1	Stipulation) and the South Coast AQMD Declaration of Christian Aviles (filed concurrently as			
2	Exhibit 2 to this Stipulation) are submitted to the Hearing Board in support of Petitioner's request			
3	for Regular variance relief.			
4	5. On April 10, 2024, the Hearing Board granted Petitioner's application for an Interim			
5	Variance seeking a variance until the Hearing Board could consider Petitioner's request for a regular			
6	variance. A copy of the Hearing Board's order and findings granting the Interim Variance is filed			
7	concurrently as Exhibit 3.			
8	6. The parties have agreed on a (Proposed) Findings and Decision and (Proposed) Order			
9	(filed concurrently as Exhibit 4 with this Stipulation).			
10	7. The parties hereby request that the Hearing Board decide the matter based on this			
11	Stipulation, Declarations, and other documents submitted by the parties.			
12	8. Operation under the proposed Order is not expected to result in a violation of Health			
13	and Safety Code Section 41700 (nuisance).			
14	9. Based on all the evidence in this case, the District does not oppose consideration of			
15	the variance on the Consent Calendar for May 14, 2024, or as soon thereafter as the matter may be			
16	heard.			
17	SO STIPULATED			
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2			
3	Dated: May 3 2024		FOR PETITIONER
4		By:	
5		Dy	William Kissinger
6			MORGAN, LEWIS & BOCKIUS Counsel to Sentinel Energy Center
7			
8			
9			
10	Dated: May 2, 2024		FOR RESPONDENT
11			SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
12			
13		By:	Daphne Hsu
14			Principal Deputy District Counsel
15			SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
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28	CENTRIEL ENERGY CENT	-3-	

EXHIBIT 1

Declaration of Dennis Johnson

- 4. Five days later, Gas Turbine Unit 3 experienced a mechanical breakdown that required it to be taken out of service, *i.e.*, it went into "outage." The unit was sent to the GE Depot repair facility in Bakersfield, California for diagnostics.
- 5. GE subsequently notified Sentinel in February that the turbine would require additional testing and shipment to the Houston Depot for repairs, which is where Gas Turbine Unit 3 is currently. I have been advised by GE that the turbine cannot be repaired and returned to Sentinel until sometime this summer.
- 6. Sentinel replaced the CO catalyst on December 6, 2023. It is my understanding the District believes that a 90-day deadline to do source testing started once Gas Turbine Unit 3 was placed back in operation on December 9, 2023. Sentinel did not understand that to be the requirement and instead thought that the deadline began to run, if at all, on February 15, 2024, when the District issued the revised Title V permit and included new permit condition D29.5, which calls for source testing after replacement of catalyst in CO Catalyst devices, including Device C15.
- 7. Whenever the 90-day period began to run, whether in December or February, Sentinel will require this variance because the current Gas Turbine Unit 3 outage makes it impossible to perform the source test until GE ships the gas turbine back to Sentinel, and it can be placed back in operation. That will not happen until sometime this summer at the earliest.
- 8. The team at Sentinel, including myself, have worked diligently to determine the appropriate course of action in light of these facts. It is my understanding that counsel for Sentinel has been in touch with district legal counsel to discuss this issue starting the first week of March.
- 9. Because Unit 3 will be in outage during most of the variance period and will be operated in accordance with the limits of the permit once restarted, there will be no excess emissions. Moreover, Sentinel will provide CEMS data for the operational period, so there should be no risk of unidentified emissions or risks to the environment while Sentinel arranges for the source testing within the 90-day period after operations resume.

1	I declare under per	nalty of perjury under the laws	of the State of California that the
2	foregoing is true and correct.	Executed this 4th day of May	, 2024 at Palm Springs, California.
3			
4	•		Hen
5			DENNIS JOHNSON
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-3-Declaration of Dennis Johnson

Declaration of Christian Aviles

Exhibit A



Section D Page: Facility ID: 15 Revision #:

