PETITION FOR VARIANCE
BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

SOUTH COAST AQMD
CLERK OF THE BOARDS
2026 SEP -4 A 9:24

PETITIONER: AES ALAMITOS, LLC

CASE NO: 5278-4

FACILITY ID: 115394

FACILITY ADDRESS: 690 North Studebaker Road
[location of equipment/site of violation; specify business/corporate address, if different, under Item 2, below]

City, State, Zip: Long Beach, CA 90803

1. TYPE OF VARIANCE REQUESTED (more than one box may be checked; see Attachment A, Item 1, before selecting)

☐ INTERIM ☐ SHORT ☒ REGULAR ☐ EMERGENCY ☐ *EX PARTE* EMERGENCY

2. CONTACT: Name, title, company (if different than Petitioner), address, and phone number of persons authorized to receive notices regarding this Petition (no more than two authorized persons).

Charlene He	Noah Perch-Ahern
Southland Environmental Manager	Partner, Greenberg Glusker LLP
690 North Studebaker Road	2049 Century Park East, Ste. 2600
Long Beach, CA *Zip* 90803	Los Angeles, CA *Zip* 90067
☎ (562) 493-7835 *Ext.*	☎ (310) 201-7484 *Ext.*
Fax	*Fax* (310) 201-4441
E-mail charlene.he@aes.com	*E-mail* nperchahern@ggfirm.com

3. RECLAIM Permit ☒ Yes ☐ No Title V Permit ☒ Yes ☐ No

4. **GOOD CAUSE:** Explain why your petition was not filed in sufficient time to issue the required public notice. (Required only for Emergency and Interim Variances; see Attachment A, Item 4)

N/A

5. Briefly describe the type of business and processes at your facility.

AES Alamitos ("AES") operates a natural gas-fired electric generating station in Long Beach which includes both a recently licensed combined-cycle gas turbine facility – the Alamitos Energy Center – and a legacy once-through cooling electric generating facility – the Alamitos Generating Station. The legacy facility includes three remaining electric power generation units powered by steam turbine boilers. Two of these boilers and their associated equipment are the subject of this petition.

6. List the equipment and/or activity(s) that are the subject of this petition (see Attachment A, Item 6, Example #1). **Attach copies of the Permit(s) to Construct and/or Permit(s) to Operate for the subject equipment. For RECLAIM or Title V facilities, attach *only* the relevant sections of the Facility Permit showing the equipment or process and conditions that are subject to this petition. You must bring the entire Facility Permit to the hearing.**

Equipment/Activity	Application/ Permit No.	RECLAIM Device No.	Date Application/Plan Denied (if relevant)
Boiler, No. 3	A/N: 408706	D45	N/A
Selective Catalytic Reduction, Serving Boiler No. 3	A/N: 372944	C139	N/A
Boiler, No. 4	A/N: 408707	D48	N/A
Selective Catalytic Reduction, Serving Boiler No. 4	A/N: 372945	C141	N/A

7. Briefly describe the activity or equipment, and why it is necessary to the operation of your business. A schematic or diagram may be attached, in addition to the descriptive text.

Boilers 3 and 4 are 3,350 mmBTU/hr natural gas-fired steam generating boilers that drive steam turbines to generate electricity to power the grid. Each boiler has a selective catalytic reduction ("SCR") unit with ammonia injection to reduce NOx emissions. Each of these boilers drives a 320 MW electric generating unit.

As mentioned above, the generating units are part of the legacy facility known as the Alamitos Generating Station. This facility was one of several longstanding once-through cooling electric generating plants deemed necessary to remain available to serve the State's electricity needs in peak demand, thereby resulting in an extension of the final compliance date of the once-through cooling policy ("OTC Deadline") originally received for the 2020-2023 time period and extended again for the 2024-2026 timeframe. As a part of this process, the Alamitos Generating Station is included in the State Electricity Supply Strategic Reliability Reserve Program administered by the California Department of Water Resources ("DWR"). This program is intended to support grid reliability while minimizing environmental impacts and limiting operations to extreme or emergency situations.

Under the DWR's operative contract, the units may dispatch only when called upon by the State to respond to emergency energy events or for training, reliability testing, or compliance testing. The two generating units at issue ("Unit 3" and "Unit 4," or collectively, the "Units") do not dispatch unless directed by the California Independent System Operator ("Cal ISO") or approved by the DWR.

