



South Coast Air Quality Management District

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

December 10, 2014
Via electronic submittal

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

SUBJECT: Canyon Power Plant (CPP) (Facility ID 153992), Application No. 555827
Facility Location: 3071 E. Miraloma Avenue, Anaheim, CA 92806

Dear Mr. Rios:

The South Coast Air Quality Management District (SCAQMD) has received permit applications for the subject project. The applicant is proposing to revise the permits to operate to increase the operating schedule limits for the four identical natural-gas fired electric generating gas turbines at this 200 megawatt (MW) power plant. Effective January 1, 2015, the California Independent System Operator (CAISO) Flexible Resource Adequacy Criteria and Must Offer Obligation (FRAC-MOO) will require the Canyon Power Plant to provide a significant amount of flexible generation capacity to serve as backup for solar and wind generation to maintain system reliability.

The SCAQMD has evaluated the permit applications and made a preliminary determination that the equipment will comply with all of the applicable requirements of air quality rules and regulations. Attached for your review and comment are the proposed Title V permit and engineering evaluation. Based on the emission potential, this project is subject to the public notice requirements specified in SCAQMD Rules 212 – Standards for Approving Permits and Issuing Public Notice and 3006 – Title V Public Participation.

We intend to issue the revised permits to operate upon completion of the 30-day public comment and review period and after all pertinent comments have been considered, and after EPA's review of the Title V permit significant revision.

Please find enclosed a public notice for the subject project issued in accordance with SCAQMD Rules 212 and 3006. The public notice is also being published in a newspaper of general circulation in the vicinity of the project, and it is also being forwarded to other interested parties.

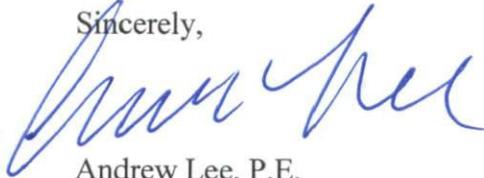
Mr. Gerardo Rios

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If you wish to provide comments or have any questions regarding this project, please contact Ms. Vicky Lee at (909) 396-2284/ vlee1@aqmd.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew Lee".

Andrew Lee, P.E.
Senior Manager
Energy/Public Services/Waste Mgmt/Terminals-
Permitting
Engineering and Compliance

AYL:CDT:JTY:VL

Enclosures:

Public Notice
Draft Facility Permit
Engineering Evaluation