

South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

June 7, 2016

Gerardo Rios
Chief - Permits Office
US EPA, Region IX
75 Hawthorne Street
San Francisco, CA 94105-3901

SUBJECT: Huntington Beach Energy Project (HBEP)
Facility Location: 21730 Newland St, Huntington Beach, CA 92646

Dear Mr. Rios:

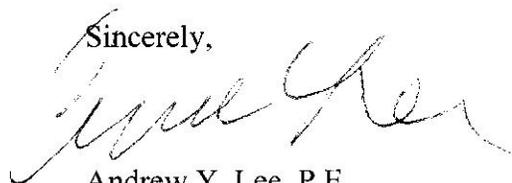
The South Coast Air Quality Management District (SCAQMD) has received permit applications for the subject project. The applicant is proposing to replace the two existing electric utility boiler generator Units 1 and 2 that are older, less efficient units and which have been in operation since the 1950's with a new, state of the art and more efficient gas turbine generating system. The new generating system will consist of two natural gas-fired GE 7FA.05 combined cycle turbine generators configured with a shared steam turbine and two natural gas fired GE LMS100PB simple cycle turbine generators. The combined generating capacity of the HBEP will be 895.5 MW (nominal gross). This capacity replaces the generating capacity of the existing Unit 1 (215 MW) and Unit 2 (215 MW) at the Huntington Beach site as well as existing Unit 7 (480 MW) at AES' Redondo Beach facility. The new HBEP will be equipped with air pollution control equipment, which consists of catalysts (selective catalytic reduction and oxidation catalysts). Additional new proposed equipment will include an auxiliary boiler equipped with SCR, two aqueous ammonia storage tanks, and two oil water separators.

The SCAQMD has evaluated the permit applications and made a preliminary determination that the equipment will comply with all of the applicable requirements of our rules and regulations. Attached for your review and comment is a Preliminary Determination of Compliance (PDOC) that includes the SCAQMD's engineering analysis. Based on the emission potential, this project is subject to the public notice requirements specified in SCAQMD Rules 212 – Standards for Approving Permits and Issuing Public Notice, 1710 – Prevention of Significant Deterioration Analysis, Notice and Reporting, 1714 – Prevention of Significant Deterioration for Greenhouse Gases, 3006 – Title V Public Participation.

We intend to issue the final permit 1) upon completion of the 30-day public comment and review period and after all pertinent comments have been considered, 2) receiving the federal land manager (Forest Service) determination of impact, 3) after EPA's review of the Title V permit significant revision, and 4) upon issuance of a license for the project from the California Energy Commission.

If you wish to provide comments or have any questions regarding this project, please contact me at (909) [396-2643](tel:396-2643)/alee@aqmd.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Y. Lee". The signature is fluid and cursive, written over the word "Sincerely,".

Andrew Y. Lee, P.E.
Sr. Engineering Manager
Engineering and Compliance

Public Notice
Draft Facility Permit
PDOC

AYL:BC:JTY:CGP