As of the present date, the final compliance date of the state's OTC Deadline for the Units at the Alamitos Generating Station is December 31, 2026, which is also the expiration date of the DWR contract for these Units. Thus far during 2026, these Units have not been dispatched for any emergency energy events. However, the Units will remain operational and available through the end of 2026 per the DWR contract in the event they are needed for emergency or related events.

As set forth below, it is possible that the state or the federal government may direct AES to keep the Units on standby for emergency or grid reliability purposes past 2026. By way of example, the state may order an

extension of the DWR's contract for the Units past December 31, 2026. Alternatively, the federal government may direct AES to keep the Units operational through an order from the Department of Energy ("DOE") under Section 202(c) of the Federal Power Act. If the Units are deemed necessary to remain operational, AES believes that a regulatory order, or an indication that such order is to be issued, would likely occur by April 1, 2027.

Regardless of the need to remain available and operational for the remainder of the year, it is now unlikely that the Units will be dispatched for an emergency energy event this year as the summer peak energy demand is approaching its end. In fact, even if the Units are ordered to remain operational past December 31, 2026, they still may not be dispatched unless an emergency energy event requires their support to the public grid. Notwithstanding the possibility that the Units may not be fired up, they are required to meet source test requirements by December 31, 2026. Such tests would require fuel combustion in the Units that may not otherwise be necessary, resulting in emissions that would not otherwise occur. This variance application seeks to avoid such an outcome by extending the compliance deadline for the source tests, contingent on the Units actually being ordered for further dispatch.

If by April 1, 2027, AES has not received an order or an indication that the Units will be ordered to remain operational, AES intends to commence mothballing the Units. In this instance, as proposed, the variance would apply until AES's Title V permit for the subject Units is formally canceled. If these Units are directed to remain operational past December 31, 2026, AES seeks a three-year period with a specified compliance schedule for the source test requirements. In either instance, the applicable source test requirements would be tethered to an actual order for dispatch for an emergency energy event as opposed to activating the Units merely to run source tests, and the tests would be required to occur as soon as reasonably possible following the order to dispatch.

8. Is there a regular maintenance and/or inspection schedule for this equipment? Yes ☒ No ☐

If yes, how often: See below. Date of last maintenance and/or inspection: March 2026

Describe the maintenance and/or inspection that was performed.

Regular maintenance and inspections are performed during scheduled maintenance outages on the Units.

9. List all District rules, and/or permit conditions [indicating the specific section(s) and subsection(s)] from which you are seeking variance relief (if requesting variance from Rule 401 or permit condition, see Attachment A). Briefly explain how you are or will be in violation of each rule or condition (see Attachment A, Item 9, Example #2).

Rule	Explanation
Permit Condition D28.2 – CO Source Testing [SCAQMD Rules 1303(a)(1); 3004(a)(4); and 2012]	Requires annual source test to measure CO emissions at the stack. For Unit 3 (D45) and Unit 4 (D48), the next annual Source Test is required to be performed by December 31, 2026.
Permit Condition D28.5 – NH_3 Source Testing [SCAQMD Rules 1303(a)(1), 1135(e)(10), and 2012]	Requires annual source test to measure ammonia slip (NH_3 emissions) at stack (the outlet of Unit 3 SCR (C139) and Unit 4 SCR (C141)). If the annual test fails, four consecutive quarterly source tests must be passed before the testing frequency reverts to annual. The next annual Source Test is required to be performed by December 31, 2026.
Permit Condition K40.2 – Record Keeping/Reporting [SCAQMD Rules 1303(a)(1) and 2012]	Establishes source test report requirements for Units 3 and 4 (D45 and D48) including details of which parameters are required. The next Source Test is required to be performed by December 31, 2026.

SCAQMD Rule 2012 Title V Permit Section F.4.	This rule requires CEMS to be operated in accordance with the requirements, including a semi-annual or annual certification with a relative accuracy test audit (RATA). The next RATA is required to be performed by December 31, 2026, for Units 3 and 4; however, per the rules, RATA may be postponed to within 14 days after the unit is restarted if fuel lines are disconnected or opened.
SCAQMD Rule 3002(c) Title V Permit Section E.2	This rule requires that the Title V permit holder comply with all terms and conditions. There will be a deviation if the source tests (i.e., CO, NH3 slip, and RATA) on Unit 3 and Unit 4 are not performed by December 31, 2026.
SCAQMD Rule 2004 (f)(1), RECLAIM Permit Section F(II)(1)	This rule requires that the RECLAIM permit holder comply with all terms and conditions. There will be a deviation if the source tests on Unit 3 and Unit 4 are not performed by December 31, 2026.

