

ORIGINAL

RV
3/26/24

SOUTH COAST AQMD
CLERK OF THE BOARDS

PETITION FOR VARIANCE
BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

2024 FEB 13 PM 2:26

PETITIONER: COLTON POWER L.P.

CASE NO: 6167-3

FACILITY ID: 182563

FACILITY ADDRESS: 559 Pepper Ave
[location of equipment/site of violation; specify business/corporate address, if different, under Item 2, below]

City, State, Zip: Colton, CA, 92324

1. TYPE OF VARIANCE REQUESTED (more than one box may be checked; see Attachment A, Item 1, before selecting)

INTERIM SHORT REGULAR EMERGENCY EX PARTE EMERGENCY

2. CONTACT: Name, title, company (if different than Petitioner), address, and phone number of persons authorized to receive notices regarding this Petition (no more than two authorized persons).

Joseph Shephard

Jessica Gammett

Plant Manager

Environmental Health & Safety

14950 W Shulte Ave., Tracy, CA Zip 95377

671 S. Cooley Dr., Colton CA, Zip 92324

(925) 766-7356 Ext.

(209) 699-0225 Ext.

Fax ()

Fax ()

E-mail jshephard@mrpgenco.com

E-mail jgammett@mrpgenco.com

3. RECLAIM Permit Yes No

Title V Permit Yes No

Persons with disabilities may request this document in an alternative format by contacting the Clerk of the Board at 909-396-2500 or by e-mail at clerkofboard@aqmd.gov.

If you require disability-related accommodations to facilitate participating in the hearing, contact the Clerk of the Board at least five (5) calendar days prior to the hearing.

[ALL DOCUMENTS FILED WITH CLERK'S OFFICE BECOME PUBLIC RECORD]

4. **GOOD CAUSE:** Explain why your petition was not filed in sufficient time to issue the required public notice. (Required only for Emergency and Interim Variances; see Attachment A, Item 4)

N/A

5. Briefly describe the type of business and processes at your facility.

Colton Power, LP (Drews) is an electric power generating plant which utilizes four simple cycle 10.5 MW natural gas fired combustion turbines. The Facility uses these turbines to generate electricity in times of peak demand and ensure electrical grid reliability for the city of Colton, California.

6. List the equipment and/or activity(s) that are the subject of this petition (see Attachment A, Item 6, Example #1). **Attach copies of the Permit(s) to Construct and/or Permit(s) to Operate for the subject equipment. For RECLAIM or Title V facilities, attach *only* the relevant sections of the Facility Permit showing the equipment or process and conditions that are subject to this petition. You must bring the entire Facility Permit to the hearing.**

Equipment/Activity	Application/Permit No.	RECLAIM Device No.	Date Application/Plan Denied (if relevant)*
Turbine No. 4, Natural Gas, General Electric, Model 10B-1, 2023 annual ammonia slip testing	182563	D22	N/A

*Attach copy of denial letter

7. Briefly describe the activity or equipment, and why it is necessary to the operation of your business. A schematic or diagram may be attached, in addition to the descriptive text.

The Facility must operate the gas turbine to conduct the ammonia slip test, as required by Permit Condition D28.1. The unit repairs cannot be completed until the facility receives the permit to construct for the SCR catalyst, therefore it is not possible to comply with Condition D28.1 by the due date extended by Variance Case No. 6167-3 of March 30, 2024.

8. Is there a regular maintenance and/or inspection schedule for this equipment? Yes No

If yes, how often: Periodic Date of last maintenance and/or inspection 1/9/2024

Describe the maintenance and/or inspection that was performed.

The turbine was removed for repairs on January 9th 2024. The turbine is currently offsite being rebuilt and repaired, and is expected to be installed by March 7th, 2024. While the SCR catalyst will otherwise be ready to install by mid-February, the facility will not be able to install the catalysts until the permit to construct has been issued. It appears the permit to construct for the new catalyst may not be issued until April, after the Environmental Protection Agency has finished the 45-day review period.

9. List all District rules, and/or permit conditions [indicating the specific section(s) and subsection(s)] from which you are seeking variance relief (if requesting variance from Rule 401 or permit condition, see Attachment A). Briefly explain how you are or will be in violation of each rule or condition (see Attachment A, Item 9, Example #2).

