

NOTICE OF FINAL ACTION FOR THE ISSUANCE OF A FINAL DETERMINATION OF COMPLIANCE AND PREVENTION OF SIGNIFICANT DETERIORATION NOTIFICATION

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has made its Final Determination of Compliance (FDOC) for Hydrogen Energy of California LLC's proposed installation of a power generation facility that uses integrated gasification combined cycle (IGCC), to produce a hydrogen-rich synthesis gas from a blend of coal or petroleum coke to power one combined-cycle combustion turbine generator. The facility will generate a total net output of up to a nominal 300 megawatts (MW) (up to a nominal 431 MW gross output) in a combined cycle power block; manufacture of up to 1 million tons per year of nitrogen-based products in an integrated fertilizer manufacturing complex; and capture a stream that is comprised primarily of carbon dioxide (CO₂), a greenhouse gas, and transport it by pipeline to a neighboring oilfield for enhanced oil recovery (EOR) and sequestration. The proposed project is to be located at Section 10, Township 30S, Range 24E, approximately 1.5 miles northwest of Tupman in western Kern County.

The project is subject to the requirements of Rule 2201 (New and Modified Stationary Source Review) and Rule 2410 (Prevention of Significant Deterioration). The proposed installation will result in significant emission increases of 158.9 ton NO₂/year, 272.4 ton CO/year, 90.1 ton PM/year, 90.1 ton PM₁₀/year, and 593,655 ton CO_{2e}/year which are subject to the requirements of Rule 2410. There is no increment consumption of any attainment pollutant.

The FDOC reflects changes made to the Preliminary Determination of Compliance in response to comments received. The changes reflected in the FDOC were minor and did not significantly change permitted emission levels nor did they affect the bases for our decision. Our FDOC has been forwarded to the California Energy Commission for their use in the power plant licensing process. More information on the CEC licensing process for the HECA facility can be found at:
http://www.energy.ca.gov/sitingcases/hydrogen_energy/notices/index.html.

The analysis of the regulatory basis for the District's action on the HECA Proposal (Project #S-1121903) is available for public inspection at any District office (the Bakersfield office is located at 34946 Flyover Court), or on the District Website at http://www.valleyair.org/notices/public_notices_idx.htm#S-1121903.

For more information in English or Spanish about the District decision including our responses to comments or to receive a printed copy of the FDOC please contact Homero Ramirez of the Permit Services Department at (661) 392-5616 or by email at Homero.Ramirez@valleyair.org.