

**San Joaquin Valley Air Pollution Control District
Central REGION HEARING BOARD MEETING**

Central Region Office Governing Board Room
1990 E. Gettysburg Ave., Fresno, CA 93726

ACTION SUMMARY MINUTES

Wednesday, August 19, 2015

Meeting held in the Central Region Office (Fresno)

1. Call Meeting to Order
The Chair, Jerry Boren, called the meeting to order at 10:01 a.m.

2. Roll Call
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|--------------------------------|---------|
| Jerry Boren (Chair) - Engineer | Present |
| Blaine Hall – Public | Present |
| Brad Pawlowski – Public | Present |
| Loraine Goodwin – Medical | Present |

Staff Present:

Central Region (Fresno): Jessi Fierro, Assistant District Counsel; Clay Bishop, Supervising Air Quality Specialist; Patrick Houlihan, Senior Air Quality Specialist; Michael Carrera, Air Quality Compliance Manager; Carol Flores, Operations and Program Support Supervisor

3. Approve Minutes of June 17, 2015
The Chair asked if there were any comments regarding the Minutes for June 17, 2015. Hearing no comments, the Chair declared the minutes were approved as submitted.

4. Public Hearing
The Chair swore in all those present to testify for all matters.

<u>Docket No.</u>	<u>Type</u>	<u>Company Name</u>
A. C-15-12R	Regular	Midway Peaking LLC 43627 West Panoche Road Firebaugh, CA 93622

Petitioners: Matt Lydon and Ramiro Gonzalez

Mr. Houlihan presented the Staff Report.

Midway has requested a regular variance from the applicable requirements of District Rules 2070, 2201, and 2520 in addition to the applicable conditions of the subject permits. The requested variance period would be from August 4, 2015, until December 31, 2015. If granted, the variance would allow the operation of the subject

turbines with excess NH₃ until a solution can be found to return NH₃ emission to compliance.

Mr. Boren requested a review of the required findings for this facility. Mr. Houlihan briefly explained the required findings for this facility.

Mr. Boren requested the definition of palladium. Mr. Houlihan explained palladium is a metal typically used in catalysts.

Dr. Goodwin asked if the metal is obtained from China. Mr. Lydon explained the new equipment will not contain palladium and was not certain of its origin. He added the palladium catalyst has shown degradation.

Mr. Boren asked what will be used instead of palladium. Mr. Lydon said the new catalyst is more robust and is 100% platinum based instead of the palladium/platinum mixture. Mr. Boren asked how long the new catalyst is expected to last. Mr. Lydon responded the new catalyst is expected to last ten years.

Dr. Goodwin requested the cost of a new catalyst. Mr. Lydon responded the cost of the project for the one unit will be approximately \$250,000.

Mr. Boren requested information on the total ammonia emissions in the Valley compared to the expected excess emissions by the facility. Ms. Fierro explained the ammonia emissions in the Valley are approximately 450 tons per day. She stated ammonia is significant to the formation of particulate matter in the winter time in the Valley; the formation of particulates is limited by NO_x and we are less concerned by ammonia in the Valley.

Mr. Hall asked how the facility would know if they are a public nuisance. Mr. Houlihan explained the District would receive complaints and then contact the facility. Ms. Fierro added the facility makes their own assessment as well such as extreme odors and visible emissions.

Mr. Hall asked if the equipment was considered new technology when originally installed. Mr. Lydon responded affirmatively. Mr. Hall asked if there was previous knowledge that efficiency would likely be reduced. Mr. Lydon responded there was no previously knowledge of a possibility of reduced efficiency. He added a third party discovered the catalyst was the issue. Mr. Gonzalez commented the degradation being seen on the CO catalyst results in injecting more water to suppress the NO_x which in turn creates more CO and pushes the limit of the design. During the period of the construction of the facility CO catalyst manufacturers were producing catalysts with palladium/platinum blends due to cost of precious metals. Studies show as a result of the blends there is sulfur contamination even with stringent limits. Over time the palladium will collect enough sulfur to destroy the catalyst making it less efficient.

Dr. Goodwin asked if the facility is isolated from residential areas. Mr. Gonzalez responded affirmatively.

Mr. Hall asked if residents would experience a power outage if the facility could not operate. Mr. Lydon explained the electricity company would ask another facility to provide power and most likely at a higher energy consuming rate.

Mr. Houlihan reported the Governing Board approved an amendment to the Hearing Board fee structure; after July 1, 2015 a new petition fee of \$2.50 per pound of excess emissions will be assessed to offset higher newspaper publishing fees and engineering staff time with a cap of \$7,500.

Public Comments: None

Having decided the petition has met the required findings, on motion of Dr. Goodwin and seconded by Mr. Pawlowski, unanimously passed, the petitioner was granted a regular variance.

5. Emergency Variance

The Central Region Hearing Board heard and granted three emergency variances since the June 17, 2015, hearing.

6. Public Comments

None

7. Hearing Board Member Comments

None.

8. New Business

None

9. Next Scheduled Meeting

The next scheduled meeting is September 16, 2015. The meeting will be held in the Central Region Office (Fresno) in the Governing Board room.

10. Adjourn

The Chair adjourned the meeting at 10:37 a.m.