Rule	Explanation
203 (b), 2004(f)(1), 3002(c)(1), Permit Condition D28.1	As required by these rules and conditions, the Facility will not be able to perform the annual ammonia slip test by the required deadline of 12/31/23.
1134 (e)(2)(C)(iii)	As required by this rule, the Facility will not be able to perform the annual ammonia slip test by the required deadline of 12/31/23.
Variance Case No. 6167-3 Condition #2	The facility will not be able to conduct the ammonia slip test before March 30, 2024.

10. Are the equipment or activities subject to this request currently under variance coverage? Yes No

Case No	Date of Action	Final Compliance Date	Explanation
6167-3	1/1/2024	03/30/2024	The unit was discovered to be non-operational prior to the annual ammonia slip test. A short variance was granted to extend the ammonia slip test deadline.

11. Are any other equipment or activities at this location currently (or within the last six months) under variance coverage? Yes No

Case No	Date of Action	Final Compliance Date	Explanation

12. Were you issued any Notice(s) of Violation or Notice(s) to Comply concerning this equipment or activity within the past year? Yes No

If yes, you must attach a copy of each notice.

13. Have you received any complaints from the public regarding the operation of the subject equipment or activity within the last six months? Yes No

If yes, you should be prepared to present details at the hearing.

14. Explain why it is beyond your reasonable control to comply with the rule(s) and/or permit condition(s). Provide specific event(s) and date(s) of occurrence(s), if applicable.

The facility is in the process of replacing the SCR Catalyst associated with the unit, D22. The facility submitted an expedited application to install new SCR catalysts on November 21, 2023.

As of February 8th the application had not been sent to the EPA for the 45-day review and therefor will not likely be issued in time for the facility to install the new SCR by the March 30 deadline for ammonia slip testing listed in Variance Case No. 6167-3.

The facility has made every effort to prepare contractors and schedule repairs as quickly as possible and was prepared to have the installation complete and tested for compliance by the end of March 2024 consistent with the existing variance. However, the timing for receiving the SCR permit to construct does not allow the new SCR to be installed and tested by the deadline of March 2024 as anticipated.

15. When and how did you first become aware that you would not be in compliance with the rule(s) and/or permit condition(s)? Provide specific event(s) and date(s) of occurrence(s).

On January 26, 2024 the facility reached out to SCAQMD for a status update regarding the SCR catalyst permit application and was informed that the permit would likely be issued by the end of March. During an internal meeting in early February, facility staff determined that there would not be enough time between receiving the permit to construct and the deadline listed in Variance Case No. 6167-3 to complete the installation and conduct an ammonia slip test.

16. List date(s) and action(s) you have taken since that time to achieve compliance.

Upon determining that the facility wouldn't receive the permit to construct in time to install the SCR catalyst and test the unit prior to the March 30th deadline, installation of the SCR catalysts and compliance testing was rescheduled.

17. What would be the harm to your business during **and/or after** the period of the variance if the variance were not granted?

Economic losses: \$ (Not quantifiable at this time.) Any loss would be due to a SCAQMD Notice of Violation for not completing the Ammonia slip test by 3/30/2024.

Number of employees laid off (if any): None

Provide detailed information regarding economic losses, if any, (anticipated business closure, breach of contracts, hardship on customers, layoffs, and/or similar impacts).

The ammonia slip test cannot be conducted until the permit to construct is issued and the new SCR catalyst installation has been completed. If the variance is not granted, the Facility would expect to receive a Notice of Violation from SCAQMD for non-compliance. Any economic losses would be as a result of an associated penalty.

18. Can you curtail or terminate operations in lieu of, or in addition to, obtaining a variance? Please explain.

In conjunction with the variance, the facility will not operate except to assess repairs and tune the unit. The CEMS for the unit will remain fully functional while the unit is able to operate.

19. Estimate excess emissions, if any, on a daily basis, including, if applicable, excess opacity (the percentage of total opacity above 20% during the variance period). If the variance will result in no excess emissions, insert "N/A" here and skip to No. 20.

Pollutant	(A)	(B)	(C)*
	Total Estimated Excess Emissions (lbs/day)	Reduction Due to Mitigation (lbs/day)	Net Emissions After Mitigation (lbs/day)
N/A			

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* Column A minus Column B = Column C

Excess Opacity: N/A %

20. Show calculations used to estimate quantities in No. 19, or explain why there will be no excess emissions.

The facility will not operate the unit except to assess the state of repairs. Any emissions data will be captured by the CEMS, and the pollution control devices will work in their capacity to maintain emissions within permit limits.

