San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

MAY 25 2011

Paul Cummins
Fresno Cogeneration Partners, LP
8105-B Lassen Avenue
San Joaquin, CA 93660-9728

Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # C-0014
Project # C-1093659

Dear Mr. Cummins:

The Air Pollution Control Officer has modified the Title V permit for Fresno Cogeneration Partners, LP by incorporating Authority to Construct C-0014-11-7. Fresno Cogeneration Partners, LP propose to modify the gas turbine SOX and PM10 emission rates during steady state from lb/MMBtu to lb/hr.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on March 8, 2011. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

DW:jag

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

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MAY 25 2011

Gerardo C. Rios, Chief
Permits Office (AIR-3)
U.S. EPA - Region IX
75 Hawthorne St
San Francisco, CA 94105

Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # C-0014
Project # C-1093659

Dear Mr. Rios:

The Air Pollution Control Officer has modified the Title V permit for Fresno Cogeneration Partners, LP by incorporating Authority to Construct C-0014-11-7. Fresno Cogeneration Partners, LP propose to modify the gas turbine SOX and PM10 emission rates during steady state from lb/MMBtu to lb/hr.

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Air Pollution Control District

PERMIT UNIT: C-14-11-9 **EXPIRATION DATE:** 08/31/2015

EQUIPMENT DESCRIPTION:
55 MW COGENERATION UNIT INCLUDING 45 MW GENERAL ELECTRIC LM-6000PC GAS TURBINE WITH SELECTIVE CATALYTIC REDUCTION AND CO OXIDATION CATALYST, 10 MW STEAM TURBINE, AND HEAT RECOVERY STEAM GENERATOR WITH A HRSG BYPASS STACK

PERMIT UNIT REQUIREMENTS

1. The HRSG bypass stack shall only be utilized when the main stack is not utilized (except during transition periods between the stacks) and the HRSG bypass stack shall be subject to all of the same requirements as the main stack at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
2. The owner/operator shall perform an initial relative accuracy test as specified by 40 CFR Part 60 Appendix B to certify the new stack probe in the HRSG bypass stack, and every 720 stack operating hours per 40 CFR Part 75 Appendix B Section 2.3.3 thereafter. [District Rule 1080] Federally Enforceable Through Title V Permit
3. Calibration gas audit linearity checks shall be performed quarterly or every 168 stack operating hours per 40 CFR Part 75 Appendix B Section 2.2.4. [District Rule 1080] Federally Enforceable Through Title V Permit
4. Sulfur compound emissions shall not exceed 0.2% by volume, 2,000 ppmv, on a dry basis averaged over 15 consecutive minutes. [40 CFR 60.333(a); County Rules 404 (Madera), 406 (Fresno), and 407 (Kings, Merced, San Joaquin, Tulare, Kern, and Stanislaus)] Federally Enforceable Through Title V Permit
5. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201, 3.1] Federally Enforceable Through Title V Permit
6. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
7. This unit shall be fired exclusively on PUC-quality natural gas and the PUC-quality natural gas shall have a total sulfur content less than or equal to 1.0 gr/100 scf. [40 CFR 60.333(b) and District Rules 2201 and 4201] Federally Enforceable Through Title V Permit
8. The fuel sulfur content of each fuel source shall be: (i) documented in a valid purchase contract, a supplier certification, a tarrif sheet or transportation contract or (ii) monitored weekly using ASTM Methods D4084, D5504, D6228, or Gas Processors Association Standard 2377. If the fuel sulfur content is less than 1.0 gr/100 scf for 8 consecutive weeks, then the monitoring frequency shall be every 6 months. If any six-month monitoring tests result in a fuel sulfur content exceedance, weekly monitoring shall resume. [40 CFR 60.334(h)(3)] Federally Enforceable Through Title V Permit
9. Gas turbine heat input shall not exceed 2,824,250 MMBtu/year based on a 12-month rolling sum. Compliance with this limit shall be determined at the end of each month. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Units subject to the Specific Limiting Condition (SLC) plan are C-14-1, '-2, '-10, '-11, and '-12. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Combined emission rate for all units subject to the SLC plan shall not exceed any of the following: 120.9 lb-PM10/day, 50.9 lb-SOx/day, 209.2 lb-NOx/day, 562.7 lb-CO/day, or 45.7 lb-VOC/day. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

12. The combined annual emissions rates for all units subject to the SLC plan shall not exceed either of the following: 48,539 lb-NOx/year or 199,889 lb-CO/year. [District Rule 2201] Federally Enforceable Through Title V Permit

