

# FORTISTAR Methane Group

Guadalupe Energy Holdings LLC  
15999 Guadalupe Mines Road • San Jose, California 95120  
Tel. (408) 997-6109 • Fax. (408) 997-6122

January 27, 2012

Attn: Title V reports  
Director of Compliance and Enforcement  
Bay Area AQMD  
939 Ellis Street  
San Francisco, CA 94109

Subject: Semi-Annual Monitoring Report (July 1, 2011-December 31, 2011)  
Guadalupe Energy Holdings LLC - Facility Number B1669

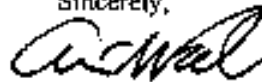
To Whom It May Concern;

This Semi-Annual Monitoring Report is being submitted for the period covering July 1, 2011 through December 31, 2011. The enclosed table details monitoring compliance for the referenced facility located on Guadalupe Mines Road, San Jose, CA 9510. This plant experienced occasional intermittent compliance as indicated on the attached table; however, a summary of the intermittent compliance items is as follows:

<u>Intermittent Compliance Item</u>	<u>Status</u>
1) 12-Month Parametric Monitor	Exceedance of 12-month downtime limit caused by downtime in November 2010 due to the flow meters being sent to the manufacturer for required calibration, previously reported.
2) 12-Month Condensate Limit	Exceedance of 12-month condensate limit due to changes in the landfill which are beyond our control. This is ongoing and has been reported previously.
3) Retention of Records (5-Years)	Requires maintaining of required records for period of 5-years. Any missing data point results in intermittent compliance with this condition.

If there are any questions regarding this report, please direct them to Suparna Chakladar at (951) 833-4153.

Sincerely,



Anthony Falbo  
Senior Vice President - Operations  
FORTISTAR Methane Group  
Guadalupe Energy Holdings LLC

Enclosure

cc: Gary Lipari (BAAQMD)  
Suparna Chakladar, FMG

**MONITORING REPORT**  
**APPLICABLE LIMITS & COMPLIANCE MONITORING REQUIREMENTS**  
**GUADALUPE ENERGY HOLDINGS LLC**  
**PERMIT NUMBER B1669**  
**SOURCES S-2, S-3, & S-4**

**REPORTING PERIOD -- July 1, 2011 through December 31, 2011**

<b>Source Nos. S-2, S-3, &amp; S-4</b>					
<b>Type of Limit</b>	<b>Citation of Limit</b>	<b>Compliance Status</b>	<b>Type of Limit</b>	<b>Monitoring Requirement Citation</b>	<b>Monitoring Type</b>
Opacity	BAAQMD 6-301	<b>In Compliance</b>	Ringelmann #1	Not Applicable	None Required
FP	BAAQMD 6-310	<b>In Compliance</b>	0.15 grains/dscf	Not Applicable	None Required
TOC	BAAQMD 8-34-301.2 SIP 8-34-301.1	<b>In Compliance</b>	1000 ppmv as Methane (component leak limit)	BAAQMD 8-34-501.6 and 8-34-503 SIP 8-34-503	Quarterly Inspection and Records
Non-Methane Organic Compounds (NMOC)	BAAQMD 8-34-501.4b	<b>In Compliance</b>	98% removal by weight OR < 120 ppmv dry @ 3% O <sub>2</sub> , expressed as methane	BAAQMD Condition # 17777, Part 7 d-e	Annual Source Test & weekly CO & O <sub>2</sub> testing.
SO <sub>2</sub>	BAAQMD 9-1-301	<b>In Compliance</b>	Property-Line Ground Level Limits < 0.5 ppm for 3 minutes, < 0.25 ppm for 60 minutes, and < 0.05 ppm for 24 hours	Not Applicable	None Required
SO <sub>2</sub>	BAAQMD 9-1-302	<b>In Compliance</b>	< 300 ppb (dry) Emissions	BAAQMD Condition # 17777, Part 8	Sulfur Analysis of landfill gas only

**MONITORING REPORT**  
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**GUADALUPE ENERGY HOLDINGS LLC**  
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**SOURCES S-2, S-3, & S-4**

