, manufacture, blend, or repackage any architectural coating for use in the District which, at the time of sale or manufacture, contains more than 250 grams of VOC per liter of coating (2.08 pounds per gallon), less water, less exempt compounds, and less any colorant added to tint bases, and no person shall apply or solicit the application of any architectural coating within the District that exceeds 250 grams of VOC per liter of coating as calculated in this paragraph.

(2) Except as provided in paragraphs (c)(3), (c)(4), and designated coatings averaged under (c)(6), no person shall supply, sell, offer for sale, manufacture, blend, or repackage, for use within the District, any architectural coating listed in the Table of Standards which contains VOC (excluding any colorant added to tint bases) in excess of the corresponding VOC limit specified in the table, after the effective date specified, and no person shall apply or solicit the application of any architectural coating within the District that exceeds the VOC limit as specified in this paragraph. No person shall apply or solicit the application within the District of any industrial maintenance coatings for residential use or for use in areas such as office space and meeting rooms of industrial, commercial or institutional facilities not exposed to such extreme environmental conditions described in the definition of industrial maintenance coatings; or of any rust-preventative coating for industrial use, unless such a rust preventative coating complies with the Industrial Maintenance Coating VOC limit specified in the Table of Standards.

FACILITY PERMIT TO OPERATE
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~~APPENDIX B: RULE EMISSION LIMITS~~

[RULE 1113 07-09-2004]

TABLE OF STANDARDS
VOC LIMITS

Grams of VOC Per Liter of Coating,
Less Water and Less Exempt Compounds

COATING	Limit *	Effective Date								
		1/1/98	1/1/99	7/1/01	1/1/03	1/1/04	1/1/05	7/1/06	7/1/07	7/1/08
Bond Breakers	350									
Clear Wood Finishes										
Varnish	350							275		
Sanding Sealers	350							275		
Lacquer	680	550					275			
Clear Brushing Lacquer	680						275			
Concrete-Curing Compounds	350									
Dry-Fog Coatings	400									
Fire-Proofing Exterior Coatings	450		350							
Fire-Retardant Coatings										
Clear	650									
Pigmented	350									
Flats	250			100						50
Floor Coatings	420				100			50		
Graphic Arts (Sign) Coatings	500									
Industrial Maintenance (IM) Coatings	420					250		100		
High Temperature IM Coatings**					420					
Zinc-Rich IM Primers	420				340			100		
Japans/Faux Finishing Coatings	700		350							
Magnesite Cement Coatings	600		450							
Mastic Coatings	300									
Metallic Pigmented Coatings	500									
Multi-Color Coatings	420	250								
Non-Flat Coatings	250				150			50		
Pigmented Lacquer	680	550					275			
Pre-Treatment Wash Primers	780				420					
Primers, Sealers, and Undercoaters	350				200			100		
Quick-Dry Enamels	400				250			50		

FACILITY PERMIT TO OPERATE
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APPENDIX B: RULE EMISSION LIMITS
[RULE 1113 07-09-2004]

COATING	Limit	Effective Date								
	*	1/1/98	1/1/99	7/1/01	1/1/03	1/1/04	1/1/05	7/1/06	7/1/07	7/1/08
Quick-Dry Primers, Sealers, and Undercoaters	350				200			100		
Recycled Coatings					250					
Roof Coatings	300				250		50			
Roof Coatings, Aluminum	500						100			
Roof Primers, Bituminous	350				350					
Rust Preventative Coatings	420				400			100		
Shellac										
Clear	730									
Pigmented	550									
Specialty Primers	350							100		
Stains	350				250				100	
Stains, Interior	250									
Swimming Pool Coatings										
Repair	650				340					
Other	340									
Traffic Coatings	250	150								
Waterproofing Sealers	400				250			100		
Waterproofing Concrete/Masonry Sealers	400							100		
Wood Preservatives										
Below-Ground	350									
Other	350									

* The specified limits remain in effect unless revised limits are listed in subsequent columns in the Table of Standards