10. Are the equipment or activities subject to this request currently under variance coverage? Yes ☐ No ☒

Case No.	Date of Action	Final Compliance Date	Explanation
N/A			

11. Are any other equipment or activities at this location currently (or within the last six months) under variance coverage? Yes ☐ No ☒

Case No.	Date of Action	Final Compliance Date	Explanation
N/A			

12. Were you issued any Notice(s) of Violation or Notice(s) to Comply concerning this equipment or activity within the past year? Yes ☐ No ☒

If yes, you must attach a copy of each notice.

13. Have you received any complaints from the public regarding the operation of the subject equipment or activity within the last six months? Yes ☐ No ☒

If yes, you should be prepared to present details at the hearing.

14. Explain why it is beyond your reasonable control to comply with the rule(s) and/or permit condition(s). Provide specific event(s) and date(s) of occurrence(s), if applicable.

As mentioned above, the Units are currently part of the State Strategic Reliability Reserve Program and have received an extension of the OTC Deadline through December 31, 2026, for the express purpose of standing by as reserve power generators to be used only as needed and as directed by Cal ISO when the state's power demand exceeds the grid's normal capacity. The Units may not be dispatched for generation absent express direction from Cal ISO. So far this year, Cal ISO has not directed AES to dispatch the Units for emergency power generation, and at this point in the season it is probable that the Units will not be dispatched at any point in 2026 for emergency power generation, though it remains possible.

With respect to 2027 and beyond, it is unknown whether regulatory orders may be issued for the Units to respond to emergency events and dispatch electricity. The state of California has thus far not communicated a continued need for the Units under the Strategic Reliability Reserve beyond 2026. Nevertheless, AES will keep the Units intact in the event that the contract is extended in early 2027.

Additionally, under Section 202(c) of the Federal Power Act (16 U.S.C. § 824a(c)), the U.S. Department of Energy ("DOE") has the authority to order power plants to continue operating when it determines grid reliability is at risk due to power shortages, transmission constraints, fuel shortages, or other emergencies. In recent years, this authority has been used to delay the retirement of certain coal and gas plants and require them to remain available for reliability purposes, often through renewable 90-day emergency orders. Further, pursuant to Executive Order No. 14262 (90 Fed. Reg. 15521, April 5, 2025), *Strengthening the Reliability and Security of the United States Electric Grid*, the DOE is directed to use Section 202(c) to ensure grid reliability. Even if the OTC Deadline and AES's contract were not extended, the DOE may require AES to keep the Units operational in 2027 and beyond.

Under the applicable permit conditions and rules, AES must complete source test requirements for CO, NH_3, and RATA[1] by December 31, 2026 for Units 3 and 4. If the source test is not completed by this date, AES will be in violation of the applicable permit conditions and rules.

Commissioning a source test is only functionally necessary if AES were to dispatch the Units on or after December 31, 2026. There is no need to perform a source test if the Units are not otherwise dispatched. If AES were to otherwise perform a source test, it would be starting up the Units, burning natural gas, and creating emissions for no reason other than to test equipment that may never be dispatched again. In brief, a source test is only necessary if the Units are ordered for the dispatch of electricity and such an order is wholly outside of AES's control.

15. When and how did you first become aware that you would not be in compliance with the rule(s) and/or permit condition(s)? Provide specific event(s) and date(s) of occurrence(s).

Currently, AES has not received an extension of the OTC Deadline and so dispatch of the Units may not occur after December 31, 2026. Further, given the fact that we are approaching the end of the hot summer season when power demand peaks, it is now unlikely that AES will be directed to dispatch the Units for any emergency energy events in 2026, meaning that AES will probably not have an opportunity to perform source testing on the Units before the December 31, 2026 deadline absent firing them up solely for the purpose of source testing. AES is submitting this application promptly after it became probable that the Units will not be dispatched for the remainder of the year and a variance will be necessary to remain compliant while avoiding unnecessary air emissions. AES has also recently become aware that the Units might be ordered to remain operational and is therefore including in this variance request conditions that would apply in the event that such order is forthcoming.

16. List date(s) and action(s) you have taken since that time to achieve compliance.

AES is proactively seeking a regular variance as soon as it became clear that AES will unlikely be directed to dispatch the Units in 2026. This application is being submitted now to ensure adequate time for processing of a regular variance before the compliance deadline of December 31, 2026.