**REPORTING PERIOD – July 1, 2011 through December 31, 2011**

<b>Source Nos. S-2, S-3, &amp; S-4</b>					
Type of Limit	Citation of Limit	Compliance Status	Type of Limit	Monitoring Requirement Citation	Monitoring Type
H <sub>2</sub> S	BAAQMD 9-2-301	In Compliance	Property Line ground level limits < 0.06 ppm Averaged over 3 minutes and < 0.03 ppm Averaged over 60 minutes	Not Applicable	None Required
Total Sulfur Content in Landfill Gas	BAAQMD Condition # 1777, Part 8	In Compliance	< 1,300 ppmv (dry)	BAAQMD Condition # 1777, Part 8	Sulfur Analysis of landfill gas only
NO <sub>x</sub>	BAAQMD 9-8-302.2 and BAAQMD Condition # 1777, Part 3	In Compliance	Waste Fuel Gas, Rich-Burn 210 ppmv dry @ 15% O <sub>2</sub>	BAAQMD Condition # 1777, Part 7d	Annual Source Test & Quarterly Monitoring
CO	BAAQMD 9-8-302.3	In Compliance	Waste Fuel Gas: 2000 ppmv dry @ 15% O <sub>2</sub>	BAAQMD Condition # 1777, Part 7d	Annual Source Test & Quarterly Monitoring
CO	BAAQMD Condition # 1777, Part 4	In Compliance	740 ppmv dry @ 15% O <sub>2</sub>	BAAQMD Condition # 1777, Part 7d	Annual Source Test & Quarterly Monitoring
Emission Control System Shutdown Time	BAAQMD 8-34-113.2	In Compliance	<240 hours/year	BAAQMD 8-34-501.2	Records Engine Plant and Related Equipment Only

**MONITORING REPORT**  
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**GUADALUPE ENERGY HOLDINGS LLC**  
**PERMIT NUMBER B1669**  
**SOURCES S-2, S-3, & S-4**

**REPORTING PERIOD – July 1, 2011 through December 31, 2011**

<u>Source Nos. S-2, S-3, &amp; S-4</u>					
Type of Limit	Citation of Limit	Compliance Status	Type of Limit	Monitoring Requirement Citation	Monitoring Type
Gas Flow	BAAQMD 8-34-301 and 301.1	In Compliance	Vent all collected gases to a properly operating control system and operate control system continuously.	BAAQMD 8-34-501.10 and 508	Gas Flow Meter and Recorder (every 15 minutes).
Periods of Inoperation for Parametric Monitors	BAAQMD 1-523.2	Intermittent Compliance	15 Consecutive days/incident and 30 calendar days/ 12 month period	BAAQMD 1-523.4	Records of Inoperative Monitor Flow meters calibrated 11/4-11/21 (KW/hr calculated flow continuous). Previously reported.
Heat Input	BAAQMD Condition # 1777, Part 9	In Compliance	162 MM BTU/day/engine and 177,390 MM BTU per 12-month period for all engines combined	BAAQMD Condition # 1777, Part 10 a-c	Records
5-Year Recordkeeping	BAAQMD Standard Condition E	Intermittent Compliance	Requires Maintaining of required records for period of 5-years after	Regulation 3; MOP Volume II; Part 3, 4.7; BAAQMD 8-34-5-1.12	Any historical inoperative monitor represents missing records.

**MONITORING REPORT  
 APPLICABLE LIMITS & COMPLIANCE MONITORING REQUIREMENTS  
 GUADALUPE ENERGY HOLDINGS LLC  
 PERMIT NUMBER B1669  
 SOURCE S-5**

