

PROPOSED AMENDED RULE 1135 Emissions of Oxides of Nitrogen from Electric Power Generating Systems

Working Group Meeting #2 April 26, 2018

Agenda

- Summary of Working Group #1
- Individual Stakeholder Meetings
- Emissions Data from PAR 1135 Equipment
- Initial BARCT Assessment
- Initial Rule Concepts

Summary of Working Group #1 (01/24/18)

Background

- 2016 AQMP and AB 617
- Regulatory Background for Electricity Generating Facilities
 - Rule 2009
- Proposed Amended Rule (PAR) 1135 Facilities
- Equipment at Electricity Generating Facilities
- Initial Concepts
 - NOx Limit Recommendations
 - Implementation Timeline
 - Monitoring, Reporting, and Recordkeeping
- Potential Issues

Individual Stakeholder Meetings

Individual meetings with stakeholders

- 12 stakeholders, covering 25 facilities
- General Discussion Points
 - Facility operations
 - Implementation timeline
 - Electricity generating facilities need flexibility to handle power demands, outages, etc.
 - Unique circumstances and challenges
 - Startup and showdown limits
 - Monitoring, Reporting, and Recordkeeping
 - Low use exemptions
 - Incremental cost-effectiveness
 - Permitting
- Staff would like to meet with the remaining 8 stakeholders (covering 9 power plants)

Emissions Data

Emissions Data – Overview

■ Working Group #1

- Summarized equipment at electricity generating facilities
 - Data broken down by equipment category (internal combustion engines, boilers, simple cycle turbines, and combined cycle turbines/duct burners)
 - For each equipment category, compared equipment size versus permit emission limit
- Staff has further refined data and compiled annual emissions data
 - 147 pieces of equipment
 - 6 non-emergency internal combustion engines at 1 facility
 - 25 boilers
 - 24 utility boilers at 8 facilities
 - 1 auxiliary boiler at 1 facility
 - 1 permit pending for auxiliary boiler
 - 67 simple cycle turbines at 21 facilities
 - 8 permits pending at 3 facilities
 - 35 combined cycle turbines/duct burners at 13 facilities
 - 2 permits pending at 2 facilities





Initial BARCT Assessment

BARCT

- Is defined in the California Health and Safety Code Section 40406
 - "...an emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of source."
- BARCT is reassessed periodically and is updated as technology advances

Guiding Principles for Establishing BARCT Levels

- Consistent with state law, BARCT levels will take into account:
 - Environmental impacts;
 - Energy impacts; and
 - Economic impacts
- Must adhere to Health and Safety Code Section 40920.6, which establishes requirements prior to adopting rules or regulations regarding retrofit control technologies
- In addition to the overall cost-effectiveness, additional considerations for:
 - Outliers
 - Stranded assets
 - Incremental cost-effectiveness
 - Accounting for recent installations implementation of previous requirements (BARCT or BACT)

Background on BARCT Assessment for EGFs

- 1991 Rule 1135
 - BARCT assessment for system wide emission rates, daily and annual emission caps, oilburning, and cogeneration
- 2001 Adoption of Rule 2009
 - Required installation of BARCT through compliance plans
- 2014 Norton Engineering Study
 - Indicated 2 PPM NOx level can be achieved by retrofit with catalyst modifications and additions
- 2018 Amend Rule 1135
 - Conduct a new BARCT assessment

BARCT Analysis Approach

Identify Emission Levels Achieved In Practice

Assess Rules in Other Air Districts Regulating Same Equipment

Technology Assessment

Establishing the BARCT Emission Limit and Other Considerations

Cost-Effectiveness

Emission Levels Achieved In Practice

Identifying Emission Levels Achieved In Practice

- Grouped equipment by equipment type
- Identified:
 - Permit emission limits
 - Types of control
 - If emission limit is based on retrofit or replacement
 - Installation and retrofit year

Non-Emergency Internal Combustion Engines

- 6 diesel units result in 10% of EGF NOx emissions (69 tons)
- NOx permit emission limits ranges from 55 140 PPM
- All units installed at least 23 years ago
 - 5 of the units are older than 33 years old
- All units controlled with SCR at 70%
 - 5 of the units were retrofitted in 2003
 - 1 unit is an original installation

