NOTICE OF RECEIPT
PETITION TO AMEND
THE ENERGY COMMISSION DECISION for the MIDLWAY SUNSET PROJECT (85-AFC-3C)

On June 29, 2007, the Midway Sunset Cogeneration Company (MSCC) filed a petition with the California Energy Commission requesting to modify the Midway Sunset Cogeneration Project. The 225-megawatt project was certified by the Energy Commission on May 14, 1987, and began commercial operation on May 1, 1989. The facility is located in Fellows in Kern County, California and uses cogeneration steam to aid in the enhanced oil recovery process.

DESCRIPTION OF PROPOSED MODIFICATION

The modification proposed in the petition would allow the project to increase the amount of unreacted ammonia (ammonia slip) into the stack emissions from 5 to 10 parts per million (ppm) at 15 percent O2 averaged over 24 hours. The increase is required because of the use of Selective Catalytic Reduction (SCR) systems as described below.

BACKGROUND

In September 2003, the Energy Commission approved a petition to add SCR systems to each of their three turbine units. The addition of SCR was required to meet the San Joaquin Valley Air Pollution Control District’s (District) revised Rule 4703 NOx limit of 5 ppm at 15 percent O2. As a result of the installed ammonia injected SCR systems, a small amount of ammonia slip is emitted into the stack emissions. The District, using their Best Available Control Technology (BACT) determination procedures, stipulated an ammonia slip emission limit of 10 ppm as a condition in MSCC’s revised air permits. Since California Air Resources Board (CARB) staff guidelines recommend an ammonia slip limit of 5 ppm and MSCC included with the petition a manufacturer’s performance guarantee of 5 ppm, Commission staff recommended, and MSCC agreed to, a 5 ppm ammonia slip.

In October 2006, MSCC received approval from the Energy Commission to install an Evolution Rotor into one of MSCC’s units which would increase output and lower the unit thermal heat rate. Because of the increased output and the potential of increased emissions, the District required MSCC to meet BACT requirements for new turbines of 2.0 ppm NOx and 6.0 ppm CO (at 15 percent O2). MSCC agreed that the BACT requirements could be met and Commission staff included the limits as conditions for the post certification amendment. The October 2006 amendment petition did not address the ammonia slip emission limit.
Subsequent field tests have shown that MSCC cannot maintain a NOx emission of less than 2 ppm and hold the ammonia slip under the Energy Commission’s 5 ppm limit. The modifications do not change or undermine the assumptions, rationale, findings or other bases of the Commission’s final decision.

ENERGY COMMISSION REVIEW PROCEDURES

The purpose of the Energy Commission’s review process is to assess the impacts of this proposal on environmental quality, public health and safety. The review process includes an evaluation of the consistency of the proposed changes with the Energy Commission’s Decision and if the project, as modified, will remain in compliance with applicable laws, ordinances, regulations, and standards (Title 20, Calif. Code of Regulations, section 1769). Energy Commission staff is currently analyzing the request and will publish an analysis in the next several weeks. A public hearing for the purpose of approving or denying the amendment proposal will subsequently be held at a regularly scheduled Energy Commission business meeting.

This Notice of Receipt is being mailed to interested parties and property owners adjacent to the project site who may want to participate in the amendment process.

The petition is available on the Energy Commission’s website at http://www.energy.ca.gov/siting_pre-1999_compliance/midway_sunset/amendment/. The staff analysis (when published), will also be posted on the website. If you would like to receive a hard copy of the petition and/or staff’s analysis, please complete the enclosed Information Request Form and return it to the address shown.

If you have any comments or questions, please contact Connie Bruins, Compliance Project Manager, at (916) 654-4545, or by fax to (916) 654-3882, or via e-mail at: cbruins@energy.state.ca.us within 14 days of the date of this notice.

For further information on how to participate in this proceeding, please contact the Energy Commission Public Adviser’s Office, at (916) 654-4489, or toll free in California at (800) 822-6228, or by e-mail at pao@energy.state.ca.us. If you require special accommodations, please contact Lourdes Quiroz at (916) 654-5146. News media inquiries should be directed to Assistant Director, Claudia Chandler, at (916) 654-4989, or by e-mail at mediaoffice@energy.state.ca.us.

Date: July 17, 2007

ROGER E. JOHNSON, Manager
Siting and Compliance Office
Energy Facilities Siting Division

Enclosure: Information Request Form
Mail List # 764
INFORMATION REQUEST FORM

COMPLETE & MAIL TO: CALIFORNIA ENERGY COMMISSION
COMPLIANCE UNIT
ATTN: CONNIE BRUINS
1516 NINTH STREET, MS-2000
SACRAMENTO, CA  95814

OR FAX TO: (916) 654-3882

NAME AND/OR TITLE   (AS IT IS TO APPEAR ON MAIL LABEL)

ORGANIZATION (IF APPLICABLE)

STREET ADDRESS OR P.O. BOX

CITY                                                                     STATE       ZIP CODE

PROPOSED AMENDMENT TO THE COMMISSION DECISION FOR THE MIDWAY SUNSET COGEN PROJECT'S PETITION TO INCREASE AMMONIA SLIP

PLEASE CIRCLE THE DOCUMENTS YOU WOULD LIKE TO RECEIVE:

• PETITION TO AMEND
• STAFF ANALYSIS

PROJECT: MIDWAY SUNSET COGEN PROJECT
DOCKET NO: 85-AFC-3C
MAIL LIST NO: 764