** The National VOC Standard at 650 g/l is applicable until 1/1/2003

TABLE OF STANDARDS (cont.)
VOC LIMITS

Grams of VOC Per Liter of Material

COATING	Limit
Low-Solids Coating	120

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

~~APPENDIX B: RULE EMISSION LIMITS~~
[RULE 1171 11-07-2003]

(1) Solvent Requirements

A person shall not use a solvent to perform solvent cleaning operations unless the solvent complies with the applicable requirements set forth below:

SOLVENT CLEANING ACTIVITY	CURRENT LIMITS VOC g/l (lb/gal)
(A) Product Cleaning During Manufacturing Process Or Surface Preparation For Coating, Adhesive, Or Ink Application	
(i) General	25 (0.21)
(ii) Electrical Apparatus Components & Electronic Components	500 (4.2)
(iii) Medical Devices & Pharmaceuticals	800 (6.7)
(B) Repair and Maintenance Cleaning	
(i) General	25 (0.21)
(ii) Electrical Apparatus Components & Electronic Components	900 (7.5)

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY, LLC

APPENDIX B: RULE EMISSION LIMITS
[RULE 1171 11-07-2003]

SOLVENT CLEANING ACTIVITY	CURRENT LIMITS VOC g/l (lb/gal)
(iii) Medical Devices & Pharmaceuticals	
(A) Tools, Equipment, & Machinery	800 (6.7)
(B) General Work Surfaces	600 (5.0)
(C) Cleaning of Coatings or Adhesives Application Equipment	550 (4.6)
(D) Cleaning of Ink Application Equipment	
(i) General	25 (0.21)
(ii) Flexographic Printing	25 (0.21)
(iii) Gravure Printing	
(A) Publication	750 (6.3)
(B) Packaging	25 (0.21)
(iv) Lithographic or Letter Press Printing	

FACILITY PERMIT TO OPERATE
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~~APPENDIX B: RULE EMISSION LIMITS~~
[RULE 1171 11-07-2003]

SOLVENT CLEANING ACTIVITY	CURRENT LIMITS VOC g/l (lb/gal)
(A) Roller Wash – Step 1	600 (5.0)
(B) Roller Wash-Step 2, Blanket Wash, & On-Press Components	800 (6.7)
(C) Removable Press Components	25 (0.21)
(v) Screen Printing	750 (6.3)
(vi) Ultraviolet Ink/ Electron Beam Ink Application Equipment (except screen printing)	800 (6.7)
(vii) Specialty Flexographic Printing	600 (5.0)
(E) Cleaning of Polyester Resin Application Equipment	25 (0.21)

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY. LLC

APPENDIX B: RULE EMISSION LIMITS
[RULE 1171 05-06-2005]

(1) Solvent Requirements

A person shall not use a solvent to perform solvent cleaning operations unless the solvent complies with the applicable requirements set forth below:

SOLVENT CLEANING ACTIVITY	CURRENT LIMITS*	Effective 7/1/2005*	Effective 7/1/2006
	VOC g/l (lb/gal)	VOC g/l (lb/gal)	VOC g/l (lb/gal)
(A) Product Cleaning During Manufacturing Process Or Surface Preparation For Coating, Adhesive, Or Ink Application			
(i) General	25 (0.21)		
(ii) Electrical Apparatus Components & Electronic Components	500 (4.2)	100 (0.83)	
(iii) Medical Devices & Pharmaceuticals	800 (6.7)		
(B) Repair and Maintenance Cleaning			
(i) General	25 (0.21)		
(ii) Electrical Apparatus Components & Electronic Components	900 (7.5)	100 (0.83)	
(iii) Medical Devices & Pharmaceuticals			

FACILITY PERMIT TO OPERATE
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~~APPENDIX B: RULE EMISSION LIMITS~~
[RULE 1171 05-06-2005]

