1 2 3 4 5	Teresa Chen (SBN 254241) Deputy City Attorney City of Anaheim - Office of the City Attorney 200 South Anaheim Blvd., Suite 356 Anaheim, California 92805 Tel.: (714) 765-5169 Email: tchen@anaheim.net Attorney for Petitioner CANYON POWER PLANT (CITY OF ANAHE	EIM)	
6 7 8	BEFORE THE HEAR SOUTH COAST AIR QUALIT		
9			
10	In the Matter of	Case No.: 620	64-2
11	CANYON POWER PLANT (CITY OF ANAHEIM)	SUPPORT OF	ON OF RON HOFFARD IN F CANYON POWER PLANT'S
12	[Facility ID No. 153992],	PETITION FO	OR REGULAR VARIANCE
13	Petitioner	Hearing Date: Time: Place:	September 4, 2025 9:30 a.m. South Coast Air Quality
14 15	V.		Management District 21865 Copley Drive
	SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT,		Diamond Bar, CA 91765
16 17	Respondent		
18	I, Ron Hoffard, declare as follows:	94	
19	I am a Generation Plant Manager	for the City of A	Anaheim (Petitioner), which
20	operates the Canyon Power Plant ("Facility"). If	called as a witne	ess, I could testify to the
21	following based on personal knowledge.		
22	2. I am familiar with and have review	wed the Petition	for a Regular Variance filed for
23	Case No. 6264-2, and I am familiar with the issue	es presented in t	he Petition related to
24	_1	_	

compliance with Permit Condition D29.3 requiring SOx, VOC, and PM testing every three years ("Triennial Testing").

- 3. I serve as the Power Plant Operations Manager at Canyon Power Plant, which has four GE LM6000 gas turbines that drive four 50 Mega-Watt generators. The turbines are fueled by natural gas, with CO and VOC emissions controlled by CO oxidation catalysts and NOx controlled by water injection system and ammonia injected SCR catalysts. Gas Turbine No. 1 is one of the four gas turbines at the Facility, and is the subject of the Petition.
- 4. Triennial Testing for Gas Turbine No. 1 was scheduled for August 2024, but testing could not be performed as scheduled because on June 21, 2024, a blade broke off from the rotor shaft, causing internal damage to components in the turbine. The broken blade was unexpected because Gas Turbine No. 1 was not due for blade replacement according to the manufacturer's (GE's) Service Bulletin.
- 5. The turbine has not been in operation since June 21, 2024, and as of the date of the filing of this declaration, the turbine is physically absent from the Facility as it is being repaired in Canada.
- 6. In July of 2024, Petitioner began the procurement and contracting process for the repair of Gas Turbine No. 1.
- 7. In August of 2024, Petitioner submitted a Petition (Case No. 6264-1) for a Regular Variance to allow the Facility the time to complete Triennial Testing after the turbine was repaired.
- 8. On October 3, 2024, the District Hearing Board granted the regular variance, with a final Compliance Date of August 31, 2025. ("2024 Variance") (See Minute Order dated November 6, 2024, attached as **Exhibit A**, and the Findings and Decision and Order dated

December 24, 2024, attached as **Exhibit B**.) The 2024 Variance provided relief from District Rules 203(b), 2004(f)(1), and 3002(c)(1), and Condition D29.3 of the Permit for Facility ID No. 153992, as applicable to Device No. D1.

- 9. On or around July 11, 2025, the turbine repair contractor provided Petitioner with a report detailing the conditions in the turbine, the estimated repair cost of over \$3 Million, and the estimated shipment date in late October 2025. (See the attached **Exhibit C** presenting the repair timelines provided by the contractor.)
- 10. On or around July 14, 2025, the repair contractor informed me that the Gas Turbine No. 1 would not be returned until late Fall of 2025.
- 11. Because I learned on or around July 11 and 14 of 2025 that the repair timeline would be extended by several months, meaning the Facility would not be able to comply with the August 31 final compliance date, there was insufficient time to prepare and file the modification and extension of the 2024 Variance by July 15, 2025, in accordance with the Minute Order which says on Page 2 of the Minute Order dated November 6, 2024, attached as **Exhibit A**, "In the event Petitioner will be unable to comply with the final compliance date, a petition requesting a modification and extension of the variance may be filed. To meet notice requirements, the petition **must be** filed no later than **July 15, 2025.**"
- 12. On or around July 29, 2025, Petitioner confirmed with the Hearing Board Clerk that the soonest hearing date would be September 4, 2025.
- 13. On or around August 1, 2025, Petitioner filed a Petition for Regular Variance to extend the compliance date. Because the September 4, 2025, hearing on the Petition would not occur until after the 2024 Variance compliance date passed (on August 31, 2025), Petitioner filed

a new Petition for Regular Variance rather than a petition to modify the 2024 Variance which would have lapsed by the hearing date.