21. Explain how you plan to reduce (mitigate) excess emissions during the variance period to the maximum extent feasible, or why reductions are not feasible.

See Item #20.

22. How do you plan to monitor or quantify emission levels from the equipment or activity(s) during the variance period, and to make such records available to the District? **Any proposed monitoring does not relieve RECLAIM facilities from applicable missing data requirements.**

The CEMS and pollution control devices will remain functional while the unit is available to operate. Any emissions from the unit would be captured by the CEMS.

23. How do you intend to achieve compliance with the rule(s) and/or permit condition(s)? Include a detailed description of any equipment to be installed, modifications or process changes to be made, permit conditions to be amended, etc., dates by which the actions will be completed, and an estimate of total costs.

The Facility intends to complete the repair as soon as the application for the new SCR is approved and issued by the AQMD, which is expected sometime in April. Thereafter, the new SCR catalyst will be installed and the facility will schedule a third-party CARB certified contractor to conduct the ammonia slip test as required by the permit.

The Facility intends to complete the repair as soon as the application for the new SCR is approved and issued by the AQMD, which is expected sometime in April. Thereafter, the new SCR catalyst will be installed and the facility will schedule a third-party CARB certified contractor to conduct the ammonia slip test as required by the permit.

24. State the date you are requesting the variance to begin: 3/29/2024; and the date by which you expect to achieve final compliance: 7/1/2024.

If the regular variance is to extend beyond one year, you **must** include a **Schedule of Increments of Progress**, specifying dates or time increments for steps needed to achieve compliance. See District Rule 102 for definition of Increments of Progress (see Attachment A, Item 24, Example #3).

List Increments of Progress here:

N/A

25. List the names of any District personnel with whom facility representatives have had contact concerning this variance petition or any related Notice of Violation or Notice to Comply.

Philip Nguyen

Ext. 2722

Ext. _____

If the petition was completed by someone other than the petitioner, please provide their name and title below.

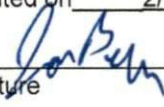
Name

Company

Title

The undersigned, under penalty of perjury, states that the above petition, including attachments and the items therein set forth, is true and correct.

Executed on 2/12/2024, at San Diego, California


Signature

Jon Boyer

Print Name

Title: Director, EHS

Attachment A

Minute order from Short Variance Case No. 6167-3

**BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
MINUTE ORDER**

COLTON POWER, LP
559 Pepper Avenue
Colton, CA 92324

Case No: 6167-3
Facility ID: 182563

Hearing Date: 12/28/2023

Hearing Type: Short

Consent Calendar:

HEARING BOARD ACTION

Action: Granted

Starting Date: 01/01/2024

Ending Date: 03/30/2024

RULES

203(b) {from Permit Condition No. D28.1}

1134(e)(2)(C)(iii)

2004(f)(1) {from Permit Condition No. D28.1}

3002(c)(1) {from Permit Condition No. D28.1}

EQUIPMENT DESCRIPTION

DEVICE/APPLICATION/PERMIT

Natural Gas Turbine No. 4

D22

CONDITIONS

1. Petitioner shall complete the repair of Turbine No. 4 (Device No. D22) expeditiously and provide a notification when the repair is complete to the South Coast AQMD via email to AQ Engineer Phillip Nguyen (pnguyen2@aqmd.gov), AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), and Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov).
2. Petitioner shall conduct the ammonia slip test in accordance with permit condition D28.1 within 14 operating days after Selective Catalytic Reduction No. 4 (Device C26) connected to Turbine No. 4 (Device D22) is returned to service, and before March 30, 2024.
3. Petitioner shall notify the South Coast AQMD by calling 1-800-CUT-SMOG and by sending email to AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov), and AQ Engineer Phillip Nguyen (pnguyen2@aqmd.gov) at least 24 hours prior to starting the ammonia slip test.
4. Petitioner shall submit a complete source test report showing preliminary compliance with ammonia slip conditions to the South Coast AQMD Source Testing (sourcetesting@aqmd.gov) and to AQ Inspector II Avelino Revilla (arevilla@aqmd.gov) and Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov) within 45 calendar days after the test date.