SOLVENT CLEANING ACTIVITY	CURRENT LIMITS* VOC g/l (lb/gal)	Effective 7/1/2005* VOC g/l (lb/gal)	Effective 7/1/2006 VOC g/l (lb/gal)
(A) Tools, Equipment, & Machinery	800 (6.7)		
(B) General Work Surfaces	600 (5.0)		
(C) Cleaning of Coatings or Adhesives Application Equipment	550 (4.6)	25 (0.21)	
(D) Cleaning of Ink Application Equipment			
(i) General	25 (0.21)		
(ii) Flexographic Printing	25 (0.21)		
(iii) Gravure Printing			
(A) Publication	750 (6.3)	100 (0.83)	
(B) Packaging	25 (0.21)		
(iv) Lithographic or Letter Press Printing			
(A) Roller Wash – Step 1	600 (5.0)	500 (4.2)	100 (0.83)
(B) Roller Wash-Step 2, Blanket Wash, & On-Press Components	800 (6.7)	500 (4.2)	100 (0.83)

FACILITY PERMIT TO OPERATE
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APPENDIX B: RULE EMISSION LIMITS
[RULE 1171 05-06-2005]

SOLVENT CLEANING ACTIVITY	CURRENT LIMITS*	Effective 7/1/2005*	Effective 7/1/2006
	VOC g/l (lb/gal)	VOC g/l (lb/gal)	VOC g/l (lb/gal)
(C) Removable Press Components	25 (0.21)		
(v) Screen Printing	750 (6.3)	500 (4.2)	100 (0.83)
(vi) Ultraviolet Ink/ Electron Beam Ink Application Equipment (except screen printing)	800 (6.7)	500 (4.2)	100 (0.83)
(vii) Specialty Flexographic Printing	600 (5.0)	100 (0.83)	
(E) Cleaning of Polyester Resin Application Equipment	25 (0.21)		

* The specified limits remain in effect unless revised limits are listed in subsequent columns.

FACILITY PERMIT TO OPERATE
WALNUT CREEK ENERGY. LLC

~~APPENDIX B: RULE EMISSION LIMITS~~

[40CFR 72 - Acid Rain Provisions 11-24-1997]

1. A Title V permit revision is not required for emission increases that are authorized by allowances acquired under the Acid Rain Program, provided that the increases do not trigger a Title V permit revision under any other applicable requirement. [70.6 (a)(4)(ii)]

Monitoring Requirements

2. The owners and operators and, to the extent applicable, the designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR Parts 74, 75, and 76. [40 CFR 72.50, 72.31, 72.9(b)(1)]

3. The emissions measurements recorded and reported in accordance with 40 CFR Part 75 shall be used to determine compliance by the unit with the acid rain emissions limitations and emissions reduction requirements for sulfur dioxide (SO_2) under the Acid Rain Program. [40 CFR 72.9(b)(2), 40 CFR 75.2]

4. The requirements of 40 CFR Parts 74 and 75 shall not affect the responsibility of the operator to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements and other provisions of this permit. [40 CFR 72.9(b)(3), 40 CFR 72.5]

Sulfur Dioxide Requirements

5. The owners and operators of each source and each affected unit at the source shall:
(A) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR Part 73, Section 73.34(C)) not less than the total annual emissions of SO_2 for the previous calendar year from the unit; and, [40 CFR 72.9(c)(i)],

(B) Comply with the applicable acid rain emissions limitations for SO_2.[40 CFR 72.9(c)(ii)]

6. Each ton of SO_2 emitted in excess of the acid rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act. [40 CFR 72.9(g)(7)]

FACILITY PERMIT TO OPERATE
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APPENDIX B: RULE EMISSION LIMITS
[40CFR 72 - Acid Rain Provisions 11-24-1997]

7. SO_2 allowances shall be held in, deducted from, or transferred among allowance tracking system accounts in accordance with the Acid Rain Program. [40 CFR 72.9(g)(4)]

8. A SO_2 allowance shall not be deducted in order to comply with the requirements under paragraph 41(A) of the SO_2 requirements prior to the calendar year for which the allowance was allocated. [40 CFR 72.9(g)(5)]

9. An affected unit shall be subject to the SO_2 requirements under the Acid Rain Program as follows:[40 CFR 72.6(a)]

   (A) Starting January 1, 2000, an affected unit under 40 CFR Part 72, Section 72.6(a)(2); or [40 CFR 72.6(a)(2)]