	Non-Emergency Internal Combustion Engines (Diesel)										
Unit	Size (HP)	Output (MW)	Install Year	Retrofit Year	Control*	NOx Limit (PPM)	NH3 Limit (PPM)	2016 NOx Emissions (tons)			
ICE1	1,575	1.125	1968	2003	SCR at 70% reduction	140	10	16			
ICE3	2,200	1.4	1985	2003	SCR at 70% reduction	103	10	5.3			
ICE5	1,500	1	1967	2003	SCR at 70% reduction	97	10	12			
ICE6	2,150	1.5	1964	2003	SCR at 70% reduction	97	10	8.2			
ICE2	3,900	1.5	1976	2003	SCR at 70% reduction	82	10	22			
ICE4	1,950	2.8	1995	None	SCR at 70% reduction	55	10	5.9			

Utility Boilers

- 24 units result in 16% of EGF NOx emissions (115 tons)
 - 17 natural gas units are to be repowered due to one-through-cooling (OTC) policy by 2029 at latest
 - 81.4 tons NOx/year
 - 11% of EGF NOx emissions
 - 71% of Utility Boiler NOx emissions
 - NOx permit emission limits ranges from 5 90 PPM
 - 4 units with 5 PPM NOx permit emission limit
 - 12 units with 7 PPM NOx permit emission limit
 - 1 unit at 90 PPM NOx permit emission limit
 - Units are between 49 70 years old
 - 16 units are controlled, all as retrofits

	Once-Through-Cooling Utility Boilers Repowering										
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Retrofit Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)	OTC Repower Date		
B21	4752	480	1968	1994	SCR/FGR/Staged Comb	5	20	5.4	9/30/2019		
B2	2021	215	1958	2001	SCR	7	10	8.2	11/1/2019		
B5	514		1948		none	90	N/A	0.0	11/1/2019		
B17	1785	175	1954	2001	SCR/Staged Comb	7	10	1.3	11/1/2019		
B20	1785	175	1957	2001	SCR/Staged Comb	7	10	3.3	11/1/2019		
B22	4752	480	1968	1994	SCR/FGR/Staged Comb	5	20	3.3	11/1/2019		
B1	1785	175	1956	2001	SCR/FGR/Staged Comb	7	10	2.0	12/29/2019		
B6	1785	175	1957	2001	SCR/FGR/Staged Comb	7	10	3.8	12/29/2019		
B19	4752	480	1966	1994	SCR/FGR	5	20	2.3	12/29/2019		

*FGR – Flue Gas Recirculation

*SCR – Selective Catalytic Reduction

*Staged Comb – Staged Combustion

			Once-Tl	hrough-Co	ooling Utility Boilers Repo	owering (coi	ntinued)		
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Retrofit Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)	OTC Repower Date
B16	4750	480	1969	1994	SCR/LNB/FGR	5	20	2.1	12/31/2020
B10	3350	320	1961	2001	SCR/FGR	7	10	14	12/31/2020
B13	3350	320	1962	2001	SCR/FGR	7	10	8.6	12/31/2020
B7	2021	215	1958	2001	SCR	7	10	7.6	12/31/2020
B4	1750	179	1958	2002	SCR	5	10	6.9	12/31/2024
В9	1750	179	1959	2002	SCR	5	10	1.8	12/31/2024
B3	2240	230	1962	1993	SCR	5	20	5.3	12/31/2029
B8	2240	230	1963	1993	SCR	5	20	5.5	12/31/2029

*FGR – Flue Gas Recirculation

*LNB – Low NOx Burner

Utility Boilers (Continued)

7 units remaining

- NOx permit emission limits ranges from 5 82 PPM
 - 2 natural gas units with 5 PPM NOx permit emission limit
 - 2 natural gas units with 7 PPM NOx permit emission limit
 - 3 landfill gas units with 38 82 NOx permit emission limits
- Units are between 49 to 65 years old
- All units controlled
 - 5 of the units are retrofits
 - 2 of the landfill gas units are original installations

	Utility Boilers										
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Retrofit Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)			
B23	552	44	1959	2002	SCR/LNB	5	10	0.0			
B24	605	55	1964	2002	SCR	5	10	0.0			
B11	2900	320	1963	2001	FGR/Staged Comb/SCR	7	10	3.6			
B12**	260	20	1953		LNB/FGR	40	N/A	3.7			
B14	2900	320	1963	2001	FGR/Staged Comb/SCR	7	10	4.1			
B15**	492	44	1959		LNB/FGR	82	N/A	9.2			
B18**	527	44	1969	2002	FGR/SNCR	38	10	13			