Date: November 16, 2023

FACILITY PERMIT TO OPERATE SENTINEL ENERGY CENTER LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

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

Equipment	ID	Connected	RECLAIM	Emissions*	Conditions
	No.	То	Source Type/	And Requirements	
	1		Monitoring Unit		
Process 1: INTERNAL CO	OMBU:	STION 🖟 📪			
GAS TURBINE, GTG 3, NATURAL	D13	C15	NOX: MAJOR	CO: 4 PPMV NATURAL GAS	A63.1, A63.2,
GAS, GENERAL ELECTRIC, MODEL			SOURCE**	(4) [RULE 1703(a)(2) -	A99.3, A99.9,
LMS100PA, SIMPLE CYCLE, 891.7		1		PSD-BACT, 10-7-1988]; CO:	A99.10,
MMBTU/HR AT 72 DEGREES F,				2000 PPMV NATURAL GAS (5)	A195.1,
WITH WATER INJECTION WITH	1			[RULE 407, 4-2-1982]; NOX: 2.5	A195.2,
A/N: 634497				PPMV NATURAL GAS (4)	A195.3,
		-		[RULE 1703(a)(2) - PSD-BACT,	A327.1,
				10-7-1988; RULE 2005,	A433.1,
•				12-4-2015]; NOX: 15 PPMV	A433.2,
	1			NATURAL GAS (8) [40CFR 60	A433.3,
				Subpart KKKK, 3-20-2009];	A433.4,
				PM10: 0.01 GRAINS/SCF	B61.1, C1.1,
				NATURAL GAS (5A) [RULE	C1.6, D12.1,
				475, 10-8-1976; RULE 475,	D29.2, D29.3
				8-7-1978]; PM10: 0.1	D82.1, D82.2
				GRAINS/SCF NATURAL GAS	E71.1, E193.1
				(5) [RULE 409, 8-7-1981]; PM10:	H23.1, I298.4
				11 LBS/HR NATURAL GAS (5B)	K40.1, K48.1
				[RULE 475, 8-7-1978]; SO2: (8)	K67.1
				[40CFR 72 - Acid Rain	
				Provisions, 11-24-1997]; SOX:	
				0.06 LBS/MMSCF NATURAL	
				GAS (8) [40CFR 60 Subpart	
	•			KKKK, 3-20-2009]; VOC: 2	
				PPMV NATURAL GAS (4)	
			•	[RULE 1303(a)(1)-BACT,	
				5-10-1996; RULE 1303(a)(1)	!
				-BACT, 12-6-2002]	
					1
GENERATOR, 103 MW					
CO OXIDATION CATALYST, NO. 3,	C15	D13 C16		i	
BASF, WITH 150 CUBIC FEET OF	""				
TOTAL CATALYST VOLUME.					
A/N: 624277					

*	(1)/(1A)/(1R)	Denotes RECLAIM	emission factor
	(I)(IM)(ID)	Demoies Krieffyma	CHIISSIUH IACIUI

(2) (2A) (2B) Denotes RECLAIM emission rate

Denotes BACT emission limit

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

(4)

⁽³⁾ Denotes RECLAIM concentration limit

^{(5) (5}A) (5B) Denotes command and control emission limit (6)

⁽⁷⁾ Denotes NSR applicability limit

⁽⁹⁾ See App B for Emission Limits

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



Section D Page: 6 Facility ID: 152707 Revision #: 6 Date: November 16, 2023

FACILITY PERMIT TO OPERATE SENTINEL ENERGY CENTER LLC

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 CO	MBU	STION			
SELECTIVE CATALYTIC REDUCTION, NO.3, CORMETECH CM21ST, OR APPROVED EQUIVALENT CATALYST, WITH 12 MODULES, 107 CU.FT.; WIDTH: 9 FT 7.75 IN; HEIGHT: 6 FT 3.38 IN; LENGTH: 1 FT 9.25 IN WITH A/N: 624277 AMMONIA INJECTION, GRID	C16	C15 S18		NH3: 5 PPMV NATURAL GAS (4) [RULE 1135, 11-2-2018; RULI 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]	A195.4, D12.2, D12.3, D12.4, D29.4, E179.1, E179.2, E193.1, E519.1
STACK, NO. 3, HEIGHT: 90 FT; DIAMETER: 13 FT 6 IN A/N: 634497	S18	C16			

(1) (1A) (1B) Denotes RECLAIM emission factor

Denotes RECLAIM concentration limit

(5) (5A) (5B) Denotes command and control emission limit (6)

(7) Denotes NSR applicability limit

(9) See App B for Emission Limits

(2) (2A) (2B) Denotes RECLAIM emission rate

Denotes BACT emission limit

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.

(4)



Section D Page Facility ID: 1 Revision #:

Date: November 16, 2023

FACILITY PERMIT TO OPERATE SENTINEL ENERGY CENTER LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

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

analysis is not to be below 70 F.

