

PERMIT / REGISTRATION APPLICATION

SUBMITTAL OF THIS APPLICATION DOES NOT GRANT PERMISSION TO CONSTRUCT OR TO OPERATE EQUIPMENT EXCEPT AS SPECIFIED IN RULE 24(d)

IMPORTANT REMINDERS: Read instructions on the reverse side of this form prior to completing this application. Please ensure that all of the following are included before you submit the application:

- Appropriate Permit Fee
- Completed Supplemental Form(s)
- Signature on Application

REASON FOR SUBMITTAL OF APPLICATION: (check the appropriate item and enter Application (AP) or Permit to Operate (PO) number if required)

- 1. New Installation
- 2. Existing Unpermitted Equipment or Rule 11 Change
- 3. Modification of Existing Permitted Equipment
- 4. Amendment to Existing Authority to Construct or AP
- 5. Change of Equipment Location
- 6. Change of Equipment Ownership
- 7. Change of Permit Conditions
- 8. Change Permit to Operate Status to Inactive
- 9. Banking Emissions
- 10. Registration of Portable Equipment
- 11. Other (Specify) _____

12. List affected AP/PO#(s): _____

APPLICANT INFORMATION

- 13. Name of Business (DBA) Solar Turbine
- 14. Nature of Business _____
- 15. Does this organization own or operate any other APCD permitted equipment at this or any other adjacent locations in San Diego County? Yes No
If yes, list assigned location ID's listed on your PO's _____
- 16. Type of Ownership Corporation Partnership Individual Owner Government Agency Other _____
- 17. Name of Legal Owner (if different from DBA) _____

A. Equipment Owner

B. Authority to Construct (if different from A)

- 18. Name Solar Turbine
- 19. Mailing Address _____
- 20. City _____
- 21. State _____ Zip _____
- 22. Phone () _____ FAX () _____

C. Permit to Operate (if different from A)

D. Billing Information (if different from A)

- 23. Name _____
- 24. Mailing Address _____
- 25. City _____
- 26. State _____ Zip _____
- 27. Phone () _____ FAX () _____

EQUIPMENT/PROCESS INFORMATION: Type of Equipment: Stationary Portable.

If portable, will operation exceed 12 consecutive months at the same location Yes No

- 28. Equipment Location Address _____ City _____ Parcel No. _____
- 29. State _____ Zip _____ Phone () _____ FAX () _____
- 30. Site Contact _____ Title _____ Phone () _____

31. General Description of Equipment/Process Significant Permit modification to PO 960991

32. Application Submitted by Owner Operator Contractor Consultant Affiliation _____

EXPEDITED APPLICATION PROCESSING: I hereby request Expedited Application Processing and understand that:

- 33. a) Expedited processing will incur additional fees and permits will not be issued until the additional fees are paid in full (see Rule 40(d)(8)(iv) for details).
- b) Expedited processing is contingent on the availability of qualified staff.
- c) Once engineering review has begun this request cannot be cancelled.
- d) Expedited processing does not guarantee action by any specific date nor does it guarantee permit approval.

I hereby certify that all information provided on this application is true and correct.

- 34. SIGNATURE _____ Date _____
- 35. Print Name _____ Title _____
- 36. Company _____ Phone () _____ E-mail Address _____

APCD USE ONLY

AP # 2013-APP-001937 Cust. No. 1976-01130 Sector: J UTM's X _____ Y _____ SIC 221193
 Receipt # OK 139330 Date 1-10-12 Amt Rec'd \$ 10,320. Fee Cod TIV-AMD
 Engineering Contact meo H Fee Code _____ AP Fee \$ 2064. T&M Renewal Fee \$ _____
 Refund Claim # _____ Date _____ Amt \$ _____
 Application Generated By NV# _____ NE# _____ Other _____ Date _____ Inspector _____

TIV \$1956 - 1- NDF \$95 ITA \$13

2561956

**San Diego County Air Pollution Control District
10124 Old Grove Road San Diego CA 92131-1649
(858) 586-2600 FAX (858) 586-2601**

**TITLE V APPLICATION
Stationary Source Summary (FORM 1401-A1)**

| | |
|--|---|
| Company Name <u>Solar Turbines Incorporated - Kearny Mesa Facility</u> | District Use Only NEDS # _____ SITE ID # <u>1976-01130</u> |
|--|---|

I. FACILITY IDENTIFICATION

- Facility Name (if different than company name): Kearny Mesa Facility
- Four digit SIC Code: 3511
- Parent Company (if different than Company Name): Caterpillar Incorporated
- Mailing Address: PO Box 85376, MZ T-2
City San Diego State CA Zip 92186-5378
- Street Address or Source Location: 4200 Ruffin Road
City San Deigo State CA Zip 92123
- UTM Coordinates: _____
- Source Located within 50 miles of a state line: Yes No (All sources are within 50 miles)
- Source Located within 1000 feet of a school: Yes No
- Type of Organization: Corporation Sole Ownership Government
 Partnership Utility Company
- Legal Owner's Name: Solar Turbines Incorporated
- Owner's Agent name (if any): _____
- Responsible Official: Ken Nolen, Vice President Oil and Gas
- Plant Site Manager/Contact: Craig Anderson Phone #: (619) 544-5126 FAX #: (619) 544-2565
- Application Contact: Lori Haase (619)544-5237 lhaase@solarturbines.com
- Type of Facility: Manufacturing
- General description of processes/products: Miscellaneous operations associated with the manufacturing and testing of gas turbine engines and components including: testing turbine engines and components, coating/painting, abrasive blasting, welding, misc. solvent and combustion processes and other insignificant sources
- Is a Federal Risk Management Plan (RMP) pursuant to Section 112(r) required? Yes No
(If application is submitted after RMP due date, attach verification that plan is registered with the appropriate agency.)

| II. TYPE OF PERMIT ACTION (check) | CURRENT PERMIT (permit number) | EXPIRATION (date) |
|---|-----------------------------------|----------------------|
| <input type="checkbox"/> Initial Title V Application | N/A | N/A |
| <input type="checkbox"/> Permit Renewal | | |
| <input checked="" type="checkbox"/> Significant Permit Modification | 960991 | 6/27/16 |
| <input type="checkbox"/> Minor Permit Modification | | |
| <input type="checkbox"/> Administrative Amendment | | |

III. DESCRIPTION OF PERMIT ACTION

- Does the permit action requested involve:

| | | |
|--|---|---|
| <input type="checkbox"/> Acid Rain Source | <input type="checkbox"/> Alternative Operating Scenarios | <input type="checkbox"/> Voluntary Emissions Caps |
| <input type="checkbox"/> CEMs | <input type="checkbox"/> Permit Shield | <input type="checkbox"/> Abatement Devices |
| <input type="checkbox"/> Outdated SIP Requirement Streamlining | <input type="checkbox"/> Multiple Applicable Requirement Streamlining | |
| <input type="checkbox"/> Source Subject to MACT Requirements [Section 112] | | |
| <input type="checkbox"/> Source Subject to Enhanced Monitoring (40CFR64) [Compliance Assurance Monitoring] | | |
- Is source operating under a Compliance Schedule? Yes No Proposed
- Is source operating under a Variance Yes No (If Yes, please attach variance information)
- For permit modification, provide a general description of the proposed permit modification:
To increase the annual NOx emissions from the test cells 158.3 to 183.2 tons per year (24.9 tons per year increase) and to add 4 new test cells/pads and one new thermal Oxidizer

IV. SUPPLEMENTAL ATTACHMENTS*: 1401 A1, A2, H1, H2, I, Updated Responsible Officials List and more
* Means all attachments to the complete application.

**San Diego County Air Pollution Control District
10124 Old Grove Road San Diego CA 92131-1649
(858) 586-2600 FAX (858) 586-2601**

**TITLE V APPLICATION
Stationary Source Summary (FORM 1401-A2)**

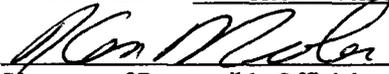
| | |
|--|---|
| Company Name Solar Turbines Incorporated | District Use Only NEDS # _____ SITE ID # _____ |
|--|---|

I. MAJOR SOURCE APPLICABILITY

Check appropriate pollutant(s) for which you are a Major Source under Title V. Applicability is based on potential to emit. If more space is necessary, use additional forms. Please type or print legibly.

| POLLUTANT | MAJOR SOURCE THRESHOLD TOTAL EMISSIONS, TPY | (check if appropriate) |
|---------------------------------|--|-------------------------------------|
| VOC | 100 | <input type="checkbox"/> |
| PM ₁₀ | 100 | <input type="checkbox"/> |
| SO ₂ | 100 | <input type="checkbox"/> |
| NO _x | 100 | <input checked="" type="checkbox"/> |
| CO | 100 | <input checked="" type="checkbox"/> |
| ODC | 100 | <input type="checkbox"/> |
| LEAD COMPOUNDS | 10 | <input type="checkbox"/> |
| HAZARDOUS AIR POLLUTANTS | | |
| SINGLE HAP | 10 | <input checked="" type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| COMBINATION HAP | 25 | <input checked="" type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |
| | | <input type="checkbox"/> |

