

SYNTHETIC MINOR OPERATING PERMIT

Condition# 13409
For S-1 Combustion Gas Turbine

OLS Energy – Agnews, Inc.
3530 Zanker Road
San Jose, CA 95134
Plant 6044
Application 13738

Sources:
S1, Gas Turbine Generator

OLS Energy - Agnews, Inc., Plant 6044, has a synthetic minor operating permit. This operating permit covers all sources existing at this facility as of permit issuance. The sources are listed above.

Conditions #1-12 establish the federally enforceable permit terms that ensure this plant is classified as a Synthetic Minor Facility under District Regulation 2, Rule 6, Major Facility Review, and ensure it is not subject to the permitting requirements of Title V of the Federal Clean Air Act as amended in 1990 and 40 CFR Part 70. Any revision to a condition establishing this plant's status as a Synthetic Minor Facility or any new permit term that would limit emissions of a new or modified source for the purpose of maintaining the facility as a synthetic minor must undergo the procedures specified by Rule 2-6, section 423.

Conditions #*13, #*14, and #*16 are District conditions that do not establish this facility as a synthetic minor. Each of these conditions is marked by an asterisk. The facility must comply with all conditions, regardless of asterisks, and must comply with all District requirements for new and modified sources regardless of its status as a synthetic minor.

This operating permit covers all sources existing at the facility as of permit issuance.

1. The owner/operator shall fire S-1 Gas Turbine on natural gas only.
(basis: BACT)
2. The owner/operator shall not operate S-1 Gas Turbine more than 8496 hours per calendar year. (basis: cumulative increase)
3. The owner/operator shall operate S-1 Gas Turbine so that the concentration of oxides of nitrogen (NOx) in the gas turbine's exhaust shall not exceed 9 ppmv NOx, dry, @15% O2, averaged over any 3-hr period, except during a cold start-up which is not to exceed two hours and shut-down not to exceed 1 hour. (basis: BACT)
4. The owner/operator shall operate S-1 Gas Turbine so that the Oxides of Nitrogen (calculated as NO2) emissions shall not exceed 11.2 lb/hour or 220 lb/day. (basis: BACT)

5. The owner/operator shall operate S-1 Gas Turbine so that the Carbon Monoxide (CO) emissions shall not exceed 520 lb/day. (basis: BACT)
6. The owner/operator shall insure that the water injection and selective catalytic reduction (SCR) systems shall be operated during all periods of gas turbine operation, except during the start-up & shut-down periods provided for in Condition #3. The owner/operator shall insure that the turbine shall not be operated if a malfunction occurs in the water injection or the SCR systems. (basis: BACT)
7. The owner/operator shall ensure that an Oxides of nitrogen (NOx) monitor and recorder, carbon monoxide (CO) monitor and recorder, and O2 monitor and recorder, will be installed, calibrated and maintained, as required by Regulation 1-520. The owner/operator shall ensure that these records shall be made available to the District upon request. CEM data may be used to determine compliance with the emission limits. (basis: recordkeeping)
8. Deleted
9. The owner/operator shall insure that District-approved records shall be accurately maintained on a daily basis and indicate days and hours of operation and the capacity at which the turbine is being operated. (basis: recordkeeping)
10. The owner/operator shall insure that monthly logs shall be maintained that contain the following data:
 - a) NOx maximum three hour average corrected as ppmv, dry for each operating day.
 - b) NOx daily mass emissions in lb/day
 - c) CO daily mass emissions in lb/day(basis: recordkeeping)
11. The owner/operator shall insure that all records associated with the above conditions shall be retained by OLS Energy - Agnews, for at least five years, for review by the District and shall be supplied to the District upon request. The recording format shall be subject to the approval of the APCO. (basis: recordkeeping)
12. The owner/operator shall notify the District within 96 hours of determining that the facility has exceeded any applicable emission limit. (basis: Regulation 1-522.7)
- *13. The owner/operator shall insure that SO2 emissions from S-1 Gas Turbine do not exceed 39 tons per calendar year. Monitoring and recordkeeping for SO2 emissions shall not be required if the turbine is fired only on natural gas. (basis: cumulative increase)
- *14. The owner/operator shall insure that Oxides of Nitrogen (measured as NO2) emissions from S-1 Gas Turbine do not exceed or 39 tons per calendar year. (basis: cumulative increase)

15. The owner/operator shall insure that Carbon Monoxide (CO) emissions from S-1 Gas Turbine do not exceed 95 tons per calendar year. (basis: cumulative increase)

- *16. The gas turbine in this project is exempt from PSD because the total NOx and SO2 emissions are limited by permit Condition #13 and #14 to less than 40 TPY. Any change in equipment or conditions that increase the plant's potential to emit above the applicable PSD threshold (40 TPY) will require a full PSD review of the source as though construction has not yet commenced on the source. (basis: PSD. 40 CFR Part 52)