South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 · www.aqmd.gov

NOTICE OF INTENT TO ISSUE PERMIT
PURSUANT TO AQMD RULES 212 AND 3006

This notice is to inform you that the South Coast Air Quality Management District (AQMD) has received and reviewed permit applications for Walnut Creek Energy, LLC (WCE) and intends to issue a facility permit, 1) at the end of the 30-day public comment and review period and after all pertinent comments have been considered, 2) upon U.S. Environmental Protection Agency approval of the Title V permit, and 3) upon issuance of a license from the California Energy Commission.

The AQMD is the air pollution control agency for the four county-region including Orange County and 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 and distributed.

The AQMD has evaluated the permit applications listed below for the following facility and determined that the project meets or will meet all applicable AQMD rules and regulations based upon the evaluation described below:

FACILITY: Walnut Creek Energy, LLC
911 Bixby Road
City of Industry, CA 91744
Facility ID No: 146536

CONTACT: Mr. Thomas J. McCabe
Regional Vice President
Edison Mission Energy
18101 Von Karman Road
Irvine, CA 92612

AQMD APPLICATION NUMBERS

Application Number	Equipment Description
450894	Gas Turbine No. 1
450895	Gas Turbine No. 2
450896	Gas Turbine No. 3
450897	Gas Turbine No. 4
450898	Gas Turbine No. 5
450899	SCR/CO Catalyst for Turbine No. 1
450900	SCR/CO Catalyst for Turbine No. 2
450901	SCR/CO Catalyst for Turbine No. 3
450904	SCR/CO Catalyst for Turbine No. 4
450907	SCR/CO Catalyst for Turbine No. 5
450908	Emergency Fire Pump Engine
451185	Aqueous Ammonia Storage Tank
450854	Initial Title V Application

DISTRIBUTION DATE: November 15, 2006

PROJECT DESCRIPTION

The project consists of installing a power plant with the capability of generating a total of 500 megawatts (MW) of electrical power consisting of five (5) new, simple cycle LMS100 gas turbines with associated air pollution control systems, one (1) emergency fire pump, and an aqueous ammonia storage tank. Since the above equipment has the potential to emit pollutants in excess of the levels specified in AQMD Rule 212(g), a public notice is required.

PROJECTED EMISSIONS

After the initial commissioning period, the total average daily emissions in any calendar month from the operation of the proposed equipment in conjunction with the air pollution control system is not expected to exceed the following:

Pollutant	Maximum Monthly Emissions, lbs/month
NOx	20,179
CO	32,663
VOC	4,439
PM_{10}	14,019
SOx	1,404
NH_3	11,625

Emissions from the proposed project contain pollutants that are considered toxic under AQMD Rule 1401-New Source Review of Toxic Air Contaminants. Therefore, a health risk assessment was performed for this project. The health risk assessment uses health protective assumptions in estimating actual risk to an individual person. Even assuming this health protective condition, the evaluation shows that the maximum individual cancer risk increase from the project is less than one-in-one-million. Also, acute and chronic indices, which measure the toxicants' impact on target organs, are less than one. These levels of estimated risk are below the threshold limits of Rule 1401(d) established for new or modified sources.

This facility is a new Federal Title V and Title IV (Acid Rain) facility. Pursuant to AQMD Title V Permits Rule 3006 – Public Participation, any person may request a proposed permit hearing on an application for a Title V significant permit revision 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 notice. This form is available on the AQMD website at (http://www.aqmd.gov/titlev/TV_forms/500-g.dot), or alternatively, the form can be made available upon request by contacting Mr. Kenneth L. Coats at the e-mail and telephone number listed below. On or before the date the request is filed, the person requesting a proposed permit hearing must also send by first class a copy of the request to the facility address and contact person listed above.

THE FOLLOWING REQUIREMENT WILL BE COMPLIED WITH PRIOR TO THE ISSUANCE OF FINAL PERMIT

To fully comply with the all applicable rules and regulations, the applicant must complete the following:

> Walnut Creek Energy, LLC must provide emission offsets for NOx, CO, VOC, SOx, and PM_{10} emissions. Emission offsets for CO, PM_{10}, SOx, and VOC will be provided in the form of Emission Reduction Credits (ERCs). Some or all of the emission offsets for CO, PM_{10}, and SOx may also be obtained from the AQMD's Priority Reserve pursuant to the AQMD Rule 1309.1. Emission offsets for NOx will be in the form of Reclaim Trading Credits (RTCs).

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The proposed permit and other information are available for public review at the AQMD's headquarters in Diamond Bar, and at the La Puente Public Library, 15920 Central Avenue, La Puente, CA 91744. 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. Kenneth L. Coats (kcoats@aqmd.gov), Engineering and Compliance, South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, CA 91765-4182, (909) 396-2527. Anyone wishing to comment on the air quality elements of this permit should submit comments in writing to the AQMD, attention Mr. Mike Mills. Comments must be received within 30 days of the distribution/publication of this notice. If you are concerned primarily about zoning decisions and the process by which the facility has been sited in this location, contact your local city or county planning department or the California Energy Commission at (916) 654-4640.

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