The use of this alternative method for VOC compliance determination does not mean that it is more accurate than unmodified AQMD Method 25.3, nor does it mean that it may be used in lieu of AQMD Method 25.3 without prior approval, except for the determination of compliance with the BACT level of 2.0 ppmv VOC calculated as carbon set by CARB for natural gas fired turbines

For the purposes of this condition, alternative test method may be allowed for each of the above pollutants upon concurrence of SCAQMD, EPA, and CARB.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002; RULE 1303(b)(2)-Offset, 5-10-1996; RULE 1303(b)(2)-Offset, 12-6-2002; RULE 1703(a) (2) - PSD-BACT, 10-7-1988]

[Devices subject to this condition: D1, D7, D13, D19, D25, D31, D37, D43]

D29.4 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
NOX emissions	District method 100.1	1 hour	Outlet of the SCR
			serving this equipment
SOX emissions	District method 100.1	1 hour	Outlet of the SCR
			serving this equipment
VOC emissions	District Method 25.1 or	1 hour	Outlet of the SCR
	25.3		serving this equipment
CO emissions	District Method 100.1 or	1 hour	Outlet of the SCR
•	10.1	•	serving this equipment
PM emissions	Approved District method	District-approved	Outlet of the SCR
		averaging time	serving this equipment



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FACILITY PERMIT TO OPERATE SENTINEL ENERGY CENTER LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

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

PM10	District Method 25.1 or	District-approved	Outlet of the SCR
emissions	25.3	averaging time	serving this equipment
Benzene	CARB Method 410A or	District-approved	Outlet of the SCR
	410B	averaging time	serving this equipment
Acetaldehyde	CARB method 430	District-approved	Outlet of the SCR
		averaging time	serving this equipment
Formaldehyde	CARB method 430	District-approved	Outlet of the SCR
	ı	averaging time	serving this equipment
Toluene	CARB Method 410A or	District-approved	Outlet of the SCR
	['] 410B	averaging time	serving this equipment
Ethyl benzene	CARB Method 410A or	District-approved	Outlet of the SCR
	['] 410B	averaging time	serving this equipment
Xylene	CARB Method 410A or	District-approved	Outlet of the SCR
	410B	averaging time	serving this equipment
			- •



Section D Page Facility ID: Revision #:

Date: November 16, 2023

FACILITY PERMIT TO OPERATE SENTINEL ENERGY CENTER LLC

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 within 90 days of the installation and operation of a new catalyst.

The test shall be conducted when the respective turbine is operating at 80 percent or greater of its design capacity. Alternatively, the test may be conducted as prescribed under the then active condition D29.3 for periodic monitoring of SOx, VOC and PM10.

The test shall be conducted to determine the concentration and report mass emission rate in pounds per hour for NOx, SOx, ROG, CO, Total PM, Total PM10 and the following compounds: Benzene, Acetaldehyde, Formaldehyde, Toluene, Ethyl Benzene, and Xylene.

The test shall be conducted to determine the oxygen concentration, fuel flow rate (CFH) and the electricity generation of the turbine in MW.

The test shall be conducted to demonstrate equivalency of the replacement catalyst to the catalyst as permitted for the SCR serving the respective turbines. At a minimum, the proposed replacement catalyst shall meet all of the following requirements:

- a. NOx concentrations at the outlet of the SCR shall be no more than 2.5 ppmv, averaged over 60 minutes and corrected to 15 percent O2 dry.
- b. Ammonia concentration at the outlet of the SCR shall be no more than 5 ppmv, averaged over 60 minutes and corrected to 15 percent O2 dry.

The test shall be conducted and test report submitted to the South Coast AQMD in accordance with Section E of the Facility Permit.

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

[RULE 1135, 7-19-1991; RULE 1135, 11-2-2018; RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]



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FACILITY PERMIT TO OPERATE SENTINEL ENERGY CENTER LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

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

[Devices subject to this condition: C4, C10, C16, C22, C28, C34, C40, C46]

D82.1 The operator shall install and maintain a CEMS to measure the following parameters:



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Date: November 16, 2023

FACILITY PERMIT TO OPERATE SENTINEL ENERGY CENTER LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

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

[Devices subject to this condition: D1, C4, D7, C10, D13, C16, D19, C22, D25, C28, D31, C34, D37, C40, D43, C46, D49, D52, D53]

E519.1 The operator shall only install in this equipment SCR catalyst that matches the permit description unless prior written approval has been received from the Executive Officer or designee. To request written approval for the replacement catalyst, the operator shall submit a completed 400-E-5-CR form used for collecting data to establish equivalency for replacement catalyst.

Once the approved replacement catalyst is installed and used, the operator shall not install a different catalyst other than the most recently approved catalyst unless prior written approval has been received from the Executive Officer or designee.

The permit will be updated to reflect the new catalyst and performance criteria as an administrative revision in the next upcoming Title V permit revision or renewal after the completion of satisfactory testing and verification of performance criteria.

