BAAQMD Authority To Construct – Cogen Project

BACWA Air Committee Meeting

March 14th, 2018





Environmental Services

Site Plan & Project Location



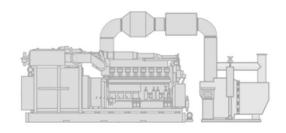






Project Description

- Electrical Power Generation
 - 4ea 3.5MW CAT Model CG260-16 Gensets (14 MW Total)
 - 5th Generator in Future
- Hot Water Generation
 - Utilized Heat Generated by Engines
 - 2ea 12.5 MBH Boilers
 - Space for One Additional Boiler









BAAQMD: ATC PERMIT PROCESS







Cogen Project: ATC Timeline

| Nov. 16/April 17 | May/June 2017 | July/Aug. 2017 | Sept./Oct. 2017 | Nov./Dec. 2017 | Jan./Feb. 2018 | March 2018 |
|---|---|--|--|---|---|---|
| 11/2016: Pre- Application Meeting with BAAQMD 4/2017 Decision Making and Preparation for ATC Application | 5/10/17: Application Submittal to BAAQMD 6/9/17: Initial Questions from BAAQMD 6/26/17: Response to Initial Questions | 8/4/17: Application Deemed Completed and Submitted for Risk Screen 8/8/17: BAAQMD Requested Cost Information for BACT Analysis | 9/7/17: Risk Assessment Passed; Request for Detailed Cost Information 9/28/17: Detailed Cost Information for BACT analysis and CEMS Provided | 11/14/17: BACT Determination Complete 11/14/17: First Draft Conditions 11/21/17: BAAQMD Questioned Emissions Inventory 11/30/17: BAAQMD Enforcement Allowed Earthwork and Concrete Work 12/20/17: Revised Emissions Calculations Sent | 1/3/18: BAAQMD Requested Revised Calculations 1/19/18: BAAQMD Requested Revised Calculations 1/23/18: BAAQMD Accepted Revised Emissions Inventory 1/24/17: BAAQMD Will Not Issue ATC Without POC Credits | 3/1/18: Groundbreaking Ceremony ATC To Be Issued??? |





Pre-Application Meeting



- Pre-Application Meeting
- Preparation Activities

May/June 2017

- Application Submittal
- BAAQMD Initial Review

July/Aug. 2017

- Application Complete
- Initial Risk & Cost Info

Sept./Oct. 2017

- Risk Screen Accepted
- Cost Info & BACT Analysis

Nov./Dec. 2017

- Draft Permit Conditions
- NOx Emissions Limit
- Stack Requirements

Jan./Feb. 2018 Revised Actual Emissions & POC Requirements

- Pre-Permit Agreement
- ERCs Requirement

- BACT to be based on Published BAAQMD Guidance
- CEMS would probably be required
- No Net Emissions Increase Expected
- Application Review Would Take 3-4 months





Preparation Activities



April 2017

- Pre-Application Meeting
- Preparation Activities

May/June 2017

- Application Submittal
- BAAQMD Initial Review

July/Aug. 2017

- Application Complete
- Initial Risk & Cost Info

Sept./Oct. 2017

- Risk Screen Accepted
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Jan./Feb. 2018 Revised Actual Emissions & POC Requirements

- Pre-Permit Agreement
- ERCs Requirement

- ESA Prepared Draft Application
 - Initial Draft Reflected CEQA Approach
 - Two Months to Refine Draft
- Topics Discussed
 - Baseline Emissions
 - Operating Scenarios
 - Monitoring Requirements







Application Initial Submittal

 Pre-Application Meeting Nov. 2016 Preparation Activities **April 2017** Application Submittal May/June • BAAQMD Initial Review 2017 Application Complete July/Aug. • Initial Risk & Cost Info 2017 • Risk Screen Accepted Sept./Oct. • Cost Info & BACT Analysis 2017 • Draft Permit Conditions NOx Emissions Limit Nov./Dec. 2017 • Stack Requirements Revised Actual Emissions & Jan./Feb. **POC** Requirements 2018 • Pre-Permit Agreement March • ERCs Requirement 2018

- Application Submitted (5/10/17)
- Proposed Conditions from ZWED
- No CEMS Periodic Monitoring Only
- BACT Limits from Published Guidelines





Initial Review



April 2017

- Pre-Application Meeting
- Preparation Activities

May/June 2017

- Application Submittal
- BAAQMD Initial Review

July/Aug. 2017

- Application Complete
- Initial Risk & Cost Info

Sept./Oct. 2017

- Risk Screen Accepted
- Cost Info & BACT Analysis

Nov./Dec.