[1] Under Rule 2012, RATA may be postponed to within 14 unit operating days from the first re-firing of the unit if fuel lines are disconnected or opened. However, this option is inapplicable here as the Units remain connected and operational in order to (a) comply with the DWR contract should dispatch be ordered by year's end, or (b) remain available in the event a further regulatory order is issued requiring the Units to remain online.

17. What would be the harm to your business during **and/or after** the period of the variance if the variance were not granted?

Economic losses: The source test will incur costs associated with fuel consumption, other variable operating costs, emission offsets, and source-testing contractor labor, totaling approximately $110,000 per unit.
Number of employees laid off (if any) N/A

Provide detailed information regarding economic losses, if any, (anticipated business closure, breach of contracts, hardship on customers, layoffs, and/or similar impacts).

Performing the required source testing for each Unit would require the Unit to be online and combust natural gas for approximately 24 hours each time. The total cost associated with each testing event including contractor labor, carbon credits, fuel cost, and other variable operating cost is approximately $110,000 per unit. This would be a significant financial burden related to equipment that is unlikely to be used. The cost of running the Units for source testing would result in an arbitrary and unreasonable taking of property and would produce unnecessary emissions with no corresponding benefit to AES or the public.

18. Can you curtail or terminate operations in lieu of, or in addition to, obtaining a variance? Please explain.

No. The source test requirements apply regardless of whether AES dispatches the Units on or after December 31, 2026. AES needs to remain operational and grid-ready in the event its Units are ordered to be dispatched and therefore, the termination of operations prior to January 1, 2027 is not possible. Further, even if AES terminated operations, should the Units be ordered back online, a violation would date back to December 31, 2026. Therefore, curtailment or termination of operations will not obviate the need for a variance.

19. Estimate excess emissions, if any, on a daily basis, including, if applicable, excess opacity (the percentage of total opacity above 20% during the variance period). If the variance will result in no excess emissions, insert "N/A" here and skip to No. 20.

There will be no excess emissions since the request is to avoid running the equipment for a source test. The following table lists the emissions that could be avoided by not running the equipment.

Pollutant	(A) Total Estimated Excess Emissions (lbs/day)	(B) Reduction Due to Mitigation (lbs/day)	(C)* Net Emissions After Mitigation (lbs/day)
NOx	0	0	(-433.08) lbs/event/unit
SOx	0	0	(-17.35) lbs/event/unit
CO	0	0	(-6,842.91) lbs/event/unit
VOC	0	0	(-159.02) lbs/event/unit
PM10	0	0	(-219.74) lbs/event/unit
NH3	0	0	(-138.49) lbs/event/unit

* Column A minus Column B = Column C

Excess Opacity: N/A %

20. Show calculations used to estimate quantities in No.19 **or** explain why there will be no excess emissions.

Emissions will be avoided by granting the variance. As presented in Section 23, the quantity of emissions avoided were calculated using average pollutant emissions measured during source tests from 2024 and 2025. The emissions reductions are per event per unit.

21. Explain how you plan to reduce (mitigate) excess emissions during the variance period to the maximum extent feasible, or why reductions are not feasible.

If the variance is granted and the Units are not dispatched, there will be zero emissions from the units during the variance period, as the variance solely relieves AES from performing non-essential source testing that would itself generate emissions. If the Units are dispatched after December 31, 2026 pursuant to a regulatory order, resulting emissions from generation will be within the Units' existing permit limits and are not excess emissions attributable to this variance; source testing will then be performed per the compliance schedule in Item 24.

22. How do you plan to monitor or quantify emission levels from the equipment or activity(s) during the variance period, and to make such records available to the District? **Any proposed monitoring does not relieve RECLAIM facilities from applicable missing data requirements.**

Fuel use records (e.g., utility gas bills) for the subject units will be monitored and maintained onsite. If necessary, CEMS for NOx emissions monitoring will be maintained during the variance period. There will be no emissions during the variance period.

23. How do you intend to achieve compliance with the rule(s) and/or permit condition(s)? Include a detailed description of any equipment to be installed, modifications or process changes to be made, permit conditions to be amended, etc., dates by which the actions will be completed, and an estimate of total costs.

AES is requesting a variance from source testing requirements that would terminate upon the earlier of the following two scenarios:

1. If by April 1, 2027, neither the state nor federal government has ordered, or indicated that they will order, the Units to remain operational, AES plans to initiate the request to remove the Units from the facility's Title V permit. In this case, the variance would apply until the Title V permit for the Units is formally inactivated or terminated by the District. No source testing for the Units at issue is required to be performed under this scenario.