Source test(s) shall be conducted in accordance with performance test(s) as defined in condition(s) D29.2 and D29.4 within 90 days of the completion of installation of an approved catalyst. For the purposes of demonstrating equivalency only, source test results shall be used to verify that the replacement catalyst can, at a minimum, meet the following performance criteria:

The NOx emissions at the outlet of this device shall be no more than 2.5 PPMV, averaged over 60 minutes and corrected to 15 percent oxygen.

The NH3 emissions at the outlet of this device shall be no more than 5 PPMV, averaged over 60 minutes and corrected to 15 percent oxygen.

No increase in toxic air contaminant emissions that will cause any increases in health risk higher than the level the existing catalyst could have caused.



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FACILITY PERMIT TO OPERATE SENTINEL ENERGY CENTER LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

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

[RULE 1135, 7-19-1991; RULE 1135, 11-2-2018; RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition: C4, C10, C16, C22, C28, C34, C40, C46]

H. Applicable Rules

H23.1 This equipment is subject to the applicable requirements of the following rules or regulations:

Contaminant	Rule	Rule/Subpart
NOX	40CFR60, SUBPART	KKKK
SOX	40CFR60, SUBPART	KKKK

[40CFR 60 Subpart KKKK, 3-20-2009]

[Devices subject to this condition: D1, D7, D13, D19, D25, D31, D37, D43]

I. Administrative

BEFORE THE HEARING BOARD OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

MINUTE ORDER

SENTINEL ENERGY CENTER LLC 15775 Melissa Lane Road North Palm Springs, CA 92258

Case No: 6141-2 Facility ID: 152707

Hearing Date: 4/10/24

Hearing Type: Interim

Consent Calendar:

Next Hearing Date: 5/14/24

HEARING BOARD ACTION

Action: Granted

Starting Date: 4/10/24

Ending Date: 5/14/24*

COMMENTS

*The interim variance shall continue for 90 days or until the regular variance hearing currently scheduled for May 14, 2024, whichever occurs first.

RULES

203(b) {from Section D, Condition No. D29.5 of Title V Facility P/O No. 152707} 2004(f)(1) {from Section D, Condition No. D29.5 of Title V Facility P/O No. 152707} 3002(c) {from Section D, Condition No. D29.5 of Title V Facility P/O No. 152707}

EQUIPMENT DESCRIPTION

DEVICE/APPLICATION/PERMIT

CO Catalyst

C15

CONDITIONS

- The variance applies only to the portion of condition D29.5 stating the "test shall be conducted within 90 days of the installation and operation of a new CO oxidation catalyst." All other requirements in this condition shall remain in effect.
- 2. Petitioner shall complete the repair of Gas Turbine, Unit 3 (Device No. D13) and return the unit to service. Additionally, the Petitioner shall send monthly updates of repair progress by the first Tuesday of each month to South Coast AQMD by sending emails to Air Quality Inspector Patricia Ramirez (pramirez@aqmd.gov) and Air Quality Engineer Christian Aviles (caviles@aqmd.gov).
- 3. Petitioner shall notify the South Coast AQMD by sending emails to Air Quality Inspector Patricia Ramirez (pramirez@aqmd.gov) and Air Quality Engineer Christian Aviles (caviles@aqmd.gov), within 7 days after Gas Turbine, Unit 3 (Device No. D13) is returned to service, with the actual date and time when the unit was returned to service.
- 4. Once the gas turbine and associated air pollution control devices (Device No. D13 & C15) have returned to service, Petitioner shall complete the source test as required by condition D29.5 within 90 calendar days.

- 5. Petitioner shall notify South Coast AQMD by sending an email to Air Quality Inspector Patricia Ramirez (pramirez@aqmd.gov) and Air Quality Engineer Christian Aviles (caviles@aqmd.gov) at least 24 hours prior to starting the required source test.
- 6. Petitioner shall submit the complete source test report to South Coast AQMD Source Testing (sourcetesting@aqmd.gov), Air Quality Inspector Patricia Ramirez (pramirez@aqmd.gov), and to Air Quality Engineer Christian Aviles (caviles@aqmd.gov) within 45 calendar days after the test date.
- 7. Petitioner shall operate the Continuous Emissions Monitoring System (CEMS) to continuously monitor the exhaust from the gas turbine (Device No. D13) 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 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.
- 8. Petitioner shall notify the Clerk of the Board at clerkofboard@aqmd.gov when final compliance is achieved.
- 9. Petitioner shall pay all applicable fees, including excess emissions fees, if applicable, to the Clerk of the Board within fifteen days of notification in writing that the fees are due or the variance shall be invalidated pursuant to Rule 303 Hearing Board Fees, subsection (k).