Attach all necessary calculations to this form as applicable. NOTE: Calculations are only needed if no Emission Inventory is on file with the District

Reference Emission Inventory

 Signature of Responsible Official

Inventory Year 2010
1/9/12
 Date

Ken Nolen
 Print Name of Responsible Official
Vice President, Oil and Gas
 Title of Responsible Official

(858) 694-6694
 Telephone No. of Responsible Official

II. EMISSIONS CALCULATIONS ATTACHED (as needed)

Yes No

DISTRICT USE ONLY

Date Application Received: 1-10-12
 Application Filing Fee: 2064.-
 Receipt #: R-451600

Application # 2012-App-001937
 District Received Stamp: _____
 Fee Code: 71Y

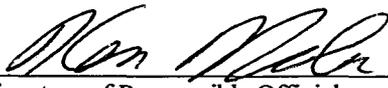
**San Diego County Air Pollution Control District
 10124 Old Grove Road San Diego CA 92131-1649
 (858) 586-2600 FAX (858) 586-2601**

**TITLE V APPLICATION
 Certification Statement (FORM 1401-I)**

| Company Name | District Use Only |
|--|-------------------|
| <u>Solar Turbines Incorporated - Kearny Mesa</u> | NEDS # _____ |
| Facility Address: <u>4200 Ruffin Road, San Diego, CA 92123</u> | SITE ID # _____ |

Under penalty of perjury, identify the following: (Read each statement carefully and check each box for confirmation.)

- | Applicable | Not
Applicable | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <i>Based on information and belief formed after reasonable inquiry, the source(s) identified in this application will continue to comply with the applicable requirement with which the source is in compliance. The applicable requirement(s) with which the source(s) is/are not in compliance is/are identified in Form 1401-L, Schedule of Compliance.</i> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <i>Based on information and belief formed after reasonable inquiry, the source(s) identified in this application will comply with the future-effective applicable requirement(s) on a timely basis.</i> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <i>Based on information and belief formed after reasonable inquiry, the source(s) identified in the Schedule of Compliance application form that is/are not in compliance with the applicable requirement(s), will comply in accordance with the attached compliance plan schedule.</i> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <i>Based on information and belief formed after reasonable inquiry, information on application forms, referenced documents, all accompanying reports, and other required certifications are true, accurate, and complete.</i> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <i>All fees required by Regulation III, Rule 40 have been paid.</i> |


 Signature of Responsible Official

Ken Nolen
 Print Name of Responsible Official

Vice President, Oil and Gas
 Title of Responsible Official

1/9/12
 Date

(858) 694-6694
 Telephone No. of Responsible Official

TITLE V APPLICATION
Applicable Requirements Summary Checklist (FORM 1401-H1) - continued

| RULE | RULE DESCRIPTION | Test Method or Rule Section | Monitoring, Records, Reports, Rule Section | Facility | Abrasive Blast | Metal Inspect | Paint Spray 1 | Paint Spray 2 | Solvent Still | Test Cells/Pad | Duct Burner | Thermal Ox | IC Engines | Contractors | | | | | Future Effective Date |
|--|--|-----------------------------|--|----------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|------------|------------|-------------|--|--|--|--|-----------------------|
| Equipment Specific Applicable Requirement Description | | | | | | | | | | | | | | | | | | | |
| 50 | Visible Emissions | | | X | X | X | X | X | X | X | X | X | X | X | | | | | |
| 51 | Nuisance | | | X | X | X | X | X | X | X | X | X | X | X | | | | | |
| 52 | Particulate Matter | Method 5 | | | X | | | | | | | | | X | | | | | |
| 53 | Specific Contaminants | Method 5 | | | | | | | | X | X | X | X | X | | | | | |
| 53.1 | Scavenger Plants | | | | | | | | | | | | | | | | | | |
| 54 | Dust and Fumes | Method 5 | | | X | | | | | | | | | | | | | | |
| 58 | Incinerator Burning | | | | | | | | | | | | | | | | | | |
| 59 | Control of Waste Disposal – Site Emissions | (e) | (e) & (f) | | | | | | | | | | | | | | | | |
| 60 | Circumvention | | | | | | | | | | | | | | | | | | |
| 61.1 | Receiving & Storing VOCs at Bulk Plants & Terminals | (d) | (c)(7) | | | | | | | | | | | | | | | | |
| 61.2 | Transfer of VOCs into Mobil Transport Tanks | (c)(10) | | | | | | | | | | | | | | | | | |
| 61.3 | Transfer of VOCs into Stationary Storage Tanks | | (c)(2)(iii) | | | | | | | | | | | | | | | | |
| 61.4 | Transfer of VOCs into Vehicle Fuel Tanks | | | | | | | | | | | | | | | | | | |
| 61.5 | Visible Emissions Standards for Vapor Control Equip. | | VE | | | | | | | | | | | | | | | | |
| 61.7 | Spillage & Leakage of VOCs | | | | | | | | | | | | | | | | | | |
| 61.8 | Certification Requirements for Vapor Control Equip. | | | | | | | | | | | | | | | | | | |
| 62 | Sulfur Content of Fuels | | | | | | | | | X | X | X | X | X | | | | | |
| 64 | Reduction of Animal Matter | | | | | | | | | | | | | | | | | | |
| 66 | Organic Solvents | (p) | (o) | X | X | | | | | | | | | X | | | | | Rule 66.1 |
| 67.1 | Alternative Emission Control Plans (AECPP) | (c) | (d) | | | | | | | | | | | | | | | | |
| 67.2 | Dry Cleaning - Petroleum Solvent | (f) | (e) | | | | | | | | | | | | | | | | |
| 67.3 | Metal Parts Coating | (g) | (f) | | | | X | X | | | | | | | | | | | |
| 67.4 | Can & Coil Coating | (g) | (f) | | | | | | | | | | | | | | | | |
| 67.5 | Paper, Film and Fabric Coating | (f) | (e) | | | | | | | | | | | | | | | | |
| 67.6 | Solvent Cleaning Operation | (f) | | | | | | | | | | | | | | | | | |
| 67.7 | Cutback & Emulsified Asphalt | (f) | (e) | | | | | | | | | | | | | | | | |
| 67.9 | Aerospace Coating Operations | (g) | (f) | | | | | | | | | | | | | | | | |
| 67.10 | Kelp Processing and Bio-Polymer Mfg. | (f) | (e) | | | | | | | | | | | | | | | | |
| 67.11 | Wood Products Coating Operations (not in SIP) | | | | | | X | | | | | | | | | | | | |

TITLE V APPLICATION
Applicable Requirements Summary Checklist (FORM 1401-H1) - continued

| RULE | RULE DESCRIPTION | Test Method or Rule Section | Monitoring, Records, Reports, Rule Section | Facility | Abrasive Blast | Metal Inspect | Paint Spray 1 | Paint Spray 2 | Solvent Still | Test Cells/Pad | Duct Burner | Thermal Ox | IC Engines | Contractors | | | | | Future Effective Date |
|--------|--|-----------------------------|--|----------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|------------|------------|-------------|--|--|--|--|-----------------------|
| 67.12 | Polyester Resin Operations | (g) | (f) | | | | | | | | | | | | | | | | |
| 67.15 | Pharmaceutical & Cosmetic Manufacturing | (e) | | | | | | | | | | | | | | | | | |
| 67.16 | Graphic Arts Operations | (g) | (f) | | | | | | | | | | | | | | | | |
| 67.17 | Open VOC Containers | (e) | | X | | X | X | X | X | X | X | X | X | X | | | | | |
| 67.18 | Marine Coating Operations | (g) | (f) | | | | | | | | | | | | | | | | |
| 67.19 | Coating and Printing Inks Mfg. Operations | (g) | (f) | | | | | | | | | | | | | | | | |
| 67.20 | Motor Vehicle & Mobile Equipment Refinishing Operations | | | | | | | | | | | | | | | | | | |
| 67.21 | Adhesive Material Application Operations | | | X | | | | | | | | | | X | | | | | |
| 67.22 | Expandable Polystyrene Foam Products Manufacturing Operations (not in SIP) | | | | | | | | | | | | | | | | | | |
| 67.24 | Bakery Ovens | (f) | (e) | | | | | | | | | | | | | | | | |
| 68 | Fuel Burning Equipment - NOx | | | | | | | | | | X | X | | | | | | | |
| 69.2 | Boilers | (f) | (e) & (g) | | | | | | | | | | | | | | | | |
| 69.3 | Stationary Gas Turbine Engines - RACT | (f) | (e) & (g) | | | | | | | | | | | | | | | | |
| 69.3.1 | Stationary Gas Turbine Engines - BARCT (not in SIP) | (f) | (e) & (g) | | | | | | | | | | | | | | | | |
| 69.4 | Stationary Internal Combustion Engines - RACT | (f) | (e) | | | | | | | | | | X | | | | | | |
| 69.4.1 | Stationary Internal Combustion Engines - BARCT (not in SIP) | (f) | (e) | | | | | | | | | | X | | | | | | |
| 70 | Orchard Heaters | | | | | | | | | | | | | | | | | | |
| 71 | Abrasive Blasting | | | X | | | | | | | | | | X | | | | | |
| 20.1 | Applicability, Definitions, Emission Calculations, Emission Offsets and Banking, Exemptions, and Other Requirements (SIP Version 7/5/79) | | | | | | X | X | X | X | X | | | | | | | | |
| 20.1 | NSR - General Provisions (Version 11/4/98) (not in SIP) | | | | | | | X | | X | X | X | | | | | | | |
| 20.2 | Standards for Authority to Construct Best Available Control Technology (SIP Version 7/5/79) | | | | | | | X | X | X | X | | | | | | | | |
| 20.2 | NSR - Non-major Stationary Sources (Version 11/4/98) (not in SIP) | | | | | | | X | | | | | | | | | | | |
| 20.3 | Standards for Authority to Construct - Air Quality Analysis (SIP Version 7/5/79) | | | | | | | | | | | | | | | | | | |