5. Petitioner shall operate the Continuous Emissions Monitoring System (CEMS) to continuously monitor the exhaust from the Turbine No. 4 (Device D22) and record all required parameters (i.e., NOx concentration, oxygen content, and fuel flow) pursuant to Rule 2012, Appendix A, Chapter 2 for the duration of the variance period including showing valid zeros for all parameters when the turbine is not operating. In lieu of the abovementioned requirement, the Petitioner may choose to comply with the requirements in Rule 2012 (c)(2)(D) and 2012(c)(2)(E), as amended on November 3, 2022.
6. Petitioner shall notify the Clerk of the Board in writing when final compliance is achieved.

EXCESS EMISSIONS

None

Failure to comply in full with any and all conditions and increments of progress may result in modification or revocation of this order by the Hearing Board, and/or enforcement actions by the South Coast AQMD.

REMINDER

In the event petitioner will be unable to comply with the final compliance date, a petition requesting a modification and extension of the variance may be filed. To meet notice requirements, the petition **must be** filed no later than **February 13, 2024**. In the event the hearing is not needed and taken off calendar, petitioner may request a refund of 50% of the filing fee, however, petitioner will be responsible for the publication fee.

Present:

Cynthia Verdugo-Peralta, Chair
Robert Pearman, Esq., Vice Chair
Jerry P. Abraham, M.B., MPH, CMQ
Micah Ali
Mohan Balagopalan

Representing the Petitioner:

Jonathan T. Shea, Environmental Health & Safety
Specialist

Representing the Respondent:

Stacey Pruitt, Senior Deputy District Counsel

Witness for the Petitioner:

Joseph Shepherd, Plant Manager

Petitioner's Exhibits: #1 - 11/4/23 Borescope Inspection Photos of Inner Turbine

Respondent's Exhibits: A - Proposed Short Variance Conditions

Motion: Balagopalan/All 5-0

Board
Review/Approval


Mohan Balagopalan

Dated 1-3-24

Prepared by: Altheresa Rothschild

Attachment B

TV Permit Condition D28.1



FACILITY PERMIT TO OPERATE COLTON POWER, LP

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
GAS TURBINE, NO. 4, NATURAL GAS, GENERAL ELECTRIC, MODEL 10B1, SIMPLE CYCLE, 136.5 MMBTU/HR WITH A/N: 586024	D22	C25 C26	NOX: MAJOR SOURCE**	CO: 6 PPMV NATURAL GAS (4) [RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 10-20-2000]; CO: 2000 PPMV NATURAL GAS (5) [RULE 407, 4-2-1982]; NOX: 5 PPMV NATURAL GAS (4) [RULE 2005, 6-3-2011]; NOX: 9 PPMV (5) [RULE 1134, 4-5-2019]; NOX: 75 PPMV NATURAL GAS (8) [40CFR 60 Subpart GG, 2-27-2014]; PM: 0.01 GRAINS/SCF (5B) [RULE 475, 10-8-1976; RULE 475, 8-7-1978]; PM: 0.1 GRAINS/SCF (5) [RULE 409, 8-7-1981]; PM: 11 LBS/HR (5A) [RULE 475, 10-8-1976; RULE 475, 8-7-1978]; SOX: 150 PPMV (8) [40CFR 60 Subpart GG, 2-27-2014]; VOC: 2 PPMV NATURAL GAS (4) [RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 10-20-2000]	A63.1, A63.2, A99.1, A99.2, A99.5, A195.1, A195.2, A327.1, C1.1, C1.2, D12.1, D12.2, D29.1, D82.1, D82.2, E57.1, E481.1, H23.1, I298.4
GENERATOR, NO. 4, 10.5 MW					
CO OXIDATION CATALYST, NO. 4, SERVING GAS TURBINE NO. 4, TECNIP OR EQUIVALENT, PRECIOUS METAL (PD, PT) ON METAL FOIL, WITH 40-50 CU. FT. OF TOTAL CATALYTIC VOLUME, HT. 22 FT X 13.5 FT L. X 10.5 FT A/N: 586019	C25	D22 C26			

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
 (3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
 (5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
 (7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
 (9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.