	EXCESS EMISSIONS
	None
Present:	Cynthia Verdugo-Peralta, Chair Robert Pearman, Esq., Vice Chair Jerry P. Abraham, MD MPH CMQ Micah Ali Mohan Balagopalan
Representing the Petitioner:	No Appearance
Representing the Respondent:	No Appearance
Petitioner's Exhibits:	*#1 – Stipulation to Place Matter on Consent Calendar *#2 – Declaration of Dennis Johnson *#3 – Proposed Findings and Decision
Respondent's Exhibit:	*A – Declaration of Christian Aviles
Hearing Board's Exhibit:	*#HB-1 – Email Thread Re: Board Members' Questions and Parties' Responses

^{*}Entered into Evidence

Good Cause: The good cause findin Hearing Board.	g is set forth on Pag	e 4 of the attached	f Findings and Decision o	of the
Motions:	1) 2)	Good Cause Variance	Balagopalan/Ali Verdugo-Peralta/Ali	5-0 5-0
	Board Review/App		Mhrà lesa Thia Verdugo-Peralta,	Consir
	D	ated	4/24/24	

Prepared by Rosalinda Diaz Attachment: Findings and Decision of the Hearing Board

BEFORE THE HEARING BOARD OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

In the Matter of

Case No. 6141-2

SENTINEL ENERGY CENTER LLC

[Facility I.D. No. 152707]

ORDER GRANTING AN INTERIM VARIANCE

Section 42350 of the California Health and Safety Code

Hearing Date: April 10, 2024

FINDINGS AND DECISION OF THE HEARING BOARD

This petition for an interim variance was heard on the consent calendar on April 10, 2024, pursuant to notice and in accordance with the provisions of California Health and Safety Code Section 40826 and District Rule 510. The matter was placed on the Consent Calendar pursuant to the Stipulation to Place Petition for Interim Variance on Consent Calendar. The following members of the Hearing Board were present: Cynthia Verdugo-Peralta, Chair; Robert Pearman, Esq., Vice Chair; Jerry P. Abraham, MD MPH CMQ; Micah Ali; and Mohan Balagopalan. Petitioner Sentinel Energy Center LLC (hereinafter "Petitioner" or "Sentinel") represented by Rick R. Rothman and William Kissinger, of the law firm of Morgan Lewis LLP, did not appear. Respondent, Executive Officer, represented by Daphne Hsu, Principal Deputy District Counsel, did not appear. The public was given the opportunity to testify, and none did. The Declaration of Dennis Johnson was received as evidence from Petitioner and the Declaration of Christian Aviles was received as evidence from Respondent and the Proposed Findings and Decision of the Hearing Board was received as an exhibit, and the case submitted. The Hearing Board finds and decides as follows:

Nature of Business and Location of Facility

The Sentinel facility is located at 15775 Melissa Lane Rd, North Palm Springs, California, is a nominally rated 850-megawatt natural gas-fired, simple-cycle electricity generation facility consisting of eight General Electric LMS100 combustion turbine generators and associated equipment.

Equipment and Permit to Construct/Operate

The equipment that is the subject of this petition is the CO Catalyst device (Device No. C15) associated with turbine Unit 3 at the facility. The equipment is operated pursuant to Facility Permit to Operate (P/O) No. 152707.

SUMMARY

Petitioner will be violation of District Rules 203(b), 2004(f)(1) and 3002(c) and intends to achieve compliance by conducting a source test within 90 days of restarting turbine Unit 3.

FINDINGS OF FACT

Following are the facts and conclusions supporting the findings set forth in Health and Safety Code Section 42352 necessary to grant the variance. The Executive Officer did not oppose the granting of the variance.

- a. The petitioner for a variance is, or will be, in violation of Section 41701 or of any rule regulation or order of the District.
- 1. Petitioner will be in violation of District Rules 203(b), 2004(f)(1) and 3002(c), which requires compliance with permit conditions, as petitioner will be out of compliance with Permit Condition D29.5 until Gas Turbine Unit 3 (Device No. D13) is restarted and the source testing of the CO Catalyst (Device No. C15) pursuant to the condition can be conducted.
- b(1). Non-compliance with District Rule(s) is due to conditions beyond the reasonable control of the petitioner.
- 1. Petitioner cannot perform the source testing contemplated by permit condition D29.5 until Gas Turbine Unit 3 is back up and running. Turbine Unit 3 has been out of service

since December 14, 2023. Gas Turbine Unit 3 was sent off-site for repairs and is not expected to be repaired and back in operation until the 3rd Quarter of 2024. Gas Turbine Unit 3 must be operating in order to perform the required source testing on the associated CO Catalyst. Therefore, it is beyond Petitioner's reasonable control to comply with District rules and permit conditions.

b(2). Requiring compliance would result in either (1) an arbitrary or unreasonable taking of property, or (2) the practical closing and elimination of a lawful business.