2. If the state or federal government orders the Units to remain operational on or after January 1, 2027, the next source testing for the Units would be completed as soon as reasonably practicable within 14 days of the first dispatch of the Units during each respective annual period. Should AES be unable to perform source testing within 14 days due to extenuating circumstances, such as source tester availability constraints, AES will promptly contact the District by the 14th day after the Units are dispatched and apprise it of the activities and efforts being made to accomplish source testing. AES will use its reasonable best efforts to accomplish the source test as soon as reasonably practicable and continue to notify the District every seven days after of its efforts to schedule the source test until it is complete.

AES will notify the District by April 1, 2027 whether the state or federal government has ordered, or indicated that it will order, the Units to remain operational. If an order has been issued by that date, the notification will be accompanied by a copy of the applicable regulatory order, and the corresponding compliance schedule under Scenario 1 will apply automatically as of the notification, without a need for further Hearing Board action. If, by April 1, 2027, no such order has been issued but AES has received a written indication from the state or federal government that such an order is forthcoming, the notification will be accompanied by that

written indication, and the corresponding compliance schedule under Scenario 2 above will apply on an interim basis; if the official order has not been issued within 120 days after April 1, 2027, Scenario 1 above will apply unless and until AES notifies the District that an order has since been issued, accompanied by the order itself, at which point Scenario 2 will again apply automatically.

For the avoidance of doubt, if the Units are directed to be dispatched pursuant to an order at any time on or after January 1, 2027, the source testing obligation under Scenario 2 starts from the date of the first fire of the units under that directive to dispatch, irrespective of the April 1, 2027 notification date; the notification described above serves to formally document AES's compliance status and confirm which scenario governs going forward, but does not delay the testing obligation itself.

24. State the date you are requesting the variance to begin: December 31, 2026; and the date by which you expect to achieve final compliance: the earlier of (1) the District's termination of the Title V permit for Units 3 and 4, if by April 1, 2027, AES has not received an order, or an indication that it will receive an order, from the state or federal government directing these two Units to remain operational; or, (2) December 31, 2029, if there is, or will be, an order by the state or federal government directing AES to keep the Units operational. If AES dispatches the Units on or after January 1, 2027, compliance will be achieved through the annual Schedule of Increments of Progress set forth below, under which source testing will be completed within 14 days (or as soon as reasonably practicable) following each first dispatch of the Units during each respective annual period.

If the regular variance is to extend beyond one year, you **must** include a **Schedule of Increments of Progress**, specifying dates or time increments for steps needed to achieve compliance. See District Rule 102 for definition of Increments of Progress (see Attachment A, Item 24, Example #3).

If, by April 1, 2027, AES has not received an order, or an indication that there will be an order, by the state or federal government directing AES to keep the Units operational for potential dispatch, AES intends to apply for cancellation/termination of Title V coverage for the Units. In this scenario, the variance is requested until the Units' Title V permit coverage is canceled by the District, which is anticipated to occur in less than one year from the initiation of the permit termination request.

If, as set forth above in paragraph 23, AES receives an order, or an indication that an order will be issued, by the state or federal government directing the Units to remain operational, and the Units are subsequently dispatched on or after January 1, 2027, AES proposes the following compliance schedule:

- Source testing will be performed as soon as reasonably practicable within 14 days of dispatch of the Units.
- If source testing cannot be performed within 14 days due to extenuating circumstances, such as source tester availability, AES will contact the District by the 14th day of operations and apprise the District of the activities and efforts being made to accomplish source testing.
- Thereafter, AES will use its reasonable best efforts to complete the source test as soon as reasonably possible and will notify the District every seven days after of its efforts and progress.
- Final source test reports will be submitted to the District within 45 days of testing.
- The foregoing compliance schedule for source testing will apply during each annual period in which AES is ordered to dispatch the Units until December 31, 2029.

25. List the names of any District personnel with whom facility representatives have had contact concerning this variance petition or any related Notice of Violation or Notice to Comply.

Karin Manwaring (Sr Deputy District Counsel) Ext. 2236

If the petition was completed by someone other than the petitioner, please provide their name and title below.