** Landfill gas fired

*FGR – Flue Gas Recirculation

*LNB – Low NOx Burner

*SCR – Selective Catalytic Reduction

*SNCR – Selective Non-Catalytic Reduction

*Staged Comb – Staged Combustion

Simple Cycle Turbines

- 67 units result in 21% of EGF NOx emissions (154 tons)
 - All units are original installations, none are retrofitted
 - 37 units (55%) are at or below 2.5 PPM NOx and 5 PPM NH3
 - All units installed in 2006 or later (3 12 years old)
 - (2) 490 MMBTU/HR units have a 2.3 PPM NOx and 5 PPM NH3 emission limits (installed in 2009)
 - 30 units are greater than 2.5 PPM NOx and 5 PPM NH3
 - NOx permit emission limits ranges from 3.5 24 PPM
 - 1 unit with 3.5 PPM NOx permit emission limit
 - 25 units with 5 PPM NOx permit emission limit
 - 2 units with 9 PPM NOx permit emission limit
 - 2 units with 24 PPM NOx permit emission limit
 - Install dates range from 1975 2003 (15 43 years old)

	Simple Cycle Turbines Less Than 2.5 PPM NOx & 5 PPM NH3										
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)				
T-SC-44	490	50	2009	SCR/water injection	2.3	5	0.72				
T-SC-53	490	50	2009	SCR/water injection	2.3	5	0.87				
T-SC-9	871.3	65	2007	SCR/water injection	2.5	5	0.91				
T-SC-22	906.6	103	2013	SCR/water injection	2.5	5	0.94				
T-SC-26	906.6	103	2013	SCR/water injection	2.5	5	1.1				
T-SC-49	871.3	65	2007	SCR/water injection	2.5	5	1.2				
T-SC-29	871.3	65	2007	SCR/water injection	2.5	5	1.2				
T-SC-39	871.3	65	2007	SCR/water injection	2.5	5	1.2				
T-SC-14	490	50	2006	SCR/water injection	2.5	5	1.3				
T-SC-36	479	50	2011	SCR/water injection	2.5	5	1.3				

Simple Cycle Turbines Less Than 2.5 PPM NOx & 5 PPM NH3 (continued)										
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)			
T-SC-34	490	50	2006	SCR/water injection	2.5	5	1.3			
T-SC-46	479	50	2011	SCR/water injection	2.5	5	1.4			
T-SC-55	479	50	2011	SCR/water injection	2.5	5	1.5			
T-SC-71	505	47	2007	SCR/water injection	2.5	5	1.5			
T-SC-17	479	50	2011	SCR/water injection	2.5	5	1.5			
T-SC-72	522	47	2007	SCR/water injection	2.5	5	1.7			
T-SC-69	505.7	47	2007	SCR/water injection	2.5	5	1.9			
T-SC-70	511.5	47	2007	SCR/water injection	2.5	5	2.0			
T-SC-8	891.7	100	2013	SCR/water injection	2.5	5	2.0			
T-SC-3	891.7	100	2013	SCR/water injection	2.5	5	2.5			

Simple Cycle Turbines Less Than 2.5 PPM NOx & 5 PPM NH3 (continued)										
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)			
T-SC-6	891.7	100	2013	SCR/water injection	2.5	5	2.6			
T-SC-7	891.7	100	2013	SCR/water injection	2.5	5	2.6			
T-SC-5	891.7	100	2013	SCR/water injection	2.5	5	2.6			
T-SC-2	891.7	100	2013	SCR/water injection	2.5	5	2.7			
T-SC-1	891.7	100	2013	SCR/water injection	2.5	5	2.7			
T-SC-4	891.7	100	2013	SCR/water injection	2.5	5	2.7			
T-SC-28	906.6	103	2013	SCR/water injection	2.5	5	3.8			
T-SC-27	906.6	103	2013	SCR/water injection	2.5	5	4.4			
T-SC-24	906.6	103	2013	SCR/water injection	2.5	5	4.6			
T-SC-20	906.6	103	2013	SCR/water injection	2.5	5	4.9			

	Simple Cycle Turbines Less Than 2.5 PPM NOx & 5 PPM NH3 (continued)										
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)				
T-SC-60	959	106	2015	SCR/water injection	2.5	5	7.0				
T-SC-58	891.7	100	2013	SCR/water injection	2.5	5	7.7				
T-SC-54	891.7	100	2013	SCR/water injection	2.5	5	8.0				
T-SC-62	959	106	2015	SCR/water injection	2.5	5	8.2				
T-SC-45	891.7	100	2013	SCR/water injection	2.5	5	9.7				
T-SC-16	891.7	100	2013	SCR/water injection	2.5	5	9.7				
T-SC-35	891.7	100	2013	SCR/water injection	2.5	5	10.2				