1. Denial of the variance would cause significant, unreasonable and unavoidable harm to Petitioner in that Petitioner may be unable to operate Gas Turbine Unit 3 once it is repaired, which could have impacts on California's electricity grid and could result in significant lost revenues to Petitioner.

c. The closing or taking would be without a corresponding benefit in reducing air contaminants.

1. Once the repairs are completed and Gas Turbine Unit 3 is restarted, it will be operating in compliance with permitted emissions requirements so there are no anticipated excess emissions associated with this variance.

d. The applicant for the variance has given consideration to curtailing operations of the source in lieu of obtaining a variance.

- 1. Petitioner considered curtailment. However, since Gas Turbine Unit 3 is not operating, curtailment would not obviate the need for a variance. Curtailment does not address the inability to perform the source testing of the associated CO Catalyst contemplated by permit condition D29.5.
- e. During the period the variance is in effect, the applicant will reduce excess emissions to the maximum extent feasible.
 - 1. There are no excess emissions associated with this variance.

- f. During the period the variance is in effect, the applicant will monitor or otherwise quantify emission levels from the source, if requested to do so by the district, and report these emission levels to the district pursuant to a schedule established by the district.
- 1. Petitioner will monitor emissions during the variance period using Gas Turbine Unit 3's CEMS once the turbine is restarted. Petitioner will also operate the CEMS for the duration of the variance period where the Gas Turbine Unit 3 is not operating or alternatively may choose to comply with the requirements in Rule 2012(c)(2)(D) and 2012(c)(2)(E), as amended November 3, 2022.

g. Good cause exists to justify the holding of a hearing on the interim variance petition in the absence of notice to the public.

- 1. As detailed in section a above, Petitioner is or will be in violation of District Rules 203(b), 2004(f)(1) and 3002(c).
- 2. For the reasons detailed in item b(1) above, the circumstances leading to the violation could not reasonably have been avoided by Petitioner nor anticipated in sufficient time to provide the public notice of the variance hearing in light of differing views between the District and Petitioner of when the 90-day testing requirement commenced and when that difference was fully understood by Petitioner following receipt of the new Title V permit it received in February and subsequent discussions with District Counsel.
- 3. Petition exercised diligence in petitioning for the interim variance because once the new Title V permit was received, Sentinel contacted District Counsel and, following those discussions, filed the instant variance petition as soon as feasible thereafter.
- 4. As detailed above in sections b(2), denial of the interim variance will result in an unreasonable and unavoidable adverse impact on Sentinel.

h. Petitioner has also petitioned for a regular variance.

CONCLUSION AND ORDER

THEREFORE, good cause appearing, the Hearing Board orders as follows:

- A. Petitioner is granted an interim variance from South Coast AQMD Rules 203(b), 2004(f)(1) and 3002(c) {from Section D, Condition D29.5 of Title V Facility P/O No. 152707} for the CO Catalyst (Device C15) for the period commencing April 10, 2024 and continuing for 90 days or until the regular variance hearing scheduled for May 14, 2024, whichever comes first.
 - B. The variance granted herein is subject to the following conditions:
- 1. The variance applies only to the portion of condition D29.5 stating the "test shall be conducted within 90 days of the installation and operation of a new CO oxidation catalyst." All other requirements in this condition shall remain in effect.
- 2. Petitioner shall complete the repair of Gas Turbine, Unit 3 (Device No. D13) and return the unit to service. Additionally, the Petitioner shall send monthly updates of repair progress by the first Tuesday of each month to South Coast AQMD by sending emails to Air Quality Inspector Patricia Ramirez (pramirez@aqmd.gov) and Air Quality Engineer Christian Aviles (caviles@aqmd.gov).
- 3. Petitioner shall notify the South Coast AQMD by sending emails to Air Quality Inspector Patricia Ramirez (pramirez@aqmd.gov) and Air Quality Engineer Christian Aviles (caviles@aqmd.gov), within 7 days after Gas Turbine, Unit 3 (Device No. D13) is returned to service, with the actual date and time when the unit was returned to service.
- 4. Once the gas turbine and associated air pollution control devices (Device Nos. D13 & C15) have returned to service, Petitioner shall complete the source test as required by condition D29.5 within 90 calendar days.
- 5. Petitioner shall notify South Coast AQMD by sending an email to Air Quality Inspector Patricia Ramirez (<u>pramirez@aqmd.gov</u>) and Air Quality Engineer Christian Aviles (<u>caviles@aqmd.gov</u>) at least 24 hours prior to starting the required source test.
- 6. Petitioner shall submit the complete source test report to South Coast AQMD Source Testing (sourcetesting@aqmd.gov), Air Quality Inspector Patricia Ramirez

(<u>pramirez@aqmd.gov)</u>, and to Air Quality Engineer Christian Aviles (<u>caviles@aqmd.gov)</u> within 45 calendar days after the test date.