Name Company Title

The undersigned, under penalty of perjury, states that the above petition, including attachments and the items therein set forth, is true and correct

Executed on September 3, 2026, at 16:34 at AES Southland

Jose Perez

Signature

Jose Perez
Print Name

Title: Director of Operations, AES Southland

Relevant Pages from Facility Permit

FACILITY PERMIT TO OPERATE
AES ALAMITOS, LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: EXTERNAL COMBUSTION					
System 2: ELECTRIC GENERATION					
BOILER, NO. 3, NATURAL GAS, COMBUSTION ENGINEERING, TANGENTIALLY FIRED, WITH FLUE GAS RECIRCULATION, OXYGEN CONTENT CONTROL, 3350 MMBTU/HR WITH A/N: 408706	D45	C139	NOX: MAJOR SOURCE**	**CO**: 300 PPMV NATURAL GAS (5) **[RULE 1303(b)(2)-Offset, 5-10-1996;** ***RULE 1303(b)(2) -Offset, 12-6-2002*****]**; **CO**: 2000 PPMV (5A) **[RULE 407, 4-2-1982]**; **NOX**: 7 PPMV (5) [RULE 2009, 1-7-2005]; **PM10**: 0.01 GRAINS/SCF NATURAL GAS (5A) **[RULE 475, 10-8-1976;** ***RULE 475, 8-7-1978*****]**; **PM10**: 0.1 GRAINS/SCF NATURAL GAS (5) **[RULE 409, 8-7-1981]**; **PM10**: 11 GRAINS/SCF NATURAL GAS (5B) **[RULE 475, 10-8-1976;** ***RULE 475, 8-7-1978*****]**; **SO2**: (9) **[40CFR 72 - Acid Rain Provisions, 11-24-1997]**	A195.4, A195.6, A305.3, A327.1, B59.1, D28.2, E193.2, K40.2
GENERATOR, 320 MW					
SELECTIVE CATALYTIC REDUCTION, SERVING BOILER NO. 3, IN-DUCT TYPE, CORMETECH, TITANIA/VANADIA HONEYCOMB EXTRUSION, 2312 CU.FT. WITH A/N: 372944	C139	D45		**NH3**: 10 PPMV (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** ***RULE 1303(a)(1)-BACT, 12-6-2002*****]**	A195.5, D12.6, D28.5, E179.4, E179.5, E193.2
AMMONIA INJECTION, TWO INJECTION GRIDS					

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
AES ALAMITOS, LLC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 1: EXTERNAL COMBUSTION					
BOILER, NO. 4, NATURAL GAS, COMBUSTION ENGINEERING, TANGENTIALLY FIRED, WITH FLUE GAS RECIRCULATION, OXYGEN CONTENT CONTROL, 3350 MMBTU/HR WITH A/N: 408707 GENERATOR, 320 MW	D48	C141	NOX: MAJOR SOURCE**	CO: 300 PPMV NATURAL GAS (5) **[RULE 1303(b)(2)-Offset, 5-10-1996;** *RULE 1303(b)(2) -Offset, 12-6-2002*]; CO: 2000 PPMV (5A) **[RULE 407, 4-2-1982]**; **NOX**: 7 PPMV (5) [RULE 2009, 1-7-2005]; **PM10**: 0.01 GRAINS/SCF NATURAL GAS (5A) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **PM10**: 0.1 GRAINS/SCF NATURAL GAS (5) **[RULE 409, 8-7-1981]**; **PM10**: 11 LBS/HR NATURAL GAS (5B) **[RULE 475, 10-8-1976;** *RULE 475, 8-7-1978*]; **SO2**: (9) **[40CFR 72 - Acid Rain Provisions, 11-24-1997]**	A195.4, A195.6, A305.4, A327.1, B59.1, D28.2, E193.2, K40.2
SELECTIVE CATALYTIC REDUCTION, SERVING BOILER NO. 4, IN-DUCT TYPE, CORMETECH, TITANIA/VANADIA HONEYCOMB EXTRUSION, 2312 CU.FT. WITH A/N: 372945 AMMONIA INJECTION, TWO INJECTION GRIDS	C141	D48		**NH3**: 10 PPMV (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002*]	A195.5, D12.6, D28.5, E179.4, E179.5, E193.2

* (1) (1A) (1B) Denotes RECLAIM emission factor (2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit (4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit (6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit (8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits (10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

The test shall be conducted to demonstrate compliance with Rule 1303 concentration limit.

The test shall be conducted to determine the NH3 emissions using South Coast AQMD method 207.1 measured over a 60 minute averaging time period..

The test shall be conducted at least annually.