Simple Cycle Turbines NOx Emission Limits by Installation Date



Combined Cycle Gas Turbines and Duct Burners

- 35 units result in 53% of EGF NOx emissions (382 tons)
 - All units are original installations, none are retrofitted
 - 24 units (69%) are at or below 2.0 PPM NOx and 5 PPM NH3
 - All units installed in 2005 or later (3 13 years old)
 - 11 units are greater than
 - NOx emission limits ranges from 2.5 9 PPM
 - 5 units with 2.5 PPM NOx permit emission limit
 - 2 units with 7 PPM NOx permit emission limit
 - 1 unit with 7.6 PPM NOx permit emission limit
 - 3 units with 9 PPM NOx permit emission limit
 - Install dates range from 1976 2010 (equipment age is 8 42 years)

Co	ombined Cycle	Turbines	s and Di	uct Burners Less Tha	n 2.0 PPM M	NOx & 5 I	PPM NH3
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)
T-CC-21	547.5	71	2015	SCR/water injection	2	5	0.43
T-CC-10	2597	405	2008	SCR/DLN	2	5	1.8
T-CC-9	2597	405	2008	SCR	2	5	6.2
T-CC-11	454.05	71.7	2005	SCR	2	5	9.8
DB-11	81.2		2005	SCR	2	5	10
T-CC-12	454.05	71.7	2005	SCR	2	5	9.9
DB-12	81.2		2005	SCR	2	5	10
T-CC-6	2096	286.5	2013	SCR/DLN	2	5	11
T-CC-7	2096	386.5	2013	SCR/DLN	2	5	11

*DLN – Dry Low NOx

Combin	Combined Cycle Turbines and Duct Burners Less Than 2.0 PPM NOx & 5 PPM NH3 (continued)									
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)			
T-CC-18	1757	295	2008	SCR/water injection	2	5	21			
DB-18	286.6		2008	SCR/water injection	2	5	0.7			
T-CC-15	1991	264	2005	SCR/DLN	2	5	23			
DB-15	135		2005	SCR/DLN	2	5	0.2			
T-CC-14	1991	264	2005	SCR/DLN	2	5	23			
DB-14	135		2005	SCR/DLN	2	5	0.13			
T-CC-13	1991	264	2005	SCR/DLN	2	5	24			
DB-13	135		2005	SCR/DLN	2	5	0.13			
T-CC-16	1991	264	2005	SCR/DLN	2	5	25			
DB-16	135		2005	SCR/DLN	2	5	0.18			

*DLN – Dry Low NOx

Combin	Combined Cycle Turbines and Duct Burners Less Than 2.0 PPM NOx & 5 PPM NH3 (continued)									
Unit	Size (MMBTU/HR)	Output (MW)	Install Year	Control*	NOx Limit (PPM)	NH3 (PPM)	2016 NOx Emissions (tons)			
T-CC-20	2205	321	2015	SCR/DLN	2	5	26			
T-CC-8	1787	328	2005	SCR/DLN	2	5	33			
DB-8	583		2005	SCR/DLN	2	5	0.0			
T-CC-19	1757	295	2008	SCR/water injection	2	5	38			
DB-19	286.6		2008	SCR/water injection	2	5	0.67			

Combined Cycle Turbines NOx Emission Limits by Installation Date



Summary – Achieved in Practice

Equipment	Retrofit NOx Limit (ppm)	Equipment Meeting Limit	New Install NOx Limit (ppm)	Equipment Meeting Limit
Non-Emergency Internal Combustion Engine (Diesel)	82	17%, 1 unit	55	17%, 1 unit
Utility Boiler (Natural Gas)	5	25%, 6 units	40	4%, 1 unit
Simple Cycle Turbine (Natural Gas)	None	N/A	2.3	3%, 2 units
Combined Cycle Turbine/ Duct Burner (Natural Gas)	None	N/A	2.0	69%, 24 units

Other Air Districts

Rule Limits in Other Air Districts

Non-Emergency Internal Combustion Engines (Diesel)			
Agency	NOx Limit (PPM)		
Bay Area AQMD	Rich Burn – 56 Lean Burn – 140		
San Joaquin Valley APCD	80		

