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10 **BEFORE THE HEARING BOARD OF THE**
11 **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

12 **In the Matter of**

13 COLTON POWER, LP – CENTURY

14 Order Granting a Short Variance

15 Section 42350 of the California
16 Health and Safety Code

CASE NO. 6167-4
Facility ID No. 18256

Hearing Date: January 11, 2024
Time: 9:30 a.m.
Place: Hearing Board
South Coast Air Quality
Management District
21865 Copley Drive
Diamond Bar, CA 91765

17 **[PROPOSED] FINDINGS AND DECISION OF THE HEARING BOARD**

18 This Petition for a Short Variance was heard on the Hearing Board’s Consent Calendar
19 on January 11, 2024, pursuant to notice and in accordance with the provisions of the California
20 Health and Safety Code section 40826 and South Coast Air Quality Management District
21 (“South Coast AQMD”) Rule 510. The following members of the Hearing Board were present:
22 Cynthia Verdugo-Peralta, Chair; Robert Pearman, Vice Chair; Mohan Balagopalan; Jerry P.
23 Abraham, MD, MPH, CMQ; Micah Ali; and Mohan Balagopalan. Colton Power, LP
24 (“Petitioner”), represented by Jon Boyer, did not appear. South Coast AQMD (“Respondent”),
25 represented by Mary Reichert, Senior Deputy District Counsel, did not appear.

26 The matter was submitted for consideration on the Consent Calendar. The public was
27 given an opportunity to testify. The Declaration of Joseph Shephard was received as evidence,
28

1 and the [Proposed] Findings and Decision of the Hearing Board was received. The Parties have
2 stipulated by Joint Stipulation to Place Matter on Consent Calendar and to the issuance of this
3 Order. The Hearing Board finds and decides as follows:
4

5 **Nature of Business and Location of Facility**

6 Colton Power, LP – Century (Facility ID 182561) (“Facility”) is an electrical power
7 generation facility comprised of four 10.5 megawatt (“MW”) simple cycle, natural gas-fired
8 turbines. The Facility provides electricity to the City of Colton during periods of peak electricity
9 demand. The Facility is located at 671 South Cooley Drive in Colton, California.
10

11 **Equipment that is the Subject of the Variance Petition**

12 The equipment that is the subject of this petition is comprised of one simple cycle 10.5
13 MW natural gas-fired turbine, Application/Permit No. 182561, RECLAIM Device No. D15. The
14 turbine generates electricity in times of peak demand and ensures electrical grid reliability to the
15 City of Colton.
16

17 **SUMMARY**

18 Petitioner is in violation of South Coast AQMD Rule 1134 (e)(2)(C)(iii), which requires
19 the Facility to perform an annual ammonia (NH₃) source test, commonly referred to as a “slip
20 test,” every calendar year and Rules 203(b), 2004(f)(1) and 3002(c)(1), which require
21 compliance with permit conditions. The Facility’s Permit to Operate contains a similarly worded
22 condition (Condition D28.1). Petitioner was unable to conduct the ammonia slip test for the
23 Facility’s Unit D15 by the end of December 2023 due to insufficient operability of the unit.
24 Because Petitioner cannot operate the unit, the ammonia slip test cannot be conducted. A short
25 variance is necessary to allow the Petitioner to complete repairs and reschedule the ammonia slip
26 test.
27
28

1 **FINDINGS OF FACT AND CONCLUSIONS**

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

5
6 **(a)(1) The petitioner for a variance is or will be in violation of a rule, regulation, or order of**
7 **the South Coast AQMD.**

8 Petitioner is in violation of South Coast AQMD Rule 1134(e)(2)(C)(iii) and out Rules
9 203(b), 2004(f)(1) and 3002(c)(1), which require compliance with permit conditions, because
10 Unit D15 could not be repaired in time to perform the required ammonia slip test by the
11 December 31, 2023 deadline, as set forth in Section D, Condition No. 28.1 of Petitioner’s Title
12 V/RECLAIM Facility Permit to Operate 182561. The unit is not operating currently. A
13 contractor has been scheduled for January 9, 2024 to assess the status of the unit and to complete
14 calibration and tuning.

15
16 **(b)(1) Non-compliance with South Coast AQMD Rule(s) is due to conditions beyond the**
17 **reasonable control of the Petitioner.**

18 The annual ammonia slip compliance test, required by South Coast AQMD Rule
19 1134(e)(2)(C)(iii), was scheduled for December 18-21, 2023. Historically, these tests have been
20 performed annually at this Facility in December. On December 7, 2023 Facility engineers
21 attempted to operate Unit D15 to confirm it would perform properly for the ammonia (NH3) slip
22 test. At that time, the engineers and plant operators were unable to keep Unit D15 operating.
23 The engineers and operators attempted to complete repairs that day, however, were unable to do
24 so.

25 From December 8-12, 2023, Facility staff set up data ports to enable remote access into
26 the unit for tuning. SISO Engineering, a controls engineering company, assisted with the remote
27 set up. On December 13, 2023, the remote access was tested. On December 14, 2023, staff test
28 ran the unit for remote testing by an outside contractor who specializes in the Facility’s GE10

1 model turbine. During the test, the unit faulted and tripped during several of the data collecting
2 runs. Only a maximum of 2 MWs was achieved, and only for limited times. On December 14,
3 2023, Facility engineers again tried to fix Unit D15, but were still unable to keep the unit
4 running. It was determined that it would not be possible to run the unit during the scheduled
5 ammonia slip test. The facility will not run Unit D15 until outside contractors arrive onsite to
6 assess the unit and perform calibrations and tuning of the combustor, which is scheduled for
7 January 9, 2024.