FACILITY PERMIT TO OPERATE COLTON POWER, LP

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: INTERNAL COMBUSTION					
SELECTIVE CATALYTIC REDUCTION, NO. 4, SERVING GAS TURBINE NO. 4, TECHNIP, MONO-NOX VANADIA/TITANIA, 275 CU.FT.; WIDTH: 10 FT 6 IN; HEIGHT: 22 FT ; LENGTH: 13 FT 6 IN WITH A/N: 586019 AMMONIA INJECTION, GRID	C26	D22 C25		NH3: 5 PPMV (4) [RULE 1134, 4-5-2019; RULE 1303(a)(1) -BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 10-20-2000]	A99.3, A195.3, D12.3, D12.4, D12.5, D28.1, E73.1, E179.1, E179.2
STACK, NO. 4 A/N: 586024	S28				
Process 2: INORGANIC CHEMICAL STORAGE					
STORAGE TANK, FIXED ROOF, WITH VAPOR RETURN LINE, AQUEOUS AMMONIA 19% SOLUTION, (10,000 GALLONS OR SMALLER) A/N: 586015	D29				C157.1, E144.1
Process 3: R-219 EXEMPT EQUIPMENT SUBJECT TO SOURCE-SPECIFIC RULES					
RULE 219 EXEMPT EQUIPMENT, COATING EQUIPMENT, PORTABLE, ARCHITECTURAL COATINGS	E30			ROG: (9) [RULE 1113, 2-5-2016; RULE 1171, 2-1-2008]	K67.2

- * (1) (1A) (1B) Denotes RECLAIM emission factor
- (3) Denotes RECLAIM concentration limit
- (5) (5A) (5B) Denotes command and control emission limit
- (7) Denotes NSR applicability limit
- (9) See App B for Emission Limits
- (2) (2A) (2B) Denotes RECLAIM emission rate
- (4) Denotes BACT emission limit
- (6) Denotes air toxic control rule limit
- (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
- (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.



FACILITY PERMIT TO OPERATE COLTON POWER, LP

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

The measuring device or gauge shall be accurate to within plus or minus 5 percent. It shall be calibrated once every 12 months.

The operator shall also install and maintain a device to continuously record the parameter being measured.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 10-20-2000; RULE 2005, 6-3-2011]

[Devices subject to this condition : C5, C12, C19, C26]

D12.5 The operator shall install and maintain a(n) pressure gauge to accurately indicate the pressure across the SCR catalyst bed in inches of water column.

The operator shall also install and maintain a device to continuously record the parameter being measured.

The measuring device or gauge shall be accurate to within plus or minus 5 percent. It shall be calibrated once every 12 months.

The operator shall maintain the pressure drop across the SCR bed between 2 and 5 inches of water column

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 10-20-2000; RULE 2005, 6-3-2011]

[Devices subject to this condition : C5, C12, C19, C26]

D28.1 The operator shall conduct source test(s) in accordance with the following specifications:



**FACILITY PERMIT TO OPERATE
COLTON POWER, LP**

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

The test shall be conducted and the results submitted to the District within 60 days after the test date.

The test shall be conducted at least quarterly during the first twelve months of operation and at least annually thereafter. If an annual test is failed, four consecutive quarterly source tests must demonstrate compliance with the ammonia emissions limits prior to resuming annual source tests.

The test shall be conducted to demonstrate compliance with Rule 1303 concentration limit.

The District shall be notified of the date and time of the test at least 10 days prior to the test.

The test shall be conducted to determine the NH3 emissions using District Method 207.1 or any other approved method measured over a 60-minute averaging time period. The NOx concentration, as determined by reading the CEMS, shall be simultaneously recorded during the test. If the CEMS is inoperable, a test shall be conducted to determine the NOx emissions using District Method 100.1 measured over a 60-minute averaging time period.

[RULE 1134, 4-5-2019; **RULE 1303(a)(1)-BACT, 5-10-1996**; RULE 1303(a)(1)-BACT, 10-20-2000]

[Devices subject to this condition : C5, C12, C19, C26]

D29.1 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
CO emissions	District method 100.1	1 hour	Outlet of the SCR serving this equipment

SOUTH COAST AQMD
CLERK OF THE BOARDS

2024 FEB 13 PM 2: 27

February 12, 2024

South Coast Air Quality Management District
Attn: Clerk of the Board
21865 Copley Dr.
Diamond Bar, Ca, 91765


Re: Regular Variance Petition – Colton Power, LP Dregs FID 182563

To Whom it May Concern:

Please find enclosed a Petition for Regular Variance for Colton Power, LP Dregs along with eight copies. This petition will also be emailed to the Clerk of the Board.

If you have any questions regarding these re, please feel free to contact JT Shea at (209) 275-7079. Thank you for your time and consideration in this matter.

Respectfully,



JT Shea
San Joaquin Energy, Colton Power, LP
Environmental Health and Safety Specialist