

San Joaquin Valley Air Pollution Control District
Summary of Preliminary Determination of Compliance for Hydrogen Energy California, LLC
(Facility S-7616, Project S-1121903)

Hydrogen Energy California, LLC (HECA) is proposing the 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 and petroleum coke to power one combined-cycle combustion turbine generator. The plant will have a nominal net output of 300 megawatts (MW). The facility will capture carbon dioxide (CO₂) and transmit it by pipeline to Elk Hills oilfield for enhanced oil recovery and sequestration. The facility will also produce up to one million tons per year of nitrogen based fertilizer products in an integrated fertilizer manufacturing complex.

The proposed project requires that various materials be transported to and from the facility by truck and/or rail. The feedstock petroleum coke would be delivered by trucks, while the feedstock coal would be delivered by trucks and/or rail. Product and waste materials such as ammonia, urea, urea ammonium nitrate, sulfur, and gasification solids would be transported from the facility by trucks.

The proposed equipment will be located at Section 10, Township 30S, Range 24E near the intersection of Adhor Rd and Tupman Rd. The closest population center is the residential district of Tupman, approximately 1.5 miles to the southeast.

The facility has proposed to utilize the best available air pollution control technology (BACT) on the equipment at their facility. In addition, the facility has demonstrated compliance with all District emissions offsetting requirements. The proposed facility will be a major source of emissions for nitrogen oxide (NO_x), volatile organic compounds (VOCs), particulate matter less than 10 microns in diameter (PM₁₀), carbon monoxide (CO), and greenhouse gases (GHGs).

The District has conducted an air quality impact analysis for the proposed facility and has concluded that the proposed equipment will not cause a violation of any federal air quality standard for NO_x, PM₁₀, CO or sulfur oxides. In addition, the District determined that the project will not create a significant risk due to the emissions of any hazardous air pollutants.

The District's evaluation of the HECA project demonstrates that the project is in compliance with all applicable District rules, New Source Performance Standards, National Emissions Standards for Hazardous Air Pollutants, and California Health & Safety Code requirements.

The District has therefore proposed to issue a Determination of Compliance (DOC) to the California Energy Commission (CEC) indicating that the proposed project is in compliance with these rules. The CEC is the licensing agency for this power plant and will consider the District's DOC when issuing that license. The District is requesting comments on the District's DOC analysis, located at http://www.valleyair.org/notices/public_notices_idx.htm (look for April 4 and April 11, 2013).

The District held public hearing on the proposed issuance of the DOC on April 2, and will be holding a second public hearing on May 15, 2013 at 6:00 PM at Buttonwillow Union School District in the Music Room at 46200 California Highway 58 in Buttonwillow, CA. The hearing will be conducted in Spanish. Simultaneous interpretation in English will be available. As a result of this public hearing, the public comment period on the DOC has been extended to May 30, 2013 at 5:30 PM.

If you have any questions or verbal or written comments, please contact Homero Ramirez of Permit Services at (661) 392-5500, by email at homero.ramirez@valleyair.org, or by US mail at San Joaquin Valley Air Pollution Control District, 34946 Flyover Court, Bakersfield, CA 93308.