- 14. On or around August 12, 2025, Facility staff became aware through discussions with Evan Landi, Air Quality Inspector II, that the Petition required a correction to reflect Gas Turbine No. 1's missed CO RATA test which needed to be performed by June 30, 2025, and that Question 12 required a correction to reference Notices of Violation issued within the past year.
- 15. Concurrently with the filing of the Stipulation, Petitioner will file an amended Petition reflecting the missed CO RATA and providing the correct answer and attachments regarding Notices of Violations for Question 12.
- 16. From August 31, 2025 (the end of the 2024 Variance compliance period) to September 4, 2025 (the start of the extend the compliance period requested in the Petition filed concurrently with this Declaration), Gas Turbine No. 1 will not be at the Facility, will not be in operation, and will not produce emissions.
- 17. Due to the extended repair timeline shown in **Exhibit C**, the Facility is unable to conduct Triennial Testing by August 31, 2025, in accordance with the 2024 Variance, and is requesting a seven-month extension to March 31, 2026, providing relief from the same District Rules and from Condition D29.3 as applicable to Device No. D1, as previously granted in the 2024 Variance. An extension to March 31, 2026, would allow time for the turbine to be repaired, returned, scheduled for testing, tested, and for results to be provided to Respondent.
- 18. During the 2024 Variance's compliance period, and until the turbine is repaired, and returned, and tested, Gas Turbine No. 1 has not produced and will not produce excess emissions. In the absence of Gas Turbine No. 1, Petitioner will not be using any substitute turbine.

1	19. Although there is no action for the Facility and Facility staff to take that could
2	expedite compliance with Triennial Testing requirements while the turbine is in Canada with the
3	repair contractor, Petitioner is eager to have the turbine in operation as soon as possible and the
4	Facility agrees to comply with the requirements in the concurrently filed (Proposed) Findings
5	and Decision and Order when the turbine is returned and testing can be performed.
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7	I declare under penalty of perjury under the laws of the State of California that the
8	foregoing is true and correct. Executed this 28th day of August 2025, at Anaheim, California.
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11	Lan Jakobaran RON WOFFARD
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EXHIBIT A

Declaration of Ron Hoffard Case No. 6264-2

BEFORE THE HEARING BOARD OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT MINUTE ORDER

CANYON POWER PLANT (CITY OF ANAHEIM) 3071 E. Miraloma Avenue Anaheim, CA 92806

Case No: 6264-1 Facility ID: 153992

Hearing Date: 10/3/24

Hearing Type: Regular

Consent Calendar: No

HEARING BOARD ACTION

Action: Granted

Starting Date: 10/3/2024

Ending Date: 08/31/2025

RULES

203(b) {from Section D, Condition No. D29.3 of Title V/RECLAIM P/O Facility ID 153992} 2004(f)(1) {from Section D, Condition No. D29.3 of Title V/RECLAIM P/O Facility ID 153992} 3002(c)(1) {from Section D, Condition No. D29.3 of Title V/RECLAIM P/O Facility ID 153992}

EQUIPMENT DESCRIPTION

DEVICE/APPLICATION/PERMIT

Gas Turbine No. 1

D1

CONDITIONS

- The variance applies only to the portion of permit condition D29.3 stating the "test shall be conducted at least one every three years." All other requirements in this condition shall remain in effect.
- 2. Petitioner shall notify the South Coast AQMD via email to AQ Engineer Chris Perri (cperri@aqmd.gov), AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), and Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov) of the following:
 - a. Completion of repairs to Turbine No. 1, within seven (7) days of completion;
 - The return of repaired Turbine No. 1 to Canyon Power, within (7) seven calendar days
 - c. Date and time if initial start-up of the repaired Turbine No. 1, within twenty-four (24) hours of start-up;
 - d. At least ten (10) calendar days prior to the source test, provide notification of the date and time of the source test.
- Petitioner shall conduct the triennial testing in accordance with permit condition D29.3
 within 90 days after first successful fire. Successful fire shall mean operation that
 demonstrates compliance with all permit conditions, including the NOx emission limit.

- 4. Petitioner shall notify South Coast AQMD by calling 1-800-CUT-SMOG and by sending an email to AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov), and AQ Engineer Chris Perri (cperri@aqmd.gov) at least 24 hours prior to starting the Triennial Source Test.
- 5. Petitioner shall submit a complete source test report showing preliminary compliance with the Triennial Source Test conditions to South Coast AQMD Source Testing (sourcetesting@aqmd.gov) and to AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov), and AQ Engineer Chris Perri (cperri@aqmd.gov) within 45 calendar days after the test date.
- 6. Petitioner shall operate the Continuous Emissions Monitoring System (CEMS) to continuously monitor the exhaust from the Turbine No. 1 (Device No. D1) and record all required parameters (i.e. NOx concentration, oxygen content, and fuel flow) pursuant to Rule 2012, Appendix A, Chapter 2 for the duration of the variance period including showing valid zeros for all parameters when the turbine is not operating. In lieu of the of the abovementioned requirement, the Petitioner may choose to comply with the requirements in Rule 2012(c)(2)(D) and 2012(c)(2)(E), as amended on November 3, 2022
- 7. Petitioner shall pay all applicable fees to the Clerk of the Hearing Board, or the variance shall be invalidated pursuant to Rule 303(k), except for excess emissions fees, which shall be paid within fifteen (15) days of notification in writing that the fees are due, unless otherwise ordered by the Hearing Board.
- 8. Petitioner shall notify the Clerk of the Hearing Board at clerkofboard@aqmd.gov in writing when final compliance has been achieved.