TITLE V APPLICATION
Applicable Requirements Summary Checklist (FORM 1401-H1) - continued

| RULE | RULE DESCRIPTION | Test Method or Rule Section | Monitoring, Records, Reports, Rule Section | Facility | Abrasive Blast | Metal Inspect | Paint Spray 1 | Paint Spray 2 | Solvent Still | Test Cells/Pad | Duct Burner | Thermal Ox | IC Engines | Contractors | | | | | Future Effective Date |
|----------------|---|-----------------------------|--|----------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|------------|------------|-------------|--|--|--|--|-----------------------|
| 20.3 | NSR – Major Stationary Source and PSD Stationary Source (Version 11/4/98) (not in SIP) | | | | | | | | | X | X | X | | | | | | | |
| 20.4 | Standards for Authority to Construct - Major Sources (SIP Version 7/5/79) | | | | | | | | | | | | | | | | | | |
| 20.4 | NSR – Portable Emission Units (Version 11/4/98) (not in SIP) | | | | | | | | | | | | | X | | | | | |
| 20.5 | Power Plants (SIP Version 7/5/79) | | | | | | | | | | | | | | | | | | |
| 20.6 | Standards for Permit to Operate Air Quality Analysis (SIP Version 7/5/79) | | | | | | | | | | | | | | | | | | |
| SUBPART | Regulation X - Standards of Performance for New Stationary Sources (NSPS) | Rule # | Rule # | | | | | | | | | | | | | | | | |
| A | General Provisions | | 260.7 260.13 | | | | | | | | | | | | | | | | |
| D | Standards of Performance for Fossil-Fuel Fired Steam Generators | 260.46 | 260.45 | | | | | | | | | | | | | | | | |
| Da | Standards of Performance for Electric Utility Steam Generating Units Constructed After September 18, 1978 | | 260.47a 260.48a 260.49a | | | | | | | | | | | | | | | | |
| Db | Standards of Performance for Industrial-Commercial-Institutional Steam Generating | 260.45b 260.46b | 260.47b 260.48b 260.49b | | | | | | | | | | | | | | | | |
| E | Standards of Performance for Incinerators | 260.54 | 260.53 | | | | | | | | | | | | | | | | |
| I | Standards of Performance for Asphalt Concrete Plants | 260.93 | | | | | | | | | | | | | | | | | |
| K | Standards of Performance for Storage Vessels for Petroleum Liquids Constructed after June 11, 1973 and Prior to May 19, 1978 | | 260.113 | | | | | | | | | | | | | | | | |
| Ka | Standards of Performance for Storage Vessels for Petroleum Liquids Constructed after May 18, 1978 | 260.113a | 260.115a | | | | | | | | | | | | | | | | |
| Kb | Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for which Construction, Reconstruction, or Modification Commenced after July 23, 1984 | 260.113b | 260.115b 260.116b | | | | | | | | | | | | | | | | |

TITLE V APPLICATION
Applicable Requirements Summary Checklist (FORM 1401-H1) - continued

| RULE | RULE DESCRIPTION | Test Method or Rule Section | Monitoring, Records, Reports, Rule Section | Facility | Abrasive Blast | Metal Inspect | Paint Spray 1 | Paint Spray 2 | Solvent Still | Test Cells/Pad | Duct Burner | Thermal Ox | IC Engines | Contractors | Future Effective Date |
|---|---|------------------------------------|---|-----------------|-----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|--------------------|-------------------|-------------------|--------------------|------------------------------|
| Subpart | | | | | | | | | | | | | | | |
| L | Standards of Performance for Secondary Lead Smelters | 260.123 | | | | | | | | | | | | | |
| M | Standards of Performance for Secondary Brass and Bronze Ingot Production Plants | 260.133 | | | | | | | | | | | | | |
| O | Standards of Performance for Sewage Treatment Plants | 260.154 | 260.153 | | | | | | | | | | | | |
| DD | Standards of Performance for Grain Elevators | 260.303 | | | | | | | | | | | | | |
| EE | Standards of Performance for Surface Coating Metal Furniture | 260.313 260.316 | 260.314 260.315 | | | | | | | | | | | | |
| GG | Standards of Performance for Stationary Gas Turbines | 260.335 | 260.334 | | | | | | | | | | | | |
| QQ | Standards of Performance for the Graphic Arts Industry: Publication Rotogravure Printing | 260.433 260.435 | 260.434 | | | | | | | | | | | | |
| RR | Standards of Performance for the Pressure Sensitive Tape and Label Surface Coating Operations | 260.444 260.446 | 260.445 260.447 | | | | | | | | | | | | |
| SS | Standard of Performance for the Industrial Surface Coating Large Appliances | 260.453 260.456 | 260.454 260.455 | | | | | | | | | | | | |
| TT | Standards of Performance for Metal Coil Surface Coating | 260.463 260.466 | 260.464 260.465 | | | | | | | | | | | | |
| BBB | Standards of Performance for the Rubber Tire Manufacturing Industry | 260.543 260.547 | 260.544 260.545 260.546 | | | | | | | | | | | | |
| FFF | Standards of Performance for Flexible Vinyl and Urethane Coating and Printing | 260.583 | 260.584 260.585 | | | | | | | | | | | | |
| JJJ | Standards of Performance for Petroleum Dry Cleaners | | | | | | | | | | | | | | |
| SUBPART New Source Performance Standards (40 CFR 60) | | | | | | | | | | | | | | | |
| Cb, F | Portland Cement Plants | | | | | | | | | | | | | | |
| Dc | Small Industrial -Commercial -Institutional Steam Generators >10 MM Btu but <100 MM Btu. | | | | | | | | | | | | | | |
| Ea | Municipal Waste Combustors | | | | | | | | | | | | | | |
| G | Nitric Acid Plants | | | | | | | | | | | | | | |
| H & Cb | Sulfuric Acid Plants | | | | | | | | | | | | | | |

TITLE V APPLICATION
Applicable Requirements Summary Checklist (FORM 1401-H1) - continued

| RULE | RULE DESCRIPTION | Test Method or Rule Section | Monitoring, Records, Reports, Rule Section | Facility | Abrasive Blast | Metal Inspect | Paint Spray 1 | Paint Spray 2 | Solvent Still | Test Cells/Pad | Duct Burner | Thermal Ox | IC Engines | Contractors | | | | Future Effective Date |
|----------------|---|-----------------------------|--|----------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|------------|------------|-------------|--|--|--|-----------------------|
| Subpart | | | | | | | | | | | | | | | | | | |
| N | Oxygen Process Furnaces | | | | | | | | | | | | | | | | | |
| Na | Oxygen Process Steelmaking Facilities | | | | | | | | | | | | | | | | | |
| P | Primary Copper Smelters | | | | | | | | | | | | | | | | | |
| Q | Primary Zinc Smelters | | | | | | | | | | | | | | | | | |
| R | Primary Lead Smelters | | | | | | | | | | | | | | | | | |
| S | Primary Aluminum Reduction Plants | | | | | | | | | | | | | | | | | |
| T & U | Phosphate Fertilizer Industry | | | | | | | | | | | | | | | | | |
| V,W,X | Phosphate Fertilizer Industry | | | | | | | | | | | | | | | | | |
| Y | Coal Preparation Plants | | | | | | | | | | | | | | | | | |
| Z | Ferroalloy Production Facilities | | | | | | | | | | | | | | | | | |
| AA, AAa | Steel Plants | | | | | | | | | | | | | | | | | |
| BB | Kraft Pulp Mills | | | | | | | | | | | | | | | | | |
| CC | Glass Manufacturing Plants | | | | | | | | | | | | | | | | | |
| HH | Lime Manufacturing Plants | | | | | | | | | | | | | | | | | |
| KK | Lead-Acid Battery Manufacturing Plants | | | | | | | | | | | | | | | | | |
| LL | Metallic Mineral Processing Plants | | | | | | | | | | | | | | | | | |
| MM | Automobile and Light-Duty Truck Surface Coating Operations | | | | | | | | | | | | | | | | | |
| NN | Phosphate Rock Plants | | | | | | | | | | | | | | | | | |
| PP | Ammonium Sulfate Manufacture | | | | | | | | | | | | | | | | | |
| UU | Asphalt Processing and Asphalt Roofing Manufacture | | | | | | | | | | | | | | | | | |
| VV | Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry. | | | | | | | | | | | | | | | | | |
| WW | Beverage Can Surface Coating Industry | | | | | | | | | | | | | | | | | |
| XX | Bulk Gasoline Terminals | | | | | | | | | | | | | | | | | |
| AAA | New Residential Wood Heaters | | | | | | | | | | | | | | | | | |
| DDD | VOC Emissions from the Polymer Mfg. Ind. | | | | | | | | | | | | | | | | | |
| GGG | Equipment Leaks of VOC in Petroleum Refineries. | | | | | | | | | | | | | | | | | |