13. Gas turbine engine and generator lube oil vents shall be equipped with mist eliminators. Visible emissions from lube oil vents shall not exhibit opacity of 5% or greater except for up to three minutes in any hour. [District NSR Rule] Federally Enforceable Through Title V Permit

14. For each unit subject to the SLC, the permittee shall maintain all necessary records in order to show compliance with the daily and annual SLC limits, including (but not limited to) the following: 1) amount of fuel used, 2) HHV of fuel, 3) calculated daily emissions for each air contaminant emitted, and 4) daily emissions measured by CEMS. [District NSR Rule] Federally Enforceable Through Title V Permit

15. The permittee shall apply to revise each Permit to Operate subject to the SLC when any unit subject to the SLC has a District-authorized change in daily emission rate, or Permit to Operate is surrendered or sold. [District NSR Rule] Federally Enforceable Through Title V Permit

16. Except during thermal stabilization, emission rates from the gas turbine shall not exceed any of the following: 2.0 ppmvd NOx @ 15% O2 (based on a 3-hour rolling average), 1.25 lb-SOx/hr, 2.85 lb-PM10/hr, 20 ppmv CO @ 15% O2, 2 ppmv VOC @ 15% O2, or 10 ppmv-ammonia @ 15% O2 (based on a 1-hour rolling average). [40 CFR 60.332, District NSR and District Rules 4703, 5.1 and 5.2 and 4102] Federally Enforceable Through Title V Permit

17. During thermal stabilization, emissions rates from the gas turbine shall not exceed any of the following: 20 lb-NOx/hr (based on a 3-hour rolling average), 1.25 lb-SOx/hr, 2.85 lb-PM10/hr, 19.40 lb-CO/hr (based on a 3-hour rolling average), 1.12 lb-VOC/hr, or 20 ppmv-ammonia @ 15% O2 (based on a 1-hour rolling average). [40 CFR 60.332, District NSR Rule and District Rules 4703, 5.1 and 5.2 and 4102] Federally Enforceable Through Title V Permit

18. Ammonia slip shall be calculated as follows: ammonia slip ppmv @ 15% O2 = {[a-(b x c/1,000,000)] x 1,000,000/b}, where a = ammonia injection rate (lb/hr)/17 (lb/lb mol), b = dry exhaust gas flow rate (lb/hr)/29 (lb/lb mol), and c = change in measured NOx concentration ppmv at 15% O2 across the catalyst. [District Rule 2201] Federally Enforceable Through Title V Permit

19. The thermal stabilization period shall be defined as the start up or shut down time during which the exhaust gas is not within the normal operating temperature range, not to exceed two hours. [District Rule 4703, 3.25] Federally Enforceable Through Title V Permit

20. Compliance testing to measure the PM10, NOx (as NO2), VOC, CO, ammonia emissions, and fuel gas sulfur of this permit unit shall be conducted at least once every twelve months. [District Rules 2201, 4703, 6.3, 40 CFR 60.332(a), (b), and 40 CFR 60.333] Federally Enforceable Through Title V Permit

21. The following test methods shall be used. PM10: EPA Method 5 (front half and back half), NOx: EPA Method 7E or 20, CO: EPA Method 10 or 10B, O2: EPA Method 3, 3A, or 20, VOC: EPA Method 18 or 25, ammonia: BAAQMD ST-1B, and fuel gas sulfur content: ASTM D3246. Alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. [District Rule 1081; District Rule 4703, 6.4; and 40 CFR 60.335(b)] Federally Enforceable Through Title V Permit

22. HHV and LHV of the fuel shall be determined using ASTM D3588, ASTM 1826, or ASTM 1945. [40 CFR 60.332(a)(b) and District Rule 4703, 6.4.5] Federally Enforceable Through Title V Permit

23. Any gas turbine with an intermittently operated auxiliary burner shall demonstrate compliance with the auxiliary burner both on and off. [40 CFR 60.335(b)(3) and District Rule 4703] Federally Enforceable Through Title V Permit

24. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit

25. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit

26. For units equipped with CEM, CEM records shall be used in place of calculated emissions. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

27. Permittee shall notify the District of any breakdown condition as soon as reasonably possible, but no later than one hour after its detection, unless the owner or operator demonstrates to the District's satisfaction that the longer reporting period was necessary. [District Rule 1100] Federally Enforceable Through Title V Permit

28. The District shall be notified in writing within 10 days following the correction of any breakdown condition. The breakdown notification shall include a description of the equipment malfunction or failure, the date and cause of the initial failure, the estimated emissions in excess of those allowed, and the methods utilized to restore normal operations. [District Rule 1100] Federally Enforceable Through Title V Permit