- 7. Petitioner shall operate the Continuous Emissions Monitoring System (CEMS) to continuously monitor the exhaust from the gas turbine (Device No. D13) 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.
- 8. Petitioner shall notify the Clerk of the Board at (<u>clerkofboard@aqmd.gov</u>) when final compliance is achieved.
- 9. Petitioner shall pay all applicable fees, including excess emissions fees, if applicable, to the Clerk of the Board within fifteen days of notification in writing that the fees are due or the variance shall be invalidated pursuant to Rule 303 Hearing Board Fees, subsection (k).

FOR THE BOARD: Lynchia Verdugo-Peralta, Chair

04/24/24

DATED:

BEFORE THE HEARING BOARD OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

In the Matter of

Case No. 6141-2

SENTINEL ENERGY CENTER LLC,

[Facility I.D. No. 152707]

ORDER GRANTING VARIANCE

Hearing Date: May 14, 2024

Section 42350 of the California Health and Safety Code

FINDINGS AND DECISION OF THE HEARING BOARD

On April 10, 2024, the Hearing Board heard Petitioner's application for interim variance on the consent calendar pursuant to notice and in accordance with the provisions of California Health and Safety Code Section 40826 and District Rule 510. The matter was placed on the Consent Calendar pursuant to the Stipulation to Place Petition for Interim Variance on Consent Calendar and was granted by the Hearing Board, effective through May 14, 2024, the date of this hearing on Petitioner's request for a regular variance.

Petitioner's application for variance was placed on the consent calendar pursuant to notice and in accordance with the provisions of California Health and Safety Code Section 40826 and District Rule 510. The matter was placed on the Consent Calendar pursuant to the Stipulation to Place Petition for Variance on Consent Calendar. The following members of the Hearing Board were present: Cynthia Verdugo-Peralta, Chair; Robert Pearman, Esq., Vice Chair; Jerry P. Abraham, MD, MPH, CMQ; Micah Ali; and Mohan Balagopalan. Petitioner Sentinel Energy Center LLC (hereinafter "Petitioner" or "Sentinel") represented by Rick R. Rothman and William Kissinger, of the law firm of Morgan Lewis LLP, did not appear. Respondent, Executive Officer, represented by Daphne Hsu, Principal Deputy District Counsel, did not appear. The Declaration of Dennis Johnson was received as evidence from Petitioner and the declaration of Christian Aviles was received as evidence from Respondent and the Proposed Findings and Decision of the Hearing

Board was received as an exhibit, and the case submitted. The Hearing Board finds and decides as follows:

Nature of Business and Location of Facility

The Sentinel facility is located at 15775 Melissa Lane Rd, North Palm Springs, California, is a nominally rated 850-megawatt natural gas-fired, simple-cycle electricity generation facility consisting of eight General Electric LMS100 combustion turbine generators and associated equipment.

Equipment and Permit to Construct/Operate

The equipment that is the subject of this petition is the CO Catalyst device (Device No. C15) associated with turbine Unit 3 at the facility. The equipment is operated pursuant to Facility Permit to Operate (P/O) No. 152707.

SUMMARY

Petitioner will be violation of District Rules 203(b), 2004(f)(1) and 3002(c) and intends to achieve compliance by conducting a source test within 90 days of restarting turbine Unit 3.

FINDINGS OF FACT

Following are the facts and conclusions supporting the findings set forth in Health and Safety Code Section 42352 necessary to grant the variance. The Executive Officer did not oppose the granting of the variance.

- a. The petitioner for a variance is, or will be, in violation of Section 41701 or of any rule regulation or order of the District.
- 1. Petitioner will be in violation of District Rules 203(b), 2004(f)(1) and 3002(c), which requires compliance with permit conditions, as petitioner will be out of compliance with Permit Condition D29.5 until Gas Turbine Unit 3 (Device No. D13) is restarted and the source testing of the CO Catalyst (Device No. C15) pursuant to the condition can be conducted.
- b(1). Non-compliance with District Rule(s) is due to conditions beyond the reasonable control of the petitioner.