TITLE V APPLICATION
Applicable Requirements Summary Checklist (FORM 1401-H1) - continued

| RULE | RULE DESCRIPTION | Test Method or Rule Section | Monitoring, Records, Reports, Rule Section | Facility | Abrasive Blast | Metal Inspect | Paint Spray 1 | Paint Spray 2 | Solvent Still | Test Cells/Pad | Duct Burner | Thermal Ox | IC Engines | Contractors | | | | Future Effective Date |
|---|--|-----------------------------|--|----------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|------------|------------|-------------|--|--|--|-----------------------|
| Subpart | | | | | | | | | | | | | | | | | | |
| HHH | Synthetic Fiber Production Facilities | | | | | | | | | | | | | | | | | |
| KKK, LLL | Onshore Natural Gas Processing: VOC Equipment Leaks and SO ₂ Emissions. | | | | | | | | | | | | | | | | | |
| HHH | Synthetic Fiber Production Facilities | | | | | | | | | | | | | | | | | |
| KKK, LLL | Onshore Natural Gas Processing: VOC Equipment Leaks and SO ₂ Emissions. | | | | | | | | | | | | | | | | | |
| NNN | VOC Emissions from Synthetic Organic Chemical Manufacturing Industry Distillation Operations. | | | | | | | | | | | | | | | | | |
| OOO | Standard of Performance for Nonmetallic Mineral Processing Plants | | | | | | | | | | | | | | | | | |
| PPP | Wool Fiberglass Insulation Mfg. Plants | | | | | | | | | | | | | | | | | |
| QQQ | VOC Emissions from Petroleum Refinery Wastewater Systems. | | | | | | | | | | | | | | | | | |
| RRR | VOC Emissions from the Synthetic Organic Chemical Manufacturing Industry (SOCMI) Reactor Processes. | | | | | | | | | | | | | | | | | |
| SSS | Magnetic Tape Coating Facilities | | | | | | | | | | | | | | | | | |
| TTT | Industrial Surface Coating Surface, Surface Coating of Plastic Parts for Business Machines. | | | | | | | | | | | | | | | | | |
| UUU | Calciners and Dryers in Mineral Industries. | | | | | | | | | | | | | | | | | |
| VVV | Polymeric Coating of Supporting Substances Facilities. | | | | | | | | | | | | | | | | | |
| WWW | Standards of Performance for Municipal Solid Waste Facilities | | | | | | | | | | | | | | | | | |
| REGULATION XI - NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS (NESHAPS) | | | | | | | | | | | | | | | | | | |
| A | General Provisions | | | | | | | | X | X | | | | | | | | |
| C, D | Beryllium Extraction Plants; Ceramic Plants, Foundries, Incinerators, Propellant Plants, and Machine Shops that Process Beryllium Containing Material; and Rocket Motor Firing Test Sites. | | | | | | | | | | | | | | | | | |

TITLE V APPLICATION
Applicable Requirements Summary Checklist (FORM 1401-H1) - continued

| RULE | RULE DESCRIPTION | Test Method or Rule Section | Monitoring, Records, Reports, Rule Section | Facility | Abrasive Blast | Metal Inspect | Paint Spray 1 | Paint Spray 2 | Solvent Still | Test Cells/Pad | Duct Burner | Thermal Ox | IC Engines | Contractors | | | | Future Effective Date |
|---|---|-----------------------------|--|----------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|------------|------------|-------------|--|--|--|-----------------------|
| Subpart | | | | | | | | | | | | | | | | | | |
| E | Mercury Ore Processing; Manufacturing Processes Using Mercury Chloralkali Cells; and Sludge Incinerators. | | | | | | | | | | | | | | | | | |
| F | Ethylene Dichloride Mfg. Via Oxygen, HCl and Ethylene; Vinyl Chloride Mfg.; and Polyvinyl Chloride Mfg. | | | | | | | | | | | | | | | | | |
| M | Asbestos Mills; Roadway Surfacing with Asbestos Tailings; Manufacture of Products Containing Asbestos; Demolition; Renovation; and Spraying and Disposal of Asbestos Waste. | | | X | | | | | | | | | | X | | | | |
| SUBPART NESHAPS (40 CFR 61) | | | | | | | | | | | | | | | | | | |
| B,Q,R, T,W, | Underground Uranium Mines; Dept. of Energy Facilities; Phosphorus Fertilizer Plants; & Facilities Processing or Disposing of Uranium Ore & Tailings. | | | | | | | | | | | | | | | | | |
| H,I,K | Dept. of Energy; Nuclear Regulatory Commission Licensed Facilities; Other Federal Facilities; and Elemental Phosphorus Plants. (Radionuclide) | | | | | | | | | | | | | | | | | |
| J,L,Y, BB,FF | Fugitive Process, Storage, and Transfer Equipment Leaks; Coke By-Product Recovery Plants; Benzene Storage Vessels; Benzene Transfer Operations; and Benzene Waste Operations. | | | | | | | | | | | | | | | | | |
| N,O,P | Glass Manufacturer; Primary Copper Smelter; Arsenic Trioxide and Metallic Arsenic Production Facilities. | | | | | | | | | | | | | | | | | |
| V | Pumps, Compressors, Pressure Relief Devices, Connections, Valves, Lines, Flanges, Product Accumulator Vessels, etc. in VHAP Service. | | | | | | | | | | | | | | | | | |
| SUBPART MACT Standards (40 CFR 63) | | | | | | | | | | | | | | | | | | |
| F,G, H,I | Amendment: Reopening, Averaging Issue | | | | | | | | | | | | | | | | | |
| L | Coke Ovens | | | | | | | | | | | | | | | | | |
| O | Ethylene Oxide Sterilizers | | | | | | | | | | | | | | | | | |
| Q | Industrial Process Cooling Towers | | | | | | | | | | | | | | | | | |
| R | Gasoline Distribution Facilities | | | | | | | | | | | | | | | | | |

TITLE V APPLICATION
Applicable Requirements Summary Checklist (FORM 1401-H1) - continued

| RULE | RULE DESCRIPTION | Test Method or Rule Section | Monitoring, Records, Reports, Rule Section | Facility | Abrasive Blast | Metal Inspect | Paint Spray 1 | Paint Spray 2 | Solvent Still | Test Cells/Pad | Duct Burner | Thermal Ox | IC Engines | Contractors | | | | | Future Effective Date |
|------|------------------|-----------------------------|--|----------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|------------|------------|-------------|--|--|--|--|-----------------------|
|------|------------------|-----------------------------|--|----------|----------------|---------------|---------------|---------------|---------------|----------------|-------------|------------|------------|-------------|--|--|--|--|-----------------------|

Subpart

| | | | | | | | | | | | | | | | | | | | | |
|-------|--|--|--|--|--|--|---|---|--|--|--|--|--|--|--|--|--|--|--|--|
| T | Halogenated Solvent Cleaning Degreasing | | | | | | | | | | | | | | | | | | | |
| X | Secondary Lead Smelters | | | | | | | | | | | | | | | | | | | |
| Y | Marine Tank Loading/Unloading | | | | | | | | | | | | | | | | | | | |
| CC | Petroleum Refineries | | | | | | | | | | | | | | | | | | | |
| DD | Off-Site Waste and Recovery Operations | | | | | | | | | | | | | | | | | | | |
| EE | Magnetic Tape | | | | | | | | | | | | | | | | | | | |
| GG | Aerospace (Coatings) | | | | | | | | | | | | | | | | | | | |
| II | Shipbuilding for Ship Repair (Surface Coating) | | | | | | | | | | | | | | | | | | | |
| JJ | Wood Furniture Industry (Coatings) | | | | | | | | | | | | | | | | | | | |
| KK | Printing and Publishing | | | | | | | | | | | | | | | | | | | |
| AAAA | Municipal Solid Waste Landfills | | | | | | | | | | | | | | | | | | | |
| DDDDD | Industrial, Commercial and Institutional Boilers and Process Heaters | | | | | | | | | | | | | | | | | | | |
| MMMM | Surface Coating of Miscellaneous Metal Parts and Products | | | | | | X | X | | | | | | | | | | | | |
| PPPP | Surface Coating of Plastic Parts | | | | | | | | | | | | | | | | | | | |
| ZZZZ | Reciprocating Internal Combustion Engines | | | | | | | | | | | | | | | | | | | |
| YYYY | Stationary Combustion Turbines | | | | | | | | | | | | | | | | | | | |

California Airborne Toxic Control Measures (ATCM)
17 CCR

| | | | | | | | | | | | | | | | | | | | | |
|--------|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| §93102 | Hexavalent Chromium ATCM for Chrome Plating and Chromic Acid Anodizing Operations | | | | | | | | | | | | | | | | | | | |
| §93109 | ATCM for Emissions of Perchloroethylene from Dry Cleaning Operations | | | | | | | | | | | | | | | | | | | |

40 CFR Part 68 RMP

Title IV - Acid Rain (40 CFR 72)

Title VI-Ozone Depleting Compounds (40 CFR 82)

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|--|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|---|--|
| B | Servicing of Motor Vehicle Air Conditioners | B | | | | | | | | | | | | | | | | | | |
| F | Servicing of Other Air Conditioners | F | | X | | | | | | | | | | | | | | | X | |

San Diego County Air Pollution Control District
10124 Old Grove Road San Diego CA 92131-1649
(858) 586-2600 FAX (858) 586-2601

TITLE V APPLICATION
LIST OF PERMITS BY EQUIPMENT CATEGORY (FORM 1401-H2)

| | |
|--|--------------------------|
| Company Name | District Use Only |
| <u>Solar Turbines Incorporated - Kearny Mesa Facility</u> | NEDS # _____ |
| Facility Address: <u>4200 Ruffin Road, San Diego, CA 92123</u> | SITE ID # _____ |

PERMITTED EMISSION UNITS BY EQUIPMENT CATEGORY

In the emission unit (equipment) category order entered on Form 1401-H1, Applicable Requirements Summary Checklist, list emission units by permit number for the specific emission unit (equipment) category. Under the column labeled status place an "O" if operational, "N" if non-operational, or "S" if the equipment is new and currently operating under a startup authorization. If more space is required, use additional forms. Please type or print legibly.

| Emission Unit Category | Application/ Permit No. | Status of Emission Unit |
|-----------------------------|----------------------------|----------------------------|
| Abrasive Blasting | 7750 | O |
| Metal Inspection Tank | 930697 | N |
| Paint Spray (1) Maintenance | 1582 | N |
| Paint Spray (2) Small Booth | 3977 | O |
| Paint Spray (2) North Booth | 978792 | O |
| Paint Spray (2) South Booth | 50303 | O |
| Solvent Still | 910085 | N |
| Test Cell #1 | 4252 | O |
| Test Cell #2 | 4253 | O |
| Test Cell #3 | 4254 | O |
| Test Cell #4 | 4255 | O |
| Test Cell #5 | 4256 | O |
| Test Cell #6 | 4257 | O |
| Test Cell #7 | 4015 | O |
| Test Cell #8 | 3886 | O |
| Test Cell #9 | 4258 | O |
| Test Cell #10 | 4495 | O |
| Test Cell #11 | 4496 | O |
| Test Cell #12 | 4733 | O |

San Diego County Air Pollution Control District
 10124 Old Grove Road San Diego CA 92131-1649
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TITLE V APPLICATION
LIST OF PERMITS BY EQUIPMENT CATEGORY (FORM 1401-H2)

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| Emission Unit Category | Application/ Permit No. | Status of Emission Unit |
|-------------------------------|------------------------------------|------------------------------------|
| Test Cell #13 | 20881 | O |
| Test Cell #14 | 20882 | O |
| Test Cell #15 | 20880 | O |
| Test Cell #16 | 20879 | O |
| Test Cell #16-4 | 975790 | O |
| Test Cell #17 | 20878 | O |
| Test Cell #18 | 20877 | O |
| Test Cell #19 | 20875 | O |
| Test Cell #21 | 975791 | O |
| Test Cell #22 | 975792 | O |
| Test Cell #23 | 975793 | O |
| Test Cell #30 | 20876 | O |
| Duct Burner Test Pad | 920710 | N |
| Thermal Oxidizer | 976905 | O |
| Thermal Oxidizer | 976913 | O |
| Thermal Oxidizer | 2011-APP-001769 | |
| Test Cell #20 (new) | | |
| Test Cell #24 (new) | | |
| Test Cell #25 (new) | | |

Solar Turbines

A Caterpillar Company

Solar Turbines Incorporated

P.O. Box 85376
San Diego, CA 92186-5376
Tel: (619) 544-5000
Fax: (619) 544-2832

January 9, 2012

Hand Delivered

Mr. John Annicchiaro
San Diego Air Pollution Control District
10124 Old Grove Road
San Diego, CA 92131-2601

Subject: Kearny Mesa Title V Significant Permit Modification Application

**Facility: Kearny Mesa Facility (APCD I.D. No. 1869A
4200 Ruffin Road, San Diego CA 92123
Title V Permit Number 960991**

Dear Mr. Annicchiaro:

Please find attached a Title V signification permit modification application for Solar Turbines Incorporated (Solar) Kearny Mesa facility and a check for the sum of \$10,320 (Ten thousand Three hundred and twenty dollars). This application is being submitted:

- To increase the facility-wide test cell/pad NOx emission cap by 24.9 tons
- To increase the daily PM and SOx limits
- To update the PM and SOx emission factors
- To include an additional, more accurate, PM10 emission calculation method to condition No. 13 of the test cell permits
- To add 3 additional Test cell/pads at the facility
- To modify the title of the responsible Official.

This application consists of the following information:

- General Facility information (Form 1401-A1)
- Stationary Source Summary (Form 1401-A2)
- Applicable Requirements Summary Check List (Form 1401-H1)
- List of Permits by Equipment Category (Form 1401-H2)
- Certification Statement (Form 1401-I)
- Updated Responsible Official List
- SD APCD applications for the three new test cells
- Supplemental information to process these applications

Mr. John Annicchiario
San Diego APCD
January 9, 2012
Page 2

Under separate applications, Solar has applied for Test Cell #20 and a third Thermal Oxidizer to be operated under the current NOx cap of 158.3 tons a year and to be evaluated as a 502(b)(10) modification of the Title V permit. It is our understanding that funds from the enclosed check will cover the Test Cell #20 application. These two sources should be included with this significant modification application.

If you have any questions or require additional information please contact Lori Haase at (619) 544-5237 or myself at (619) 544-5126.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Anderson". The signature is fluid and cursive, with the first name "Craig" and last name "Anderson" clearly distinguishable.

Craig Anderson
Manager, Environmental, Health and Safety

cc: Mr. Steve Moore

Application for Permit Modification
Solar Turbines Incorporated
Kearny Mesa Turbine Test Facilities
January 9, 2012

1. Introduction

Solar Turbines Incorporated (Solar) is requesting a modification to the daily and annual potential to emit for at its Kearny Mesa facility located at 4200 Ruffin Road, San Diego. Additionally, authority to construct is requested for four new test cells/pads.

2. Facility Description

Solar currently operates 28 turbine and turbine component test cells and pads under twenty-four (24) Permits to Operate. In addition there are three (3) Thermal Oxidizers (one application in process) and one (1) duct burner test pad, for a total of 28 Permit to operate and 32 sources. These test cells accommodate product and development engine testing, production engine testing, and production package testing for Solar's full line of industrial gas turbines. Operations are limited by an annual NOx PTE of 158.3 tons, a daily PM limit of 394.8 pounds and a daily sulfur limit of 294.8 pounds when fuels with a sulfur content greater than 0.10% by weight is used.

Solar is also proposing to construct 4 new test cells/pads at this facility. Three applications have been included with this significant modification application and one application for Test Cell #20 has been requested separately to be expeditiously process as a 502(b)(10) modification to be operated under current facility limits. Solar requests that Test Cell #20 be included in with this significant permit modification process for the increase in the facility-wide NOx limit.

Each test cell/pad is operated independently without limitation to the type or size of product to be tested or the number of cells operated simultaneously. Operations are limited in a practical way by the number of staff, time necessary to install and setup products in the test cells, the complicated nature of turbine machinery and the large variety of product configurations. For these reasons, actual turbine testing comprises only a fraction of the total time a turbine or package is in a cell or pad.

Nearly 70% of Solar's turbines are shipped to international customers, many of which have unique performance and emission specifications. Testing is performed to demonstrate exact compliance with these contractual specifications under conditions that mirror field conditions. Testing is performed under minimal loads, mid-loads and maximum loads and transitional points in between to simulate field applications. The majority of testing is performed using natural gas fuel although the ratio of liquid-gas usage varies from year-to-year depending on sales and equipment specifications.

3. Project Description

Solar is requesting a 24.9 ton increase in the annual NOx limit, a 99 pound increase in the daily PM PTE and a 249 pound increase in the daily SOx PTE for the Kearny Mesa test cell facilities. In addition we would like to update emission factors for PM and SOx emissions and the PM emission calculation method to Condition Number 13 of the existing test cell/pad permits.

4. Potential to Emit

Test cell activities at Kearny Mesa have been increasing steadily in the last several years as Solar has experienced a period of growth. Solar has implemented changes to test specifications, fuel conservation and test success quality improvements in an effort to minimize emissions. However, business projections for 2012 and beyond indicate a need to increase the facility's PTE and test capacity.

District Permits to Operate Nos. 3886, 4015, 4525-4258, 4495, 4496, 4733, 20875-20882, 920710, 975790, 975791, 975792, 975793, 976905 and 976913 include a permit condition limiting the NOx PTE to 158.3 TPY. When this limit was increased in 1998, it was offset in accordance with the approved New Source Review rules in effect at the time. Therefore the Pre-Project potential to emit (PTE) shall be calculated pursuant to Rule 20.1 Subsection (d)(1)(i)(A) and (B). The NOx Pre-Project PTE is therefore equal to 158.3 TPY and the post-project PTE will be $158.3 + 24.9 = 183.2$ TPY

In review of the last 5 years of data, the highest PM day occurred on July 8, 2008 with a PM emission of 358 pounds which is above 80% threshold (or 316 lb PM) of the daily PM limit of 394.8 pounds. Therefore the daily PM Pre-Project PTE is equal to 394.8 lbs and the Post Project –PPTE will be $394.8 + 99 = 493.8$ lbs/day. (See Attachment 1) In addition the emission factors for PM should be changed to 0.47 lb PM/1000 lb Natural Gas (0.021 lb PM/MMBTU Natural Gas) and 1.16 lb PM/1000 lb liquid fuel (0.06 lb PM/MMBTU liquid fuel) (See Attachment 2)

In review of the last 5 years of data, the highest liquid fuel usage and SOx day occurred on December 14, 2007, with a SOx emission of 342 pounds. Therefore the daily SOx Pre-PPTE is equal to 342 lbs and the Post –PPTE will be $342.8 + 249 = 591.8$ lbs/day. (See Attachment 1)

5. Applicable Requirements

The Kearny Mesa facility is a major source for oxides of nitrogen pursuant to District Rule 20.1, Table 20.1 – 6 and therefore the emission increase and proposed new facility are subject to the review requirements of Rule 20.3.

5.1 Rule 20.3 (d)(1) - BACT Review

The requested increase in annual emissions is subject to the review for the application of Best Available Control Technology (BACT). Solar reviewed available literature from the EPA, ARB and equipment vendors as part of a RACT analysis to evaluate the technical feasibility and cost effectiveness of reducing NOx emissions from turbine test cell operations. Solar also performed a detailed evaluation of test cell activities at our Kearny Mesa and Harbor Drive facilities in San Diego.

There are three basic approaches that are demonstrated to control NOx emissions from gas turbines, none of which are applicable to test cell activities. Engine design modifications such as dry low NOx combustors are available for certain models, but can only be applied to Solar's turbines if it is specified by the customer. Similarly, diluents methods such as water injection are readily available but cannot be utilized on a given turbine unless specified by the turbine customer. As discussed earlier, Solar's business is global, with 70 percent of our products exported to regions where NOx controls may not be required. Post combustion or add-on emission controls cannot be applied to turbine test cells because of the wide variation in turbine exhaust flowrates and the frequent variations of turbine loads and corresponding changes in exhaust gas temperatures experienced during testing.

5.2 Rule 20.3 (d)(2) Air Quality Impact Analysis (AQIA)

The requested annual NOx increase is above the annual AQIA trigger levels of Table 20.3 – 1. Solar has retained Dr. Valorie Thompson of Scientific Resources Associated to perform an air quality impact analysis according to District procedures. Pre-meetings have been held with the District's meteorology staff to discuss procedures and documentation. The modeling analysis and report will be submitted separately.

The AQIA mirrors the operational scenarios used in the 1994 and 1998 AQIA analyses. Two scenarios are used to evaluate the maximum possible impacts from the maximum possible operations scenarios. The two scenarios are shown in Table 1. Each scenario includes a mixture of current and planned Solar products ranging from the 4,500 hp Centaur 40 to the 45,000 hp Titan, liquid and natural gas fuel, conventional combustion configurations and low-NOx equipped products. A total of 35 test cells/pads and thermal oxidizers are modeled – 28 exiting test cells/pads, four (20, 24, 25 and 26) to be constructed over the next several years and 3 thermal oxidizers.

Scenario 1 included 18 test cells/thermal oxidizers operating simultaneously with a total fuel consumption rate of approximately 85,000 lbs/hr and a NOx rate of

Solar Turbines Incorporated
Kearny Mesa Facility Turbine Test Cells
Permit Modification
January 9, 2012

approximately 840 lbs/hr. Assuming a post project potential to emit of 183.2 and an approximate (surrogate) fuel limit of 49 million pounds, operations under Scenario 1 would consume the permitted capacity in 18 days on an emissions basis or 24 days on a fuel basis. Hence, Scenario 1 represents a conservative worse case operational scenario.

Similarly, Scenario 2 includes 17 test cells/thermal oxidizers operating simultaneously with a total fuel consumption rate of approximately 91,000 lbs/hr and a NOx rate of approximately 590 lbs/hr. Operations under Scenario 2 would consume the permitted capacity in 26 days on an emissions basis or 22 days on a fuel basis.

Preliminary modeling results indicate that even under this very conservative (and improbable) operating scenario, the proposed operations together with long-range facilities will not cause or contribute to a violation of an ambient NOx standard.

5.3 Rule 20.3(d)(5) Emission Offsets – will not be required because the sources contemporaneous emission increase is not considered to be a major modification.

6. Project Schedule

Solar is requesting the permit be reviewed and otherwise processed by April 1, 2012 to accommodate likely increases in testing production. Construction of Test Cell 21 is expected to commence immediately upon approval. The other test cells are expected to commence construction in 2013.

Attachment 1
2007-2011 Summary of Highest Daily Fuel Usage
Particulate and SOx Emissions

| Category | Date | Natural Gas | | Liquid Fuel | | Total Fuel Lbs | PM Lbs | SOx Lbs |
|-------------------------|-----------|-------------|---------|-------------|--------|-------------------|-----------|------------|
| | | SCF | Lbs | Gals | Lbs | | | |
| Highest Natural Gas | 3/11/2008 | 6,851,000 | 308,295 | 2,490 | 17,928 | 326,223 | 269 | 99 |
| 2nd Highest Natural Gas | 7/8/2008 | 6,109,400 | 274,923 | 7,805 | 56,196 | 331,119 | 358 | 289 |
| 3rd Highest Natural Gas | 2/5/2008 | 5,785,000 | 260,325 | 7,858 | 56,578 | 316,903 | 349 | 291 |

| | | | | | | | | |
|----------------------------------|------------|-----------|---------|-------|--------|---------|-----|-----|
| Highest Liquid Fuel & Sulfur | 12/14/2007 | 1,966,000 | 88,470 | 9,420 | 67,824 | 156,294 | 262 | 342 |
| 2nd Highest Liquid Fuel & Sulfur | 7/1/2008 | 2,442,000 | 109,890 | 8,676 | 62,467 | 172,357 | 261 | 316 |
| 3rd Highest Liquid Fuel & Sulfur | 6/9/2008 | 3,411,000 | 153,495 | 8,635 | 62,172 | 215,667 | 291 | 315 |

| | | | | | | | | |
|------------------------|-----------|-----------|---------|-------|--------|---------|-----|-----|
| Highest Total Fuel | 7/8/2008 | 6,109,400 | 274,923 | 7,805 | 56,196 | 331,119 | 358 | 289 |
| 2nd Highest Total Fuel | 3/11/2008 | 6,851,000 | 308,295 | 2,490 | 17,928 | 326,223 | 269 | 99 |
| 3rd Highest Total Fuel | 2/5/2008 | 5,785,000 | 260,325 | 7,858 | 56,578 | 316,903 | 349 | 291 |

| | | | | | | | | |
|--------------------------|----------|-----------|---------|-------|--------|---------|-----|-----|
| Highest PM Emissions | 7/8/2008 | 6,109,400 | 274,923 | 7,805 | 56,196 | 331,119 | 358 | 289 |
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| 3rd Highest PM Emissions | 6/9/2008 | 3,411,000 | 153,495 | 8,635 | 62,172 | 215,667 | 291 | 315 |

Particulate Matter Emission Estimates

Leslie Witherspoon
Solar Turbines Incorporated

PURPOSE

Since particulate matter is a regulated pollutant, most air permitting agencies require customers to provide particulate matter emission estimates during the air permitting process. In addition, many air permit agencies require dispersion modeling analyses for particulate matter. More and more often, regulatory agencies are including a particulate matter compliance testing requirement in the air permit.

This document summarizes Solar's recommended $PM_{10/2.5}$ emission levels for our combustion turbines. The recommended levels are based on an analysis of emissions tests collected from customer sites.

Particulate Matter Definition

National Ambient Air Quality Standards (NAAQS) for particulate matter were first set in 1971. Total suspended particulate (TSP) was the first indicator used to represent suspended particles in the ambient air. Since July 1, 1987, the Environmental Protection Agency (EPA) has used the indicator PM_{10} , which includes only the particles with aerodynamic diameter smaller than 10 micrometers. PM_{10} (coarse particles) come from sources such as windblown dust from the desert or agricultural fields and dust kicked up on unpaved roads by vehicle traffic.

The EPA added a $PM_{2.5}$ ambient air standard in 1997. $PM_{2.5}$ includes particles with an aerodynamic diameter less than 2.5 micrometers. $PM_{2.5}$ (fine particles) are generally emitted from activities such as industrial and residential combustion and from vehicle exhaust. Fine particles are also formed in the atmosphere when gases such as sulfur dioxide, nitrogen oxides, and volatile organic compounds, emitted by combustion activities, are transformed by chemical reactions.

Nearly all particulate matter from gas turbine exhaust is less than one micrometer (micron) in diameter. Thus the emission rates of TSP, PM_{10} , and $PM_{2.5}$ from gas turbines are theoretically equivalent although source testing will show significant variation due to test method detection levels and processes.

TESTING FOR PARTICULATE MATTER

The turbine combustion process has little effect on the particulate matter generated and measured. The largest contributor to particulate matter emissions for gas and liquid fired combustion turbines is measurement technique and error. Other, minor contributing, sources of particulate matter emissions include carbon, ash, fuel-bound sulfur, artifact sulfate formation, compressor/lubricating oils, and inlet air.

Historical customer particulate matter source test data show that there is significant variability from test to test. The source test results support the common industry argument that particulate matter from natural gas fired combustion sources is difficult to measure accurately. The reference test methods for particulate matter were developed primarily for measuring emissions from coal-fired power plants and other major emitters of particulates. Particulate concentrations from gas turbine can be 100 to 10,000 times lower than the "traditional" particulate sources. The test methods were not developed or verified for low emission levels. There

are interferences, insignificant at higher exhaust particulate matter concentrations that result in emissions greater than the actual emissions from gas turbines. New methods are being developed to address this problem.

Due to measurement and procedural errors, the measured results, in most cases, may not be representative of actual particulate matter emitted. There are many potential error sources in measuring particulate matter. Most of these have to do with contamination of the samples, material from the sampling apparatus getting into the samples, and general sloppiness in samples and analysis.

Recommended Particulate Matter Emission Factors

When necessary to support the air permitting process Solar recommends using a PM_{10/2.5} emission factor of 0.021 lb/MMBtu fuel input (HHV) for natural gas. For landfill gas, the recommended emission factor is 0.03 lb/MMBtu fuel input (HHV). For liquid fuel, the recommended emission factor is 0.06 lb/MMBtu fuel input (HHV). The liquid fuel emission factor assumes fuel sulfur content is <500 ppm and ash content is <0.005% by wt.

The emission levels cited above are only for engine operation with the fuels listed. Other fuels may not yield similar results.

At this time, Solar does not recommend using AP-42 (EPA AP-42 "Compilation of Air Pollutant Emission Factors.") AP-42. While some source tests have had similar results to AP-42, others are higher.

Test Method Recommendation

For customers who conduct emission source tests for particulate matter, Solar recommends that EPA Methods 201/201A¹ be used to measure the "front half". "Front half" represents filterable particulate matter.

EPA Method 202² (with nitrogen purge and field blanks) should be used to measure the "back half". "Back half" measurements represent the condensable portion of particulate matter.

EPA Method 5³, which measures the front and back halves may be substituted (e.g. where exhaust temperatures do not allow the use of Method 202).

Testing should include three test runs of 4 hours each.

Solar recommends using the aforementioned test methods until more representative test methods are developed and made commercially available.

References

¹ EPA Method 201, Determination of PM₁₀ Emissions, Exhaust Gas Recycle Procedure. EPA Method 201A, Determination of PM₁₀ Emissions, Constant Sampling Rate Procedure, 40 CFR 60, Part 60, Appendix A.

² EPA Method 202, Determination of Condensable Particulate Emissions from Stationary Sources, 40 CFR 60, Part 60, Appendix A.

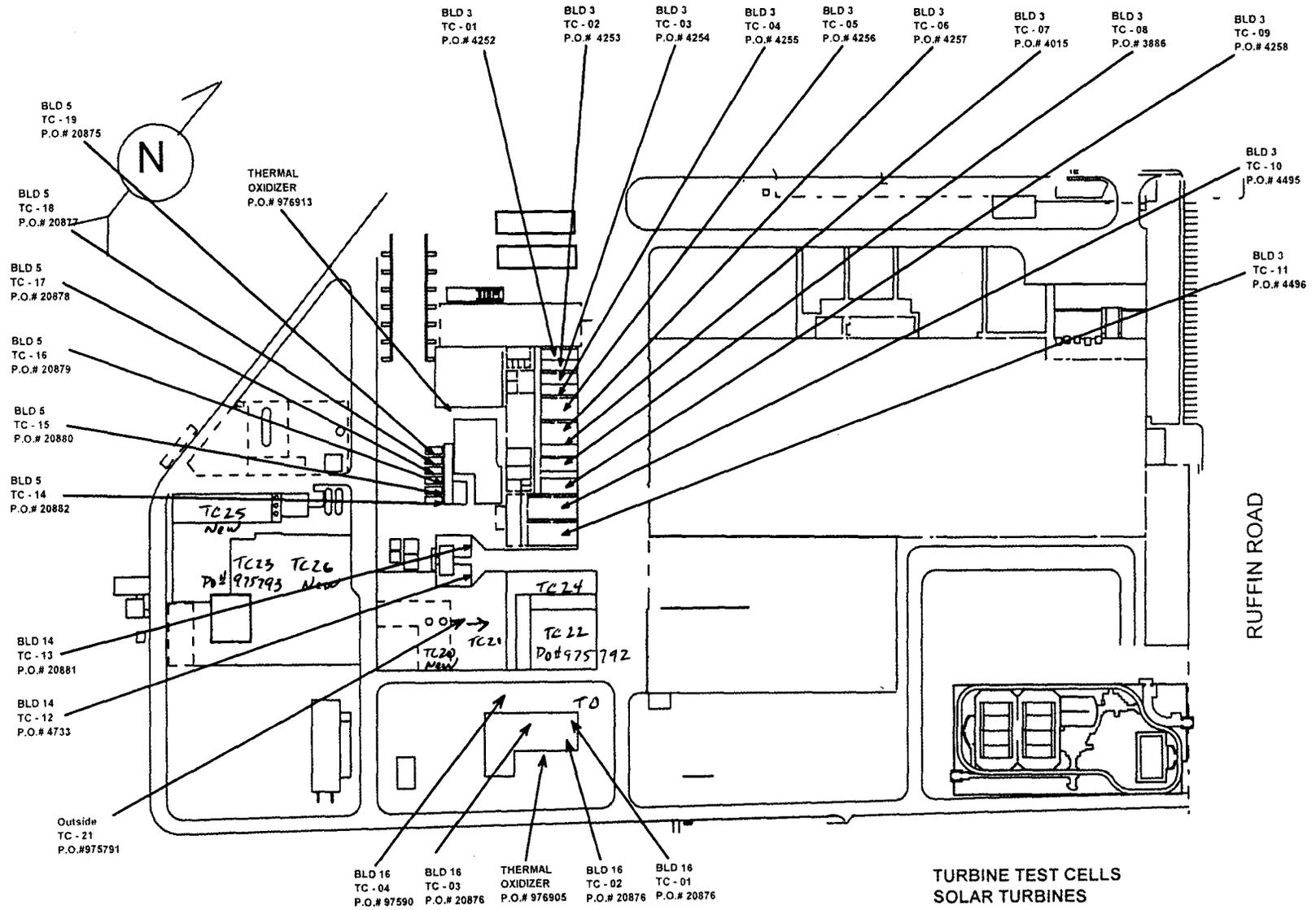
³ EPA Method 5, Determination of Particulate Emissions from Stationary Sources, 40 CFR 60, Part 60, Appendix

Solar Turbines Incorporated
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San Diego, CA 92123-5398

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Table 1
Solar Turbines Incorporated - Trade Secret and Confidential
Test Cell Operation Modeling Scenarios

| Source Number | Cell Number | Permit Number | Engine | Model Number | Engine Number | Combustion Configuration | Fuel Type | Scenario A | | | | Scenario B | | | |
|----------------------------|--------------|-----------------|------------------|--------------|---------------------|--------------------------|-----------|----------------------|-------------|-------------------------|-------------|----------------------|-------------|-------------------------|-------------|
| | | | | | | | | Fuel Flow (lbs/hour) | | NOx Emissions (lb/hour) | | Fuel Flow (lbs/hour) | | NOx Emissions (lb/hour) | |
| | | | | | | | | Natural Gas | Liquid Fuel | Natural Gas | Liquid Fuel | Natural Gas | Liquid Fuel | Natural Gas | Liquid Fuel |
| 1 | 1 | 4252 | Centaur 40 | C40 | 4701 | SoLoNOx | NG | 2,044 | | 4.20 | | | | | |
| 2 | 2 | 4253 | Taurus 60 | T60 | 7901 | Conventional | NG | 2,893 | | 37.55 | | | | | |
| 3 | 3 | 4254 | Taurus 60 | T60 | 7901 | SoLoNOx | Liq | | | | | 3,201 | | 23.12 | |
| 4 | 4 | 4255 | Taurus 60 | T60 | 7901 | SoLoNOx | NG | | | | | 2,893 | | 5.94 | |
| 5 | 5 | 4256 | Mercury 50 | M50 | 6401 | SoLoNOx | NG | 1,908 | | 0.78 | | | | | |
| 6 | 6 | 4257 | Taurus 60 | T60 | 7802 | SoLoNOx | NG | | | | | 2,883 | | 5.92 | |
| 7 | 7 | 4015 | Taurus 60 | T60 | 7901 | Conventional | NG | 2,893 | | 37.55 | | | | | |
| 8 | 8 | 3886 | Taurus 60 | T60 | 7901 | SoLoNOx | NG | | | | | 2,893 | | 5.94 | |
| 9 | 9 | 4258 | Taurus 70 | T70 | 10801 | SoLoNOx | Liq | | 3,974 | | 19.42 | | | | |
| 10 | 10 | 4495 | Titan 130 | T130 | 20502 | SoLoNOx | NG | | | | | 6,784 | | 13.92 | |
| 11 | 11 | 4496 | Taurus 70 | T70 | 10802 | SoLoNOx | NG | 3,698 | | 7.59 | | | | | |
| 12 | 12A | 4733 | Centaur 50 | C50 | 6202 | Conventional | NG | | | | | 2,433 | | 23.99 | |
| 13 | 12B | 4733 | Saturn 20 | S20 | 1602 | Conventional | NG | 779 | | 6.40 | | | | | |
| 14 | 13A | 20881 | Taurus 70 | T70 | 10802 | SoLoNOx | NG | | | | | 3,698 | | 7.59 | |
| 15 | 13B | 20881 | Taurus 70 | T70 | 10802 | SoLoNOx | NG | 3,698 | | 7.59 | | | | | |
| 16 | 14 | 20882 | Titan 130 | T130 | 20501 | SoLoNOx | NG | 6,850 | | 14.06 | | | | | |
| 17 | 15 | 20880 | Titan 130 | T130 | 20501 | Conventional | NG | 6,851 | | 140.62 | | | | | |
| 18 | 16 | 20879 | Titan 130 | T130 | 20501 | Conventional | NG | | | | | 6,851 | | 140.62 | |
| 19 | 17 | 20878 | Mars 100 | M100 | 15002 | SoLoNOx | Liq | | | | | | 5,622 | 27.47 | |
| 20 | 18 | 20877 | Titan 250 | T250 | 30002 | SoLoNOx | NG | | | | | 8,987 | | 11.08 | |
| 21 | 19 | 20875 | Titan 130 | T130 | 20501 | SoLoNOx | NG | 6,850 | | 14.06 | | | | | |
| 22 | 20 (new) | Proposed | Titan 130 | T130 | 20502 | Conventional | NG | | | | | 6,784 | | 139.22 | |
| 23 | 16-1 | 20876 | Mercury 50 | M50 | 6401 | SoLoNOx | NG | | | | | 1,908 | | 0.78 | |
| 24 | 16-2 | 20876 | Mars 100 | M100 | 16002 | SoLoNOx | NG | 5,540 | | 11.38 | | | | | |
| 25 | 16-3 | 20876 | Titan 130 | T130 | 20501 | Conventional | Liq | | 7,264 | | 210.20 | | | | |
| 26 | 16-4 | 975790 | Taurus 60 | T60 | 7802 | SoLoNOx | NG | 2,883 | | 5.92 | | | | | |
| 27 | 21 | 975791 | Titan 130 | T130 | 20502 | SoLoNOx | NG | 6,784 | | 13.92 | | | | | |
| 28 | 28-22 | 975792 | Titan 250 | T250 | 30002 | SoLoNOx | NG | | | | | 8,987 | | 11.08 | |
| 29 | 23 | 975793 | Titan 130 | T130 | 20502 | SoLoNOx | NG | 6,784 | | 13.92 | | | | | |
| 30 | 24 (new) | Proposed | Titan 250+ | T250+ | 40001 | SoLoNOx | NG | | | | | 12,454 | | 16.31 | |
| 31 | 25 (new) | Proposed | Titan 250 | T250 | 30002 | Conventional | NG | 9,364 | | 285.60 | | | | | |
| 32 | 26 (new) | Proposed | Titan 130 | T130 | 20501 | Conventional | NG | | | | | 6,851 | | 140.62 | |
| 33 | TO (TC 16-3) | 976905 | Thermal Oxidizer | TO | Dev | SoLoNOx | NG | 3,950 | | 7.87 | | | | | |
| 34 | TO (Prod) | 976913 | Thermal Oxidizer | TO | Prod | SoLoNOx | NG | | | | | 3,950 | | 7.87 | |
| 35 | TO (TC 22) | 2011-APP-001769 | Thermal Oxidizer | TO | T250 | SoLoNOx | NG | | | | | 3,950 | | 7.87 | |
| All units are at 100% load | | | | | Total | | | 73,769 | 11,238 | 609 | 230 | 82,306 | 8,823 | 539 | 51 |
| | | | | | Combined Fuel Total | | | 85,007 | 839 | | 91,129 | 589 | | | |



TURBINE TEST CELLS
SOLAR TURBINES
4200 RUFFIN RD.
SAN DIEGO, CA. 92123
AUGUST 2003

**SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT
APPLICATION FEE ESTIMATE**

Applicant: Solar Turbines - Kearny Mesa

Fee Schedule: 20C (MAL)

Engineer: Arthur Carbonell/John Annicchiarico

Estimate Date: 11/22/2011

Application: To modify existing permit via enhanced ATC. Increasing allowable annual fuel limit such that annual site emissions limit increases by 24 tons/yr of NOx. Assume an AQIA and HRA will be required. Additionally, modify permit conditions for alternative PM calculation methodology.

| ACTIVITY | FEE CODE | LABOR CODE | CLASSIFICATION | LABOR HOURS | LABOR RATE | COST | SUBTOTAL |
|-------------------------|----------|------------|----------------------------|-------------|------------|---------|----------|
| A/C | | EG3 | Associate Engineer | 20 | \$142 | \$2,840 | |
| | | EG4 | Senior Engineer | 4 | \$169 | \$676 | |
| P/O | | EG3 | Associate Engineer | 6 | \$142 | \$852 | \$4,453 |
| | | EG4 | Senior Engineer | 0.5 | \$169 | \$85 | |
| NSR | NSR | EG3 | Associate Engineer | 8 | \$142 | \$1,136 | \$1,136 |
| | | | Senior | 0.5 | | | |
| AQIA | NSR | EG3 | Associate Engineer | 1 | \$142 | \$142 | \$1,294 |
| | AQA | MET3 | Associate Meteorologist | 12 | \$96 | \$1,152 | |
| Health Risk Assessment | TNS | ES3 | Associate Specialist | | \$123 | | \$1,221 |
| | | EG3 | Associate Engineer | 8 | \$142 | \$1,136 | |
| | | EG4 | Senior Engineer | 0.5 | \$169 | \$85 | |
| Testing or Test Witness | 96A | EG3 | Associate Engineer | | \$142 | | |
| | | CH3 | Associate Chemist | | \$96 | | |
| | | CH4 | Senior Chemist | | \$112 | | |
| Other Fees | RNP | | Renewal Fee | | | | \$121 |
| | NBF | | Administrative Fee | 1 | \$95 | \$95 | |
| | EMF | | Emissions Fee | | \$116 | | |
| | ITA | | Database Replacement (app) | 1 | \$13 | \$13 | |
| | ITP | | Database Replacement (mp) | 1 | \$13 | \$13 | |
| | ITE | | Database Replacement (emf) | | \$3 | | |
| Title V | | EG3 | Associate Engineer | 10 | \$142 | \$1,420 | \$2,096 |
| | | EG4 | Senior Engineer | 4 | \$169 | \$676 | |

- Notes: 1. If actual costs are less than estimated, the difference shall be refunded. If actual costs are greater than estimated, additional fees shall be required. If tests are required, additional fees shall be required but may be deferred until the A/C is issued. Additional emissions fees may also be required. Work records are kept, which may result in a final fee more or less than this estimate.
 2. A 2.2% surcharge will be assessed to all credit card payments (American Express and Discover only).
 3. Please submit a copy of this fee estimate with your application.

ESTIMATE TOTAL: **\$10,320**