Utility Boilers			
Agency	Boiler Capacity (MMBTU/HR)	NOx Limit (PPM)	
Bay Area AQMD	> 1,175 > 1,500 to < 1,175 < 1,500	10 25 30	
San Joaquin Valley APCD	> 20	6	

Rule Limits in Other Air Districts

Turbines				
Agency	Capacity	Output	NOx Limit	
	(MMBTU/HR)	(MW)	(PPM)	
Bay Area AQMD*	5 - 50 > 5 - 150 > 150 - 250 > 250 - 500 > 500	N/A	42 25 - 42 15 9 5	
San Joaquin Valley APCD	< 35**	< 3	25	
	< 35 - 130**	< 3 - 10	25	
	> 130**	> 10	25 - 42	

*Currently under review

**Non-regulatory, converted for comparison purposes only

SCAQMD Limits

Non-Emergency Internal Combustion Engines

■ SCAQMD Rule 1110.2 Limits

- New Non-Emergency Electrical Generators (Natural Gas)
 - 0.07 LBS/NET MWH, 15 minute average (~3 PPM at 15% 02)
- Existing Non-Emergency Electrical Generators (Natural Gas)
 - 11 PPM @ 15% 02, 15 minute average

Utility Boilers

- 2005 BARCT Limit
 - 7 PPM at 3% 02
- 2005 Rule 2009 Compliance Plans
 - 10 units at 5 PPM at 3% 02
- 2014 Norton Engineering Study for Refineries
 - 2 PPM at 3% 02



Simple Cycle Gas Turbines

- 2004 SCAQMD LAER (major sources)
 - 3.5 PPM @ 15% O2, 3-hour rolling average
- 2016 BACT Guidelines Part D (minor source)
 - Gas Turbines, Natural Gas Fired, \geq 3 MWe and < 50 MWe
 - [2.5 PPM @ 15% 02] x [efficiency (%)/34%]
 - Gas Turbines, Natural Gas Fired, \geq 50 MWe
 - 2.5 PPM @ 15% 02, 1-hour rolling avg; OR
 - [2.0 PPM @ 15 % 02, 3-hour rolling avg.] x [efficiency (%)/34%]

Combined Cycle Gas Turbines and Duct Burners

- 2004 SCAQMD LAER (major sources)
 - 2.0 PPM @ 15% O2, 1-hour rolling average
- 2016 BACT Guidelines Part D (minor source)
 - Gas Turbines, Natural Gas Fired, \geq 3 MWe and < 50 MWe
 - [2.5 PPM @ 15% 02] x [efficiency (%)/34%]
 - Gas Turbines, Natural Gas Fired, \geq 50 MWe
 - 2.5 PPM @ 15% 02, 1-hour rolling avg; OR
 - [2.0 PPM @ 15 % 02, 3-hour rolling avg.] x [efficiency (%)/34%]

Initial Rule Concepts

Development of Staff Proposal

- Initial rule concepts are presented at working group meetings to promote discussion
 - Developing rule concepts and draft proposed rule language is an iterative process with stakeholder input
- Stakeholder Input
 - Key element throughout the rule development process
 - Staff encourages early input opportunities for stakeholder input provided throughout the rulemaking process
 - Staff wants to hear from all stakeholders
 - Staff encourages facilities to meet with staff to discuss any concerns unique situations, clarification of provisions, etc.
- Emission limits, cost-effectiveness, and rule language likely to be provided at next working group



Proposed Applicability

- PAR 1135 will be applicable to electricity generating facilities that are:
 - Municipal utilities; or
 - Under the balancing authority of California ISO

Emission Limits

- Achieved in practice limits will be important factor in determining proposed limits
- Limits to allow for retrofit or replacement of equipment
- Cost-effectiveness and incremental cost-effectiveness information will be incorporated into proposal
- Include an ammonia emission limit
- Effective date still under consideration
 - AQMP goal of 5 tons per day of NOx reductions by 2025
 - AB 617 requirement of BARCT implementation by 2023

Further Considerations

- Low use exemption
- Consideration for once-through-cooling facilities' repowering schedules
- Potential Start-Up and Shutdown requirements for new units
- Unique circumstances
 - Pebbly Beach, Glendale DWP, others
- Others?

Schedule

Additional Working Groups Public Workshop Stationary Source Committee Set Hearing Public Hearing TBD 3rd Quarter 2018 September 21, 2018 October 5, 2018 November 2, 2018

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