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None

Failure to comply in full with any and all conditions and increments of progress may result in modification or revocation of this order by the Hearing Board, and/or enforcement actions by the South Coast AQMD.

REMINDER

In the event Petitioner will be unable to comply with the final compliance date, a petition requesting a modification and extension of the variance may be filed. To meet notice requirements, the petition **must be** filed no later than **July 15, 2025.** In the event the hearing is not needed and taken off calendar, petitioner may request a refund of 50% of the filing fee, however, petitioner will be responsible for the publication fee.

Present:

Micah Ali, Chair
Robert Pearman, Esq., Vice Chair
Jerry P. Abraham, MD, MPH, CMQ
Mohan Balagopalan
Cynthia Verdugo-Peralta

Representing the Petitioner: Teresa Chen, Deputy City Attorney

Representing the Respondent:	Kathryn Roberts, Senior Deputy District Counsel
Witnesses for the Petitioner:	Ron Hoffard, Power Plant Operations Manager Elden Krause, City of Anaheim Public Utilities Integrated Resource Manager Karl Lany, Principal Engineer – Montrose Environmental Solutions
Witness for the Reespondent:	Avelino Revilla, Air Quality Inspector II
Respondent's Exhibit:	A – Proposed Regular Variance Conditions
Motion:	Balagopalan/Abraham 5-0
Board Review/Appr	oval Mohan Balagopalan
Da	ated $11/6/24$

Prepared by: Faye Thomas

EXHIBIT B

Declaration of Ron Hoffard Case No. 6264-2

TERESA CHEN (SBN 254241)
DEPUTY CITY ATTORNEY
OFFICE OF THE CITY ATTORNEY
CITY OF ANAHEIM
200 SOUTH ANAHEIM BLVD., SUITE 356
ANAHEIM, CALIFORNIA 92805
TEL.: (714) 765-5169
EMAIL: TCHEN@ANAHEIM.NET

CANYON POWER PLANT (CITY OF

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In the Matter of

[Facility ID No. 153992]

ANAHEIM)

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BEFORE THE HEARING BOARD OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Case No.: 6264-1

FINDINGS AND DECISION AND ORDER GRANTING A REGULAR VARIANCE

VARIANCE

Section 42350 of the California Health and Safety Code

Hearing Date: October 3, 2024

FINDINGS AND DECISION OF THE HEARING BOARD

The Petition for a Regular Variance filed on August 20, 2024, by Canyon Power Plant (City of Anaheim) was heard on October 3, 2024, pursuant to notice in accordance with the provisions of California Health and Safety Code Section 40826. The following members of the Hearing Board were present: Micah Ali, Chair; Robert Pearman, Vice Chair; Jerry Abraham, MD, MPH, CMQ; Mohan Balagopalan; and Cynthia Verdugo-Peralta. Petitioner Canyon Power Plant (City of Anaheim) was represented by Teresa Chen, Deputy City Attorney; and Respondent, Executive Officer of the South Coast Air Quality Management (South Coast AQMD), was represented by Kathryn Roberts, Senior Deputy District Counsel. The public was

given the opportunity to testify. Evidence was received and the case submitted. The Hearing Board finds and decides as follows:

NATURE OF BUSINESS AND LOCATION OF FACILITY

Canyon Power Plant (Facility ID No. 153992) is an operational 200-megawatt, natural-gas-fired, simple-cycle power plant. Canyon Power Plant supplies electric power to the City of Anaheim's Public Utilities Department, which serves electric utilities customers in the City of Anaheim. The Facility has four (4) LM6000 gas turbines that drive four (4) 50-megawatt generators. The Facility is located at 3071 E. Mira Loma Avenue, Anaheim, California.

EQUIPMENT THAT IS THE SUBJECT OF THE REGULAR VARIANCE PETITION

The equipment that is the subject of the Petition is Gas Turbine No. 1, which is one of the four LM6000 gas turbines at the Facility.

SUMMARY

On June 21, 2024, one of the blades from Gas Turbine No. 1 broke off from the rotor shaft and traveled through the compressor, combustor, and the hot section. The liberated blade damaged components along the way. It also caused air flow turbulence that resulted in extreme high-pressure air traveling in opposing directions, triggering a compressor fault alarm and a compressor stall event which caused an emergency turbine trip (shutdown). The following day, Petitioner conducted a borescope inspection to determine the cause and inspect the damage.

Based on the initial inspection results, Petitioner estimated that 50% of all compressor blