



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
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NOTICE OF INTENT TO RENEW TITLE V PERMIT PURSUANT TO AQMD RULES 212 AND 3006

This notice is to inform you that the South Coast Air Quality Management District (AQMD) intends to renew the Title V permit for AES Huntington Beach Generating Station in the City of Huntington Beach, California. As a part of the Title V permit renewal, AQMD also intends to convert the previously issued Permits to Construct and issue the final Permits to Operate for two electric generating utility boilers (Boiler Units 3 and 4) and the associated air pollution control (APC) systems at this facility. The original Permits to Construct for Boiler Units 3 and 4 were issued to AES Huntington Beach in May 2001. The AES Huntington Beach Generating Station has been in continuous operation since 1958. AQMD has reviewed all applications submitted by this facility and after a careful review and a detailed evaluation has determined that AES Huntington Beach Generating Station complies with all applicable federal, state and local air quality rules and regulations. As a result, AQMD intends to issue the Permits to Operate to Boiler Units 3 and 4 and associated APC systems, and renew the Title V permit for this facility. Prior to the renewal of the final Title V permit, AQMD is providing an opportunity for public comments on the AQMD's proposed decision.

The AQMD is the air pollution control agency for the four-county region including all of Orange County and non-desert parts of Los Angeles, Riverside and San Bernardino Counties. Anyone wishing to install or modify equipment that could control or be a source of air pollution within this region must first obtain a permit from the AQMD. Under certain circumstances, before a permit is granted, a public notice, such as this, is prepared by the AQMD. For this project, public notification is required in accordance with AQMD Rule 212(g) because the emissions from this facility exceed the public notice threshold for this rule. Public notification is also required by AQMD Rule 3006(a) because there will be a renewal to the facility's existing air quality Title V permit.

The AQMD has evaluated the permit applications listed below for the following facility and determined that it meets or will meet all applicable federal, state and AQMD air quality rules and regulations as described below:

FACILITY: AES Huntington Beach Generating Station
21730 Newland Street
Huntington Beach, CA 92646
Facility ID No: 115389

CONTACT: Mr. Stephen O'Kane
AES Huntington Beach, LLC
690 North Studebaker Road
Long Beach, CA 90803

AQMD APPLICATION NUMBERS

Application Number	Application/Equipment Description
426085	Title V Permit Renewal
427061	Utility Boiler No. 3
427064	Utility Boiler No. 4
409468	SCR/CO Catalyst No. 3
409470	SCR/CO Catalyst No. 4
377759	Urea to Ammonia Reactor
372930	Urea Storage Tank

PROJECT DESCRIPTION

The project consists of the renewal of this facility's Title V permit along with the issuance of the final Permits to Operate for two utility boilers (Units 3 and 4). These boilers were previously issued Permits to Construct on May 30, 2001. The original emission estimates for volatile organic compounds (VOC) and particulate matter with diameter less than 10 microns (PM₁₀) were calculated based on emission tests of two similar utility boilers (Huntington Beach Generating Station Units 1 and 2). After construction and a series of emission tests of Units 3 and 4, it was determined that the emissions of VOC and PM₁₀ were higher for these two units than originally estimated. In accordance with Rule 1313(c), the facility is required to offset the incremental difference in emissions. AES Huntington Beach Generating Station will be providing 138 pounds per day of Emission Reduction Credits (ERCs) to offset the incremental difference in VOC emissions, and accessing the AQMD's Priority Reserve for 85 pounds per day of credits to offset the incremental difference in PM₁₀ emissions, pursuant to Rule 1309.1 as amended on May 3, 2002. Since the incremental differences in emissions of VOC and PM₁₀ are in excess of the emission levels specified in AQMD Rule 212(g) and the Title V permit is being renewed as specified in Rule 3006(a), a public notice is required.

PROJECT EMISSIONS

The total estimated monthly emissions from the operation of Boiler Units 3 and 4 in conjunction with the use of air pollution control systems are summarized as follows:

Pollutant	Maximum Monthly Emissions, (pounds per month)
Nitrogen Oxides	22,350*
Carbon Monoxide	11,220
Volatile Organic Compounds	6,162
Particulate Matter (diameter less than 10 microns)	4,530
Sulfur Oxides	2,409*

*RECLAIM pollutants shall be offset pursuant to Regulation XX.