**REPORTING PERIOD – July 1, 2011 through December 31, 2011**

<u>Source No. S-5</u>					
Type of Limit	Citation of Limit	Compliance Status	Type of Limit	Monitoring Requirement Citation	Monitoring Type
Opacity	BAAQMD 6-301	In Compliance	Ringelmann #1	Not Applicable	None Required
FP	BAAQMD 6-310	In Compliance	0.15 grains/dscf	Not Applicable	None Required
TOC	BAAQMD 8-34-301.2 SIP 8-34-301.1	In Compliance	1000 ppmv as Methane (component leak limit)	BAAQMD 8-34-501.6 and 8-34-503 SIP 8-34-505	Quarterly Inspection and Records
TOC	SIP 8-34-114	In Compliance	90% removal by weight	BAAQMD Condition # 17777, Part 7c	Annual Source Test
Non-Methane Organic Compounds (NMOC)	BAAQMD 8-34-301.4b	In Compliance	98% removal by weight OR < 120 ppmv dry @ 3% O <sub>2</sub> , expressed as methane	BAAQMD 8-34-412 & 8-34-501.1 & Condition # 17777, Part 7 d-e	Annual Source Tests & Weekly CO & O <sub>2</sub> Testing.
SO <sub>2</sub>	BAAQMD 9-1-301	In Compliance	Property Line Ground Level Limits < 0.5 ppm for 3 minutes, < 0.25 ppm for 60 minutes, and < 0.05 ppm for 24 hours	Not Applicable	None Required
SO <sub>2</sub>	BAAQMD 9-1-302	In Compliance	< 300 ppm (dry)	BAAQMD Condition # 17777, Part 8	Sulfur Analysis of landfill gas only

**MONITORING REPORT  
 APPLICABLE LIMITS & COMPLIANCE MONITORING REQUIREMENTS  
 GUADALUPE ENERGY HOLDINGS LLC  
 PERMIT NUMBER B1669  
 SOURCE S-5**

**REPORTING PERIOD - May 1, 2011 through June 30, 2011**

<b>Source No. S-5</b>					
Type of Limit	Citation of Limit	Compliance Status	Type of Limit	Monitoring Requirement Citation	Monitoring Type
H <sub>2</sub> S	BAAQMD 9-2-301	In Compliance	Property Line ground level limits < 0.06 ppm Averaged over 3 minutes and < 0.03 ppm Averaged over 60 minutes	Not Applicable	None Required
Total Sulfur Content in Landfill Gas	BAAQMD Condition # 17777, Part 8	In Compliance	< 1300 ppmv (dry)	BAAQMD Condition # 17777, Part 8	Sulfur Analysis of Landfill gas only
NO <sub>x</sub>	BAAQMD 9-8-302.2 and BAAQMD Condition # 17777, Part 3	In Compliance	Waste Fuel Gas, Rich-Burn 110 ppmv dry @ 15% O <sub>2</sub>	BAAQMD Condition # 17777, Part 7d	Annual Source Test & Quarterly Monitoring
CO	BAAQMD 9-8-302.3	In Compliance	Waste Fuel Gas: 2000 ppmv dry @ 15% O <sub>2</sub>	BAAQMD Condition # 17777, Part 7d	Annual Source Test & Weekly & Quarterly Monitoring
CO	BAAQMD Condition # 17777, Part 4	In Compliance	160 ppmv dry @ 15% O <sub>2</sub>	BAAQMD Condition # 17777, Part 7d	Annual Source Test & Weekly & Quarterly Monitoring

**MONITORING REPORT**  
**APPLICABLE LIMITS & COMPLIANCE MONITORING REQUIREMENTS**  
**GUADALUPE ENERGY HOLDINGS LLC**  
**PERMIT NUMBER B1669**  
**SOURCE S-5**

**REPORTING PERIOD – July 1, 2011 through December 31, 2011**

<u>Source No. S-5</u>					
Type of Limit	Citation of Limit	Compliance Status	Type of Limit	Monitoring Requirement Citation	Monitoring Type
Emission Control System Startup Shutdown or Malfunction (Gas Skid Only)	40 CFR 60.755(e)	In Compliance	< 1 hour per event	40 CFR 60.7(b), 60.757(b)(2) and (f)(3), and 60.758(e)	Records of occurrence and duration
Gas Flow	BAAQMD 8-34-301 and 301.1	In Compliance	Vent all collected gases to a properly operating control system and operate control system continuously.	BAAQMD 8-34-501.10 and 508	Gas Flow Meter and Recorder (every 15 minutes).
Gas Flow	SIP 8-34-301 and 301.4	In Compliance	Vent all collected gases to a properly operating control system and operate control system continuously.	SIP 8-34-501.1	Gas Flow Meter and Recorder (every 15 minutes).
Gas Flow	40 CFR 60.753(a) and (e)	In Compliance	Vent all collected gases to a properly operating control system and operate control system at all times when gas is vented to it.	40 CFR 60.756(b)(2) (i or ii) and 60.758(c)(2)	Gas Flow Meter and Recorder (every 15 minutes).
Periods of Inoperation of Parametric Monitors	BAAQMD 1-523.2	Intermittent Compliance	15 Consecutive days/incident and 30 calendar days/ 12 month period.	BAAQMD 1-523.4	Records of Inoperative Monitor Flow meters calibrated 11/4-11/22 (KWhr calculated flow continuous) Previously reported.