29. The owner or operator shall install, certify, maintain, operate, and quality-assure a Continuous Emissions Monitoring System (CEMS) which continuously measures and records the exhaust gas NOx (before and after the SCR catalyst) and O2 concentrations. The CEMS shall be capable of monitoring emissions during startups and shutdowns, as well as during normal operating conditions. [40 CFR 50.334(b) and District Rules 1080, 2201, and 4703] Federally Enforceable Through Title V Permit

30. The CEMS shall complete a minimum of one cycle of operation (sampling, analyzing, and data recording) for each successive 15-minute period. [40 CFR 60.334(b)(2) and District Rule 1080] Federally Enforceable Through Title V Permit

31. Results of the CEM system shall be averaged over three hour periods using consecutive 15-minute sampling periods in accordance with either EPA Method 7E or EPA Method 20 for NOx, EPA Methods 10 or 10B for CO, or EPA Methods 3, 3A, or 20 for)2, or, if continuous emission monitors are used, all applicable requirements of CFR 60.13. [40 CFR 60.13 and District Rule 4703, 5.1, 6.4] Federally Enforceable Through Title V Permit

32. The NOx, CO, and O2 CEMS shall meet the requirements in 40 CFR 60, Appendix F Procedure 1 and Part 60 Appendix B Performance Specifications 2, 3, and 4A. [40 CFR 60.334(b)(1) and District Rule 1080] Federally Enforceable Through Title V Permit

33. The owner or operator shall maintain CEMS records that contain the following: the occurrence and duration of any start-up, shutdown, or malfunction, performance testing evaluations, calibration, checks, adjustments, maintenance, duration of any periods during which a continuous monitoring system or monitoring device is inoperative, and emissions measurements. [40 CFR 60.7(b) and District Rule 1080] Federally Enforceable Through Title V Permit

34. Audits of continuous emissions monitors shall be conducted quarterly, except during quarters in which relative accuracy and total accuracy testing is performed, in accordance with EPA guidelines. The District shall be notified prior to completion of the audits. Audit reports shall be submitted along with quarterly compliance reports to the District. [District Rule 1080] Federally Enforceable Through Title V Permit

35. Permittee shall comply with all applicable source sampling requirements of District Rule 1081. [District Rule 1081] Federally Enforceable Through Title V Permit

36. The owner/operator shall perform a relative accuracy test (RATA) as specified by 40 CFR Part 60, Appendix F, 5.11, at least once every four calendar quarters. The permittee shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080] Federally Enforceable Through Title V Permit

37. The owner or operator shall, upon written notice from the APCO, provide a summary of the data obtained from the CEM systems. this summary shall be in the form and the manner prescribed by the APCO. [District Rule 1080, 7.1] Federally Enforceable Through Title V Permit

38. The owner or operator shall submit a written report of CEM operations for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: Time intervals, data and magnitude of excess NOx emissions, nature and the cause of excess (if known), corrective actions taken and preventative measures adopted; Averaging period used for data reporting corresponding to the averaging period specified in the emission test period and used to determine compliance with an emissions standard; Applicable time and date of each period during which the CEM was inoperative (monitor downtime), except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. [40 CFR 60.334(j), (j)(5) and District Rule 1080] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

39. APCO or an authorized representative shall be allowed to inspect, as determined to be necessary, the required monitoring devices to ensure that such devices are functioning properly. [District Rule 1080] Federally Enforceable Through Title V Permit

40. Results of the CEM system shall be reduced according to the procedure established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.3.3 or by other methods deemed equivalent by mutual agreement with the District, the California Air Resources Board, and the Environmental Protection Agency. [District Rule 1080, 6.0] Federally Enforceable Through Title V Permit

41. In the event of a breakdown of monitoring equipment, the owner shall notify the APCO as soon as reasonably possible, but no later than eight (8) hours after its detection, unless the owner or operator demonstrates to the APCO's satisfaction that a longer reporting period was necessary, and shall initiate repairs. The owner shall inform the APCO of the intent to shut down any monitoring equipment at last 24 hours prior to the event. [District Rule 1080, 10.0] Federally Enforceable Through Title V Permit

42. Permittee shall maintain records of the following: 1) the occurrence and duration of any start-up, shutdown, or malfunction in the operation of the permit unit; 2) performance testing, evaluations, calibrations, checks, adjustments, and maintenance of CEMS; and 3) emission measurements. [District Rule 1080, 7.3] Federally Enforceable Through Title V Permit