Based on the results of our detailed analysis and evaluation, the AQMD has determined that the AES Huntington Beach Generating Station complies with all applicable federal, state and local air quality rules and regulations and, therefore, AQMD intends to renew the Title V permit for this facility. Prior to renewal of the Title V permit for AES Huntington Beach Generating Station, AQMD is providing an opportunity for a 30-day public comment period and an Environmental Protection Agency (EPA) review period. AQMD will consider renewal of Title V permit for this facility only after all pertinent public and EPA comments, if any, have been timely received and considered. In addition, based on the analysis and evaluation, the AQMD has determined that this facility complies with all of the applicable requirements to be qualified to access Priority Reserve for PM₁₀ credits pursuant to AQMD Rule 1309.1, as amended on May 3, 2002. However, in order for AQMD to be able to release any Priority Reserve credits and renew the Final Title V permit for this facility, the applicant must comply with additional requirements of AQMD Rules and Regulations, including but not limited to the following:

Rule 1303(b)(2)

AES Huntington Beach Generating Station shall provide VOC ERCs in the amount of 138 pounds per day.

Rule 1309.1(a)(4)(B)

AES Huntington Beach Generating Station shall pay a non-refundable mitigation fee for the pollutant obtained from the Priority Reserve.

Rule 1309.1(a)(4)(C)

AES Huntington Beach Generating Station shall conduct a due diligence effort [limited to costs not to exceed the mitigation fee for that pollutant specified in Rule 1309.1(a)(4)(B)] approved by the Executive Officer to secure available ERCs for requested Priority Reserve pollutant.

TITLE V PERMIT RENEWAL

Pursuant to Title V of the federal Clean Air Act and AQMD Rule 3004(f), a Title V permit shall expire five years from the date of issuance unless such permit has been renewed. Accordingly, the above facility has submitted a Title V renewal application and requested the AQMD to renew their Title V permit. The proposed permit incorporates updates to the facility information provided in the facility's Title V renewal application and all rules and regulations that are currently applicable to the facility. Pursuant to Rule 3006(a), a public notice is required for renewal of a Title V permit.

AES Huntington Beach Generation Station is an existing federal Title V facility and is subject to AQMD Rule 3006. **Pursuant to AQMD Rule 3006 – Public Participation, any person may request a proposed permit hearing on an application for a renewal to a Title V permit by filing with the Executive Officer a complete Hearing Request Form (Form 500G) for a proposed hearing within 15 days of the date of publication of this notice.** This form is available on the AQMD website at <http://www.aqmd.gov/permit/Formspdf/TitleV/AQMDForm500-G.pdf>, or alternatively, the form can be made available by contacting Mr. Brian Yeh (email: byeh@aqmd.gov and Tel.: 909.396.2584). In order for a request for a public hearing to be valid, the request shall comply with the requirements of AQMD Rule 3006 (a)(1)(F). On or before the date the request is filed, the person requesting a proposed permit hearing must also send by first class mail a copy of the request to the facility address and contact person listed above.

The proposed Title V renewal permit and other information are available for public review at the AQMD's headquarters in Diamond Bar, and at the City of Huntington Beach Public Library located at 7111 Talbert Ave, Huntington Beach, CA 92648. Additional information including the facility owner's compliance history submitted to the AQMD pursuant to Section 42336, or otherwise known to the AQMD, based on credible information, is available at the AQMD for public review by contacting Mr. Chris Perri (email: cperri@aqmd.gov and Tel.: 909.396.2696). Both Mr. Yeh and Mr. Perri can also be reached via mail at South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, CA 91865-4182. A copy of the proposed Title V renewal permit can also be viewed at <http://www.aqmd.gov/webappl/PublicNotices/Search.aspx>. Anyone wishing to comment on the air quality elements of the permits must submit comments in writing to the AQMD at the above address, attention Mr. Brian Yeh. **Comments must be received within 30 days of the publication date of this notice.** If you are concerned primarily about zoning decisions and the process by which the facility has been sited in this location, please contact the California Energy Commission. For your general information, anyone experiencing air quality problems such as dust or odor can telephone in a complaint to the AQMD 24 hours a day by calling the toll free 1-800-CUT-SMOG (1-800-288-7664).