   (B) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR Part 75, an affected unit under 40 CFR Part 72, Section 72.6(a)(3). [40CFR 72.6(a)(3)]

10. An allowance allocated by the EPA administrator under the Acid Rain Program is a limited authorization to emit SO_2 in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the acid rain permit application, the acid rain permit, or the written exemption under 40 CFR Part 72, Sections 72.7, 72.8, or 72.14, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization. [40 CFR 72.9 (c)(6)]

11. An allowance allocated by the EPA Administrator under the Acid Rain Program does not constitute a property right. [40 CFR 72.9(c)(7)]

Excess Emissions Requirements

12. The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR Part 77. [40 CFR 72.9(e)]

[40CFR 72 - Acid Rain Provisions 11-24-1997]

13. The owners and operators of an affected unit that has excess emissions in any calendar year shall: [40 CFR 72.9(e)(2)]

(A) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR Part 77; and[40 CFR 72.9(e)(2)(i)]

(B) Comply with the terms of an approved offset plan, as required by 40 CFR Part 77. [40 CFR 72.9(e)(2)(ii)]

Recordkeeping and Reporting Requirements

14. Unless otherwise provided, the owners and operators of the source and each affected unit at the source that are subject to the acid rain provisions under Title IV shall keep on site at the source each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the EPA Administrator or the Executive Officer: [40 CFR 72.9(f)(1)]

(A) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such five year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative; [40 CFR 72.9(f)(1)(i)]

(B) All emissions monitoring information, in accordance with 40 CFR Part 75; [40 CFR 72.9(f)(1)(ii)]

(C) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and, [40 CFR 72.9(f)(1)(iii)]

(D) Copies of all documents used to complete an acid rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program. [40 CFR 72.9(f)(1)(iv)]

APPENDIX B: RULE EMISSION LIMITS
[40CFR 72 - Acid Rain Provisions 11-24-1997]

15. The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR Part 72 Subpart I and 40 CFR Part 75. [40 CFR 72.9(f)(2)]

Liability

16. Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete acid rain permit application, an acid rain permit, or a written exemption under 40 CFR Part 72, Sections 72.7, 72.8, or 72.14, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to Section 113(c) of the Act. [40 CFR 72.9 (g)(1)]

17. Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to Section 113(c) of the Act and 18 U.S.C. 1001. [40 CFR 72.9 (g)(2)]

18. No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect. [40 CFR 72.9 (g)(3)]

19. Each affected source and each affected unit shall meet the requirements of the Acid Rain Program. [40 CFR 72.9 (g)(4)]

20. Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source. [40 CFR 72.9 (g)(5)]

[40CFR 72 - Acid Rain Provisions 11-24-1997]

21. Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR Part 72, Section 72.44 (Phase II repowering extension plans) and 40 CFR Part 76, Section 76.11 (NOx averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR Part 75 (including 40 CFR Part 75, Sections 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative. [40 CFR 72.9 (g)(6)]

22. Each violation of a provision of 40 CFR Parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act. [40 CFR 72.9 (g)(7)]

Effect on Other Authorities

23. No provision of the Acid Rain Program, an acid rain permit application, an acid rain permit, or a written exemption under 40 CFR Part 72, Sections 72.7, 72.8, or 72.14 shall be construed as: [40 CFR 72.9 (h)]

(A) Except as expressly provided in Title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of Title I of the Act relating to applicable National Ambient Air Quality Standards or state implementation plans; [40 CFR 72.9 (h)(1)]

(B) Limiting the number of allowances a unit can hold; *provided*, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act; [40 CFR 72.9 (h)(2)]

APPENDIX B: RULE EMISSION LIMITS
[40CFR 72 - Acid Rain Provisions 11-24-1997]

(C) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law; [40 CFR 72.9 (h)(3)]

(D) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or, [40 CFR 72.9 (h)(4)]

(E) Interfering with or impairing any program for competitive bidding for power supply in a state in which such program is established. [40 CFR 72.9 (h)(5)]