The test shall be conducted to determine the NH3 emissions at the outlet.

The test shall be conducted that the NOx concentration during the source test does not exceed the limit in condition A195.7 averaged over the full duration of the test and corrected to 3% O2 dry.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 3004(a)(4)-Periodic Monitoring, 8-11-1995]**

[Devices subject to this condition : D51]

D28.2 The operator shall conduct source test(s) in accordance with the following specifications:

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

The test shall be conducted at least annually.

The test shall be conducted to determine the CO emissions at the outlet.

The test shall be conducted to demonstrate compliance with Rule 1303 concentration limit.

The test shall be conducted to determine compliance with the CO emissions by either: (a) conducting a source test using South Coast AQMD method 100.1 measured over a 30 minute averaging time, or (b) using a portable analyzer and a South Coast AQMD-approved test method.

The test shall be conducted when the equipment is operating under normal conditions. No test shall be required in any one year for which the equipment is not in operation.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 3004(a)(4)-Periodic Monitoring, 12-12-1997**]

[Devices subject to this condition : D45, D48, D51]

D28.5 The operator shall conduct source test(s) in accordance with the following specifications:

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

The test shall be conducted during ammonia injection periods, at least quarterly during the first twelve months of operation of the SCR, and at least annually thereafter.

The test shall be conducted and the results submitted to the South Coast AQMD within 45 days after the test date.

The District shall be notified of the date and time of the test at least 7 days prior to the test.

The test shall be conducted to determine the NH3 emissions using South Coast AQMD Method 207.1 measured over a 60 minute averaging time period. The NOx concentration, as determined by reading the CEMS, shall be simultaneously recorded during the test. If the CEMS is inoperable, a test shall be conducted to determine the NOx emissions using South Coast AQMD Method 100.1 measured over a 60 minute averaging time period.

The test shall be conducted to demonstrate compliance with the Rule 1303 concentration limit.

The test shall be conducted that the NOx concentration during the source test does not exceed the limit in condition A195.6 averaged over the full duration of the test and corrected to 3% O2 dry.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; RULE 1401, 9-1-2017]

[Devices subject to this condition : C139, C141]

D29.3 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[RULE 1470, 10-1-2021; **RULE 431.2, 5-4-1990;** RULE 431.2, 9-15-2000]

[Devices subject to this condition : D213, D214]

K. Record Keeping/Reporting

K40.2 The operator shall provide to the District a source test report in accordance with the following specifications:

Emission data shall be expressed in terms of lbs/MM cubic feet.

All moisture concentration shall be expressed in terms of percent corrected to 3 percent oxygen.

Source test results shall be submitted to the District no later than 60 days after the source test was conducted.

All exhaust flow rate shall be expressed in terms of dry standard cubic feet per minute (DSCFM) and dry actual cubic feet per minute (DACFM).

Source test results shall also include fuel flow rate (CFH) and generator output (MW) under which the test was conducted.

Emission data shall be expressed in terms of concentration (ppmv), corrected to 3 percent oxygen, dry basis.

Emission data shall be expressed in terms of mass rate (lbs/hr). In addition, solid PM emissions, if required to be tested, shall also be reported in terms of grains per DSCF.

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SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; RULE 1401, 9-1-2017; **RULE 2012, 5-6-2005]**

[Devices subject to this condition : D45, D48]

K40.3 The operator shall provide to the District a source test report in accordance with the following specifications:

Source test results shall be submitted to the District no later than 60 days after the source test was conducted.

Emission data shall be expressed in terms of concentration (ppmv) corrected to 3 percent oxygen (dry basis), mass rate (lbs/hr), and lbs/MM Cubic Feet. In addition, solid PM emissions, if required to be tested, shall also be reported in terms of grains per DSCF.

All exhaust flow rate shall be expressed in terms of dry standard cubic feet per minute (DSCFM) and dry actual cubic feet per minute (DACFM).

All moisture concentration shall be expressed in terms of percent corrected to 3 percent oxygen.

Source test results shall also include the oxygen levels in the exhaust, fuel flow rate (CFH), the flue gas temperature, and the generator power output (MW) under which the test was conducted.

[RULE 1303(b)(2)-Offset, 5-10-1996; RULE 1303(b)(2)-Offset, 12-6-2002]

[Devices subject to this condition : D51]

K40.4 The operator shall provide to the District a source test report in accordance with the following specifications:

FACILITY PERMIT TO OPERATE
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SECTION E: ADMINISTRATIVE CONDITIONS

The operating conditions in this section shall apply to all permitted equipment at this facility unless superseded by condition(s) listed elsewhere in this permit.

