



October 22nd, 2004

Dennis Jang – Air Quality Engineer II
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

Subject: Comments regarding the Cardinal Cogen Proposed Major Facility Review Permit
Facility # A1629.

Dear Mr. Jang,

Please find below the comments of Cardinal Cogen, Inc. (Cardinal Cogen) on the current draft of the Proposed Major Facility Review Permit for the above-referenced facility. We believe that, given the extensive number of items identified requiring correction, that it would not be advantageous for the current draft to issue for public notice and comment in its present form. Rather, we believe it would be more convenient and efficacious for the public and all parties involved to have available at the outset of the notice and comment period a draft permit that addresses the issues raised below and therefore more closely reflects the permit that is likely to issue. Toward that end, we propose that BAAQMD revise its current draft to reflect these comments and provide Cardinal Cogen an additional opportunity to review the resulting draft prior to commencement of public notice and comment.

Specific Comments:

1. On the cover page, the facility contact should be changed to: Brian Ross, with a phone number of (650) 725-8519.
2. On the cover page, the primary SIC should be changed to: 4931. SIC 4931 is applicable to power plants that co-generate steam.
3. Page 4, condition I.J refers to a Table II-A, but the table is identified on page 5 as Table III-A.
4. Page 12, Table IV-B line 1-522.7, capitalize initial letter of word "emission."
5. Page 14, Table IV-B line 60.332(a)(1), capitalize initial letter of word "nitrogen."
6. Page 17, Table IV-C, line 1-522.7, capitalize initial letter of word "emission."
7. Page 33, items numbers 4 & 5, un-capitalize word "engines" in the first line of each item.
8. Page 30, PSD Condition IX.E.2 – Change "25-hour" to "24-hour."
9. Page 30, PSD Condition IX.F.1.a – Change "S-7" to "S-8."



10. Page 31, PSD Condition IX.F.2 – Change “pre 30 day” to “per 30 day.”
11. Page 36, Table VII-A – Under *Hours of Operation*, Change “2878 part 1b” to “2878 part 1d.”
12. Page 5, Table III-A lists S-9 as a “Standby Generator Diesel Engine,” but this diesel is actually a “Starting Diesel Engine,” and does not have a generator. *Issue*
13. Page 20, Table IV-D title is “S-9, S-11 Standby Generator Diesel Engines,” but S-9 is a “Starting Diesel Engine,” and does not have a generator. *''*
14. Page 33, the title indicates that S-9, S-10, & S-11 are “Standby Generator Diesel Engines,” but S-9 is a “Starting Diesel Engine,” and does not have a generator. *''*
15. Pages 44 & 45, Table VII-D lists S-9, S-11 as “Standby Generator Diesel Engines,” but S-9 is a “Starting Diesel Engine,” and does not have a generator. *''*
16. Given that source S-9 is not a generator, all conditions for this source listed in Condition 19698 and Table VII-D need to be deleted. *''*
17. Pages 6 & 9, the requirement at the very beginning of Sections III and IV “to comply with all applicable requirements” obviates the permit shield and should be deleted. *?*
18. Page 22, Section V, schedule of compliance is not required unless we are in noncompliance at time of issuance and should be deleted. *NO*
19. Page 4, there is no basis for including condition J.1 as a federally enforceable provision. Therefore, it should be deleted. The enforceable conditions are the emission limitations in the underlying applicable requirements. To the extent the District wishes to include descriptions of the unit capacities in the permit as context for the limits that are imposed under applicable rules, any such descriptions should be clearly labeled as informational only and should not be considered enforceable permit conditions. Several other jurisdictions take this type of approach, including statements such as “The information describing the emission units contained in the above conditions/table is descriptive information and does not constitute enforceable conditions.” *there is a basis*
20. Page 8 (Statement of Basis), the BAAQMD determined, as evidenced by the *Permit Evaluation and Statement of Basis*, that the Compliance Assurance Monitoring (CAM) rule was not applicable to Cardinal Cogen. This non-applicability determination needs to be added onto every table in Section IX.A (Permit Shield, Non-applicable Requirements). *OK*
21. Page 6 (Statement of Basis), the BAAQMD determined, as evidenced by the *Permit Evaluation and Statement of Basis*, that the facility is not subject to Title IV (Acid Rain) requirements since it is a “qualifying small power production facility” per section 3(17)(C) of the Federal Power Act. This non-applicability determination needs to be added onto every table in Section IX.A (Permit Shield, Non-applicable Requirements). *OK*
22. Page 8 (Statement of Basis), the BAAQMD determined, as evidenced by the *Permit Evaluation and Statement of Basis*, that the facility is not a major source of hazardous



air pollutants (HAPs). Therefore, the site is not subject to Maximum Achievable Control Technology (MACT) under 40 CFR 63. This non-applicability determination for 40 CFR 63 needs to be added onto every table in Section IX.A (Permit Shield, Non-applicable Requirements).

help

ok for specific reqs; no general shield, in case EPA does

23. Page 17 (Statement of Basis), the BAAQMD, as evidenced by the Permit Evaluation and Statement of Basis, made the following determination with regard to monitoring of CO emissions from S-1 through S-4: "Because fuel usage limit ensures that CO PTE is low, and because operation is intermittent (500 hr/yr per boiler, average) additional monitoring to assure compliance with the emission limits is not justified and will not be required. In this case, addition of CEMS or annual source tests for these sources would be onerous." Yet, Condition 2878 part 10 states "... , and annually thereafter, the owner/operator of these sources shall conduct a source test to determine the NOx, CO, and oxygen concentrations." The reference to CO in Condition 2878 part 10 needs to be deleted.

not mistake - part 10

acts on area sources

24. Page 27 Condition 2878 part 16b requires a file containing "the monthly therms of fuel used at Source 6, when operated at less than 80% baseload". There is no limit with regard to therms for S-6 when operating at less than 80% baseload. Therefore, the file is superfluous and this condition needs to be deleted.

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25. Page 27, Condition 2878 part 16c requires a file containing "appropriate records to verify compliance with all listed permit conditions". This condition is overly broad. The permit provides a comprehensive account of required monitoring and recordkeeping. Therefore, this condition needs to be deleted.

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26. As the stated function of Section VII is "only to summarize the applicable requirements in Section IV...", then a follow-up statement needs to be added that Section VII is solely for informational purposes and is not enforceable. In addition, within Section VII, Tables VII-A, VII-B, VII-C, and VII-D are not consistent with the requirements in the permit. Given that these tables are a summary of the requirements in the permit, the tables need to be changed to be consistent with the permit:

(a) References to Condition 2878 part 1g for normal operability tests should be changed from "1 boiler/mo, each boiler twice in rolling 12 months" to "each boiler once per rolling 30 day period with natural gas, each boiler twice in rolling 12 months for No. 2 fuel oil", or equivalent wording.

(b) References to Condition 2878 part 1d (note the typographical correction listed above) should be changed from "1000 hrs/rolling 12 months" to "1000 hrs/yr", or equivalent wording.

(c) References to Condition 2878 part 5 for combined turbine and duct burner CO emission limit should be changed from "<150 tons per year" to "≤150 tons per year", or equivalent wording.

(d) References to Condition 2878 part 2 should be changed from "<1000 hrs/rolling 12 months" to "≤1000 hrs/rolling 12 months", or equivalent wording.

Not true
May not be complete.
Could add
not in permit
conflict
not permit governs



OK (d) References to BAAQMD 6-301 should be changed from "Ringelmann No. 1", "Ringelmann No. 1 <3 min/hr", to "> Ringelmann No. 1 for no more than 3 minutes in any hour."

27. Pages 19 and 43, 40 CFR 60.48b is referenced in Table VII-C, but is not listed as an applicable requirement in Table IV-C. Therefore, add 40 CFR 60.48b in Table IV-C.

We appreciate this courtesy review period that you were able to offer us at this juncture in the permit renewal process. We look forward to fully cooperating with BAAQMD in resolving the issues raised above in order to expedite the completion of the draft permit and the commencement of the notice and comment period. In this regard, we look forward to our meeting at 10:00am on Wednesday, October 27th, to discuss these comments, and to address any questions or interest in further information that the BAAQMD may have.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Cioffi'.

John Cioffi
General Manager – Cardinal Cogen

File: 4.1.1.0