43. Permittee shall maintain records of the following: 1) annual hours of operation, 2) daily and annual fuel consumption, 3) daily and annual continuous emission monitor measurements, 4) daily calculated ammonia slip, and 5) daily and annual emission rates. [District Rules 2201 and 4703, 6.2.6] Federally Enforceable Through Title V Permit

44. Permittee shall submit a written report for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: 1) time intervals, data and magnitude of excess emissions, nature and cause of excess (if known), corrective actions taken and preventive measures adopted; 2) averaging period used for data reporting corresponding to the averaging period specified in the emission test period used to determine compliance with an emission standard; 3) applicable time and date of each period during which the CEM was inoperative (except for zero and span checks) and 4) the nature of system repairs and adjustments; 5) a negative declaration when no excess emissions occurred. [District Rule 1080, 8.0] Federally Enforceable Through Title V Permit

45. Permittee shall maintain on file copies of natural gas bills. [District Rule 2201] Federally Enforceable Through Title V Permit

46. A violation of emission standards indicated by the CEM system shall be reported to the APCO within 96 hours. [District Rule 1080, 9.0] Federally Enforceable Through Title V Permit

47. The minimum ammonia injection rate shall be reported to the District and the injection rate shall be monitored during CEM breakdowns to demonstrate NOx emission compliance. [District Rule 4703, 6.2.5] Federally Enforceable Through Title V Permit

48. The permittee shall maintain the following records: date and time, duration, and type of any startup, shutdown, or malfunction; performance testing, evaluations, calibrations, checks, adjustments, any period during which a continuous monitoring system or monitoring device was inoperative, and maintenance of any continuous emission monitor. [District Rule 4703, 6.2.4 and 40 CFR 60.7(b)] Federally Enforceable Through Title V Permit

49. The permittee shall maintain the following records: hours of operation, fuel consumption (scf/hr and scf/rolling twelve month period), continuous emission monitor measurements, and calculated NOx mass emission rates (lb/hr). [District Rules 2201 and 2529, 9.4.2] Federally Enforceable Through Title V Permit

50. The owner or operator of a stationary gas turbine system shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

51. The owners and operators of each affected source and each affected unit at the source shall: (i) Operate the unit in compliance with a complete Acid Rain permit application or a superceding Acid Rain permit issued by the permitting authority; and (ii) Have an Acid Rain permit. [40 CFR 72] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

52. The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75. [40 CFR 75] Federally Enforceable Through Title V Permit

53. 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 and nitrogen oxides under the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit

54. The owners and operators of each source and each affected unit at the source shall: (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide. [40 CFR 73] Federally Enforceable Through Title V Permit

55. Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act. [40 CFR 77] Federally Enforceable Through Title V Permit

56. An affected unit shall be subject to the sulfur dioxide requirements starting on the later of January 1, 2000, or the deadline for monitoring certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3) that is not a substitution or compensating unit. [40 CFR 72, 40 CFR 75] Federally Enforceable Through Title V Permit

57. Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program. [40 CFR 72] Federally Enforceable Through Title V Permit

58. An allowance shall not be deducted in order to comply with the requirements under 40 CFR part 73, prior to the calendar year for which the allowance was allocated. [40 CFR 73] Federally Enforceable Through Title V Permit

59. An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide 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 72.7 and 72.8 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] Federally Enforceable Through Title V Permit

60. An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right. [40 CFR 72] Federally Enforceable Through Title V Permit

61. The owners and operators of each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides. [40 CFR 72] Federally Enforceable Through Title V Permit

62. 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 77] Federally Enforceable Through Title V Permit

63. The owners and operators of an affected unit that has excess emissions in any calendar year shall: (i) Pay without demand the penalty required, and pay up on demand the interest on that penalty; and (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77. [40 CFR 77] Federally Enforceable Through Title V Permit

64. The owners and operators of the each affected unit at the source shall keep on site 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 Administrator or permitting authority: (i) The certificate of representation for the designated representative for 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 beyond such five-year period until such documents are superceded because of the submission of a new certificate of representation changing the designated representative. [40 CFR 72] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

65. The owners and operators of each affected unit at the source shall keep on site 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 Administrator or permitting authority; (ii) All emissions monitoring information, in accordance with 40 CFR part 75; (iii) Copies of all reports, compliance certifications and other submissions and all records made or required under the Acid Rain Program; (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission that demonstrates compliance with the requirements of the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit

66. 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 75 Subpart I. [40 CFR 75] Federally Enforceable Through Title V Permit