**MONITORING REPORT**  
**APPLICABLE LIMITS & COMPLIANCE MONITORING REQUIREMENTS**  
**GUADALUPE ENERGY HOLDINGS LLC**  
**PERMIT NUMBER B1669**  
**SOURCE S-5**

**REPORTING PERIOD - July 1, 2011 through December 31, 2011**

<u>Source No. S-5</u>					
Type of Limit	Citation of Limit	Compliance Status	Type of Limit	Monitoring Requirement Citation	Monitoring Type
Continuous Monitor	40 CFR 60.13(e)	In Compliance	Requires Continuous Operation except for breakdowns, repairs, calibration, and required span adjustments	40 CFR 60.7(b)	Records of occurrence and duration
Heat Input	BAAQMD Condition # 1777, Part 9	In Compliance	324 MM BTU/day/engine and 118,260 MM BTU per 12-month period for all engines combined	BAAQMD Condition # 1777, Part 10 a-c	Records
5-Year Recordkeeping	BAAQMD Standard Condition E	Intermittent Compliance	Requires Maintaining of required records for period of 5-years after	Regulation 3; MOP Volume 11; Part 3, 4.7; BAAQMD 8-34-5-1.12	Any historical imperative monitor represents missing records.



**MONITORING REPORT  
 APPLICABLE LIMITS & COMPLIANCE MONITORING REQUIREMENTS  
 GUADALUPE ENERGY HOLDINGS LLC  
 PERMIT NUMBER B1669  
 SOURCE S-7**

**REPORTING PERIOD – July 1, 2011 through December 31, 2011**

<u>Source No. S-7</u>					
Type of Limit	Citation of Limit	Compliance Status	Type of Limit	Monitoring Requirement Citation	Monitoring Type
VOC Emission Limit	BAAQMD 8-2-301	In Compliance	15 pounds/day or 300 ppmv, dry basis	BAAQMD Condition #18306 Part 4	Throughput Records
Throughput Limit	BAAQMD Condition #18306 Part 1	Intermittent Compliance	90,000 gallons of landfill gas condensate per 12-month period	BAAQMD Condition #18306 Part 4	Throughput Records Previously Reported Letter Attached

# FORTISTAR Methane Group

## Gas Recovery Systems, LLC

15999 Guadalupe Mines Road • San Jose, California 95120

Tel. (408) 997-6109 • Fax. (408) 997-6122

May 26, 2011

Director of Compliance and Enforcement  
Bay Area AQMD  
939 Ellis Street  
San Francisco, CA 94109

Attn: Title V reports

Subject: 10 & 30 Day Report for Gas Recovery Systems, LLC - Plant B1669

- Engine Exhaust Temperature Deviation
- Parametric Monitor Downtime
- Weekly CO & O2 Monitoring

Plant #B1669 is a landfill gas to energy facility operated by Gas Recovery Systems, LLC (GRS) at 15999 Guadalupe Mines Road, San Jose, CA 95120. This facility is commonly referred to as the Guadalupe Facility. During review of the semi-annual data for period ending April 30, 2011, GRS observed three cases of intermittent compliance which have not been reported to date. A fourth case (condensate throughput exceedance) has been previously reported and the previous letter is attached to the semi-annual monitoring report.

The combustion temperature for engine 4 (S-5) fell below the lower temperature calculated from the most recent compliant source test which is a deviation from the combustion temperature requirements in Tables IV-A and VII-A of the Facility Permit. This occurred on November 8, 2010 and February 8, 2011. Such deviations of temperature are related to changes in gas quality which is outside our control. The engine is equipped with controls that determine temperature of combustion based on heat content of influent gas while maintaining operating parameters at set points (emissions, air fuel ratio, etc.). The engines self corrected and needed no adjustments. It should be noted that the Renewal of the Major Facility Review Permit, effective March 29, 2011, has removed the combustion temperature monitoring requirements given the engines are consuming treated landfill gas, which is exempt from the NSPS regulation that sets forth combustion temperature requirements.