8 On December 19, 2023, petitioner was granted an ex parte emergency variance from
9 South Coast AQMD Rules 203(b), 2004(f)(1) and 3002(c)(1) {from Section D, Condition
10 No. 28.1 of Title V/RECLAIM Facility Permit to Operate 182561} and Rule 1134(e)(2)(C)(iii)
11 for Turbine Unit D15, until a short variance hearing could be held on January 11, 2024.

12 Ammonia slip testing must be conducted while the unit is operating under normal
13 conditions at normal load in accordance with AQMD test methods. Because the unit cannot be
14 consistently operated under normal load conditions, the ammonia slip test cannot be conducted.
15 The inability to conduct the ammonia slip test for D15 by the required deadline is due to the
16 recently discovered inoperative condition of D15, which is beyond the reasonable control of
17 Petitioner, as shown by Petitioner's efforts to repair the unit within the compliance period and
18 promptly thereafter.

19 Petitioner is requesting a variance until March 30, 2024, to allow petitioner time to
20 conduct any necessary repairs and perform the required source test.

21
22 **(b)(2) Requiring compliance would result in either (A) an arbitrary or unreasonable taking**
23 **of property, or (B) the practical closing and elimination of a lawful business.**

24 Petitioner cannot currently operate the unit consistently or at normal load conditions
25 without an unacceptable level of risk to both property and facility staff until repairs are complete.
26 Requiring compliance is therefore not reasonable in this circumstance. Especially considering
27 that the Facility will be able to conduct the ammonia test once repairs are completed in the first
28 quarter of 2024. Compliance testing for Unit D15 will be scheduled promptly for Unit D15 once

1 repairs have been completed, and Petitioners fully expect the testing to be completed within the
2 short variance period.

3
4 **(a)(3) The closing or taking would be without a corresponding benefit in reducing air**
5 **contaminants.**

6 As Unit D15 will not be operated until repairs are complete, there would be no
7 corresponding benefit in reducing air contaminants.

8
9 **(a)(4) The petitioner has given consideration to curtailing operations of the source in lieu of**
10 **obtaining a variance.**

11 The inability to operate Unit D15 is the cause of Petitioners request for a short variance,
12 as such there is no operation that can be curtailed in lieu of obtaining a variance.

13
14 **(a)(5) During the period the variance is in effect, the petitioner will reduce excess emissions**
15 **to the maximum extent feasible.**

16 Unit D15 will not be operated until repaired, which will be followed promptly by
17 ammonia slip testing. Thus, no emissions will result from the granting of the short variance
18 requested.

19
20 **(a)(6) During the period the variance is in effect, Petitioner will monitor or otherwise**
21 **quantify emission levels from the source, if requested to do so by the South Coast AQMD,**
22 **and report these emission levels to the South Coast AQMD pursuant to a schedule**
23 **established by the South Coast AQMD.**

24 Petitioner will operate and maintain the Continuous Emissions Monitoring System
25 (“CEMS”) associated with unit D15 for the duration of the variance. Records associated with
26 this CEMS can be provided to the South Coast AQMD upon request. The Facility also maintains
27 a fuel flow meter to unit D15, and will record the data to demonstrate non-operation for the
28 duration of the variance or until the unit has been repaired. Petitioner will perform the required

1 ammonia slip compliance test within 14 days of returning Unit D15 to service.

2
3 **ORDER**

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

5 A. Petitioner is granted a short variance from South Coast AQMD Rules 203(b),
6 2004(f)(1) and 3002(c)(1) {from Section D, Condition No. 28.1 of Title V/RECLAIM
7 Facility Permit to Operate No. 182561} and Rule 1134(e)(2)(C)(iii) for Turbine Unit
8 D15, commencing January 11, 2024 and continuing through March 30, 2024, the final
9 compliance date.

10 B. The variance granted herein is subject to the following conditions:

- 11 1. Petitioner shall complete the repair of Turbine No. 3 (Device No. D15)
12 expeditiously and provide a notification when the repair is complete to the South
13 Coast AQMD via email to AQ Engineer Philip Nguyen (pnguyen2@aqmd.gov),
14 AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), and Supervising AQ
15 Inspector Thomas Lee (tlee2@aqmd.gov).
- 16 2. Petitioner shall conduct the ammonia slip test in accordance with permit condition
17 D28.1 within 14 operating days after Turbine No. 3 (Device D15) is returned to
18 service, and before March 30, 2024.
- 19 3. Petitioner shall notify the South Coast AQMD by calling 1-800-CUT-SMOG and
20 by sending an email to AQ Inspector II Avelino Revilla (arevilla@aqmd.gov),
21 Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov), and AQ Engineer
22 Philip Nguyen (pnguyen2@aqmd.gov) at least 24 hours prior to starting the
23 ammonia slip test.
- 24 4. Petitioner shall submit a complete source test report showing preliminary
25 compliance with ammonia slip conditions to the South Coast AQMD Source
26 Testing (sourcetesting@aqmd.gov) and to AQ Inspector II Avelino Revilla
27 (arevilla@aqmd.gov) and Supervising AQ Inspector Thomas Lee
28 (tlee2@aqmd.gov) within 45 calendar days after the test date.

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- 5. Petitioner shall operate the Continuous Emissions Monitoring System (CEMS) to continuously monitor the exhaust from the Turbine No. 3 (Device No. D15) 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.
- 6. Petitioner shall notify the Clerk of the Board at clerkofboard@aqmd.gov when final compliance is achieved.

FOR THE BOARD: _____

DATED: _____