1. The permit shall remain effective unless this permit is suspended, revoked, modified, reissued, denied, or it is expired for nonpayment of permit processing or annual operating fees. [201, 203, 209, 301]
   a. The permit must be renewed annually by paying annual operating fees, and the permit shall expire if annual operating fees are not paid pursuant to requirements of Rule 301(d). [301(d)]
   b. The Permit to Construct listed in Section H shall expire one year from the Permit to Construct issuance date, unless a Permit to Construct extension has been granted by the Executive Officer or unless the equipment has been constructed and the operator has notified the Executive Officer prior to the operation of the equipment, in which case the Permit to Construct serves as a temporary Permit to Operate. [202, 205]
   c. The Title V permit shall expire as specified under Section K of the Title V permit. The permit expiration date of the Title V facility permit does not supercede the requirements of Rule 205. [205, 3004]
2. The operator shall maintain all equipment in such a manner that ensures proper operation of the equipment. [204]
3. This permit does not authorize the emissions of air contaminants in excess of those allowed by Division 26 of the Health and Safety Code of the State of California or the Rules and Regulations of the SCAQMD. This permit cannot be considered as permission to violate existing laws, ordinances, regulations, or statutes of other governmental agencies. [204]
4. The operator shall not use equipment identified in this facility permit as being connected to air pollution control equipment unless they are so vented to the identified air pollution control equipment which is in full use and which has been included in this permit. [204]

FACILITY PERMIT TO OPERATE
AES ALAMITOS, LLC

SECTION F: RECLAIM MONITORING AND SOURCE TESTING REQUIREMENTS

The Facility shall comply with all applicable monitoring and source testing requirements in Regulation XX. These requirements may include but are not limited to the following:

I. NOx Monitoring Conditions

A. The Operator of a NOx Major Source, as defined in Rule 2012, shall, as applicable:

1. Install, maintain, and operate an SCAQMD certified direct or time-shared monitoring device or an approved alternative monitoring device for each major NOx source to continuously measure the concentration of NOx emissions and all other applicable variables specified in Rule 2012, Table 2012-1 and Rule 2012, Appendix A, Table 2-A to determine the NOx emissions rate from each source. The time-sharing of CEMS among NOx sources may be allowed by the Executive Officer in accordance with the requirements for time sharing specified in Appendix A. [2012]

2. Install, maintain, and operate a totalizing fuel meter approved by the Executive Officer for each major source. [2012]

3. If the facility is operating existing CEMS and fuel meters, continue to follow recording and reporting procedures required by SCAQMD Rules and Regulations in effect prior to October 15, 1993 until the CEMS is certified pursuant to Rule 2012. [2012]

4. Use valid data collected by an SCAQMD certified or provisionally certified CEMS in proper operation that meets all the requirements of Appendix A of Rule 2012, unless final certification of the CEMS is denied, to determine mass emissions for all purposes, including, but not limited to, determining: [2012]
   a. compliance with the annual Allocation;
   b. excess emissions;
   c. the amount of penalties; and
   d. fees.

SECTION F: RECLAIM MONITORING AND SOURCE TESTING REQUIREMENTS

5. Follow missing data procedures as specified in Rule 2012 Appendix A whenever valid data is not available or collected to determine mass emissions for all purposes, including, but not limited to, determining: [2012]
   a. compliance with the annual Allocation;
   b. excess emissions;
   c. the amount of penalties; and
   d. fees.

B. The Operator of a NOx Large Source, as defined in Rule 2012, shall, as applicable:

Not Applicable

C. The Operator of a NOx Process Unit, as defined in Rule 2012, shall, as applicable:

Not Applicable

II. NOx Source Testing and Tune-up conditions

1. The operator shall conduct all required NOx source testing in compliance with an SCAQMD-approved source test protocol. [2012]

2. The operator shall, as applicable, conduct source tests for every large NOx source no later than December 31, 1996 and every 3 years thereafter. The source test shall include the determination of NOx concentration and a relative accuracy audit of the exhaust stack flow determination (e.g. in-stack flow monitor or fuel flow monitor based F-factor calculation). Such source test results shall be submitted per the schedule described by APEP. In lieu of submitting the first source test report, the facility permit holder may submit the results of a source test not more than 3 years old which meets the requirements when conducted. [2012]