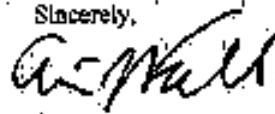
On November 4, 2010 the landfill gas flow meters for Engines #1, 2, & 3 (combined) and Engine #4 were both sent out for factory calibration and were placed into service again on November 22, 2010. This, coupled with previously reported temperature monitor downtime, represents a deviation from BAAQMD Regulation J-§23.2 for limitation on parametric monitor downtime. It should be noted that flow continued to be monitored and recorded using a BAAQMD approved calculation method based on KW-hr output.

Finally, weekly CO & Oxygen monitoring (which was initiated in the Renewal Permit dated March 29, 2011) was not performed until the week of May 23, 2011 due to a delay in the transition from temperature monitoring to weekly CO & Oxygen monitoring, however the continuous temperature monitoring which that condition was designed to replace, was performed and there were no deviations noted.

BAAQMD -- Title V Report  
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If there are any questions regarding this report, please direct them to Suparna Chakladar at (951) 833-4153.

Sincerely,



Anthony Falbo  
Senior Vice President - Operations  
FORTSTAR Methane Group  
Gas Recovery Systems, LLC

cc: Suparna Chakladar, FMG  
Bryan Lawrence, FMG

## **FORTISTAR Methane Group**

**Guadalupe Energy Holdings, LLC**

15999 Guadalupe Mines Road • San Jose, California 95120

Tel. (408) 997-6109 • Fax. (408) 997-6122

March 9, 2011

Director of Compliance and Enforcement

Bay Area AQMD

939 Ellis Street

San Francisco, CA 94109

**Subject: Gas Recovery Systems, LLC - Plant B1669  
Exceedence of Conditions 18306.1 and 18306.2 for S-7  
10 and 30 day Report**

Plant #B1669 is a landfill gas to energy facility operated by Guadalupe Energy Holdings, LLC (GEH) at 15999 Guadalupe Mines Road, San Jose, CA 95120. This facility is commonly referred to as the Guadalupe Facility.

GEH is notifying you of the exceedence of Condition Nos. 18306.1 and 18306.2 for S-7. Condition No. 18306.1 requires that the annual throughput through the condensate tank be limited to 90,000 gallons per year on a rolling average, while 18306.2 requires that only condensate be stored in the tank.

As you are aware, unusually high volumes of landfill liquids have been flowing into the condensate tank since December 22, 2010. Analyzing the historical condensate data has revealed that the volume of liquids being received at the tank since December 2010 is 5 to 10 times the typical monthly volume observed prior to that time. Laboratory analysis of condensate from our gas treatment skid, when compared with similar analysis of landfill liquids from the tank (samples collected and analyzed by landfill owner), indicates that the liquids differ in chemistry from condensate and therefore cannot be condensate. Furthermore, there has been no change in operation of our facility (volume of landfill gas processed and operation of gas treatment skid) prior to, or after, December 22, 2010, thus, the increased volume of liquids in the tank cannot be attributed to condensate. As is evident from Condition 18306.2, the BAAQMD did not account for S-7 to accept landfill liquids other than condensate, therefore the permitted annual throughput limit of the 90,000 gallons does not include liquids other than condensate. The quantity of condensate has not exceeded the 90,000 gallon permit limit.

We have informed the landfill owner that the volume of condensate observed in the tank is unrelated to our operation. Thus, the current deviation in Condition Nos. 18306.1 and 18306.2 caused by flow of landfill liquids into the condensate tank is beyond our control. We will continue reporting this deviation in our semi-annual reports until resolved. GEH has hired a consultant to study the reasons for the sudden increase in flow of landfill liquids into S-7. We expect to share our findings with the landfill owner so that a resolution can be implemented.

Since January 22, 2011, the landfill liquids are being hauled offsite for disposal as the landfill owner has denied us access to the flare for combustion of the liquids.

Please contact Suparna Chakladar at (951) 833-4153 if you have any questions regarding this issue.

Sincerely,



Anthony Falho  
Vice President and General Manager  
FORTISTAR Methane Group  
Gas Recovery Systems, LLC

cc: Gary Lipari, BAAQMD  
Suparna Chakladar, FORTISTAR  
Art Hayes, FORTISTAR