- Draft Permit Conditions
- NOx Emissions Limit
- Stack Requirements

Jan./Feb. 2018 Revised Actual Emissions & POC Requirements

- Pre-Permit Agreement
- ERCs Requirement

- No Initial Concerns; Positive Feedback from BAAQMD
- First Round of Questions
 - Detailed Calculations for H2S
 - GHG Emissions
 - Start-up Emissions
 - Fugitive Digester Gas Mitigation
 Plan





Application Complete



- Pre-Application Meeting
- Preparation Activities

May/June 2017

- Application Submittal
- BAAQMD Initial Review

July/Aug. 2017

- Application Complete
- Initial Risk & Cost Info

Sept./Oct. 2017

- Risk Screen Accepted
- Cost Info & BACT Analysis

Nov./Dec.

- Draft Permit Conditions
- NOx Emissions Limit
- Stack Requirements

Jan./Feb. 2018 Revised Actual Emissions & POC Requirements

- Pre-Permit Agreement
- ERCs Requirement

- Application Complete (8/4/17)
- Risk Screen Initiated
- First Request for Emission
 Control Cost Information









Risk Screen and BACT Analysis



Nov. 2016

April 2017

- Pre-Application Meeting
- Preparation Activities

May/June 2017

- Application Submittal
- BAAQMD Initial Review

July/Aug. 2017

- Application Complete
- Initial Risk & Cost Info

Sept./Oct. 2017

- Risk Screen Accepted
- Cost Info & BACT Analysis

Nov./Dec. 2017

- Draft Permit Conditions
- NOx Emissions Limit
- Stack Requirements

Jan./Feb. 2018 Revised Actual Emissions & POC Requirements

- Pre-Permit Agreement
- ERCs Requirement

- Risk Screen Completed (9/7/17)
- BACT Questions
 - Two Requests for Cost Information
 - Standard was Changes to Lowest Achieved Limits
- Low NOx Limit 11 ppm









Initial Conditions and Limits



- Pre-Application Meeting
- Preparation Activities

May/June 2017

- Application Submittal
- BAAQMD Initial Review

July/Aug. 2017

- Application Complete
- Initial Risk & Cost Info

Sept./Oct. 2017

- Risk Screen Accepted
- Cost Info & BACT Analysis

Nov./Dec. 2017

- Draft Permit Conditions
- NOx Emissions Limit
- Stack Requirements

Jan./Feb. 2018 Revised Actual Emissions & POC Requirements

March 2018

- Pre-Permit Agreement
- ERCs Requirement

- Annual Combined Heat Input Limit
- NO CEMS!!!
- Monitoring Requirements
 - Source Tests Every 8760 Hours
 - Portable Analyzer for NOx and CO Every 720 Hours
- City agreed to meet SCAQMD
 NOx Limit (11 ppm)





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Stack Requirements

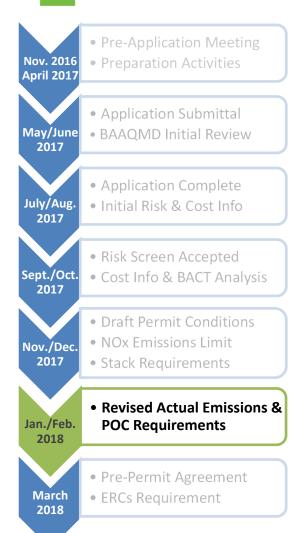
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- Larger Ports (6") and Longer Stack
 Required for New PM2.5 Test
 Method (Method 202A)
- Draft Required 8 Upstream
 Diameters and 2 Downstream
 Diameters
- BAAQMD accepted compromise of 6 Upstream Diameters
- Sampling Platform Required

2018





Baseline Emissions/POC Offsets



- BAAQMD Inventory Showed High Existing Emissions
- BAAQMD Rejected Their Inventory After Review of Application
- Recalculation of Emissions Showed POC Shortfall
- ATC Delayed Until POC
 Emission Reduction Credits
 Supplied





Pre-Permit and ERCs



- Nov. 2016 April 2017
- Pre-Application Meeting
- Preparation Activities
- May/June 2017
- Application Submittal
- BAAQMD Initial Review
- July/Aug. 2017
- Application Complete
- Initial Risk & Cost Info
- Sept./Oct. 2017
- Risk Screen Accepted
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- NOx Emissions Limit
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- Jan./Feb. 2018
- Revised Actual Emissions & POC Requirements
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- Pre-Permit Agreement
- ERCs Requirement

- Enforcement Relief
 - BAAQMD Allowed Pre-Permit
 Earthwork and Concrete Work
 - Issued at Discretion of Enforcement
 - Reduced Impact of ATC Delay
- ERCs Purchase Agreement In Place









Lessons Learned

- BAAQMD Process is Slow
- Recent Precedent Can Be Misleading
- Nothing Is Final Until Permit is Issued
 - Guidance Can Change
 - Management Questions Staff Decisions
- Meetings and Management Contact Help