1. Petitioner cannot perform the source testing contemplated by permit condition D29.5 until Gas Turbine Unit 3 is back up and running. Turbine Unit 3 has been out of service since December 14, 2023. Gas Turbine Unit 3 was sent off-site for repairs and is not expected to be repaired and back in operation until the 3rd Quarter of 2024. Gas Turbine Unit 3 must be operating in order to perform the required source testing on the associated CO Catalyst. Therefore, it is beyond Petitioner's reasonable control to comply with District rules and permit conditions.

b(2). Requiring compliance would result in either (1) an arbitrary or unreasonable taking of property, or (2) the practical closing and elimination of a lawful business.

1. Denial of the variance would cause significant, unreasonable and unavoidable harm to Petitioner in that Petitioner may be unable to operate Gas Turbine Unit 3 once it is repaired, which could have impacts on California's electricity grid and could result in significant lost revenues to Petitioner.

c. The closing or taking would be without a corresponding benefit in reducing air contaminants.

1. Once the repairs are completed and Gas Turbine Unit 3 is restarted, it will be operating in compliance with permitted emissions requirements so there are no anticipated excess emissions associated with this variance.

d. The applicant for the variance has given consideration to curtailing operations of the source in lieu of obtaining a variance.

- 1. Petitioner considered curtailment. However, since Gas Turbine Unit 3 is not operating, curtailment would not obviate the need for a variance. Curtailment does not address the inability to perform the source testing of the associated CO Catalyst contemplated by permit condition D29.5.
- e. During the period the variance is in effect, the applicant will reduce excess emissions to the maximum extent feasible.

- 1. There are no excess emissions associated with this variance.
- f. During the period the variance is in effect, the applicant will monitor or otherwise quantify emission levels from the source, if requested to do so by the district, and report these emission levels to the district pursuant to a schedule established by the district.
- 1. Petitioner will monitor emissions during the variance period using Gas Turbine Unit 3's CEMS once the turbine is restarted. Petitioner will also operate the CEMS for the duration of the variance period where the Gas Turbine Unit 3 is not operating or alternatively may choose to comply with the requirements in Rule 2012(c)(2)(D) and 2012(c)(2)(E), as amended November 3, 2022.

CONCLUSION AND ORDER

THEREFORE, good cause appearing, the Hearing Board orders as follows:

- A. Petitioner is granted a variance from South Coast AQMD Rules 203(b), 2004(f)(1) and 3002(c) {Condition D29.5 of Title V Facility P/O No. 152707 for the CO Catalyst (Device C15)} for the period commencing May 14, 2024 and continuing through December 31, 2024.
 - B. The variance granted herein is subject to the following conditions:
- 1. The variance applies only to the portion of condition D29.5 stating the "test shall be conducted within 90 days of the installation and operation of a new CO oxidation catalyst." All other requirements in this condition shall remain in effect.
- 2. Petitioner shall complete the repair of Gas Turbine, Unit 3 (Device No. D13) and return the unit to service. Additionally, the Petitioner shall send monthly updates of repair progress by the first Tuesday of each month to South Coast AQMD by sending emails to Air Quality Inspector Avelino Revilla (arevilla@aqmd.gov) and Air Quality Engineer Christian Aviles (caviles@aqmd.gov).
- 3. Petitioner shall notify the South Coast AQMD by sending emails to Air Quality Inspector Avelino Revilla (arevilla@aqmd.gov) and Air Quality Engineer Christian

Aviles (caviles@aqmd.gov), within 7 days after Gas Turbine, Unit 3 (Device No. D13) is returned to service, with the actual date and time when the unit was returned to service.

- 4. Once the gas turbine and associated air pollution control devices (Device No. D13 & C15) have returned to service, Petitioner shall complete the source test as required by condition D29.5 within 90 calendar days.
- 5. Petitioner shall notify South Coast AQMD by sending an email to Air Quality Inspector Avelino Revilla (arevilla@aqmd.gov) and Air Quality Engineer Christian Aviles (caviles@aqmd.gov) at least 24 hours prior to starting the required source test.
- 6. Petitioner shall submit the complete source test report to South Coast AQMD Source Testing (sourcetesting@aqmd.gov), Air Quality Inspector Avelino Revilla (arevilla@aqmd.gov), and to Air Quality Engineer Christian Aviles (caviles@aqmd.gov) within 45 calendar days after the test date.
- 7. Petitioner shall operate the Continuous Emissions Monitoring System (CEMS) to continuously monitor the exhaust from the gas turbine (Device No. D13) 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 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.
- 8. Petitioner shall notify the Clerk of the Board in writing when final compliance is achieved.
- 9. Petitioner shall pay all applicable fees, including excess emissions fees, if applicable, to the Clerk of the Hearing Board within fifteen days of notification in writing that the fees are due or the variance shall be invalidated pursuant to Rule 303 Hearing Board Fees, subsection (k).

FOR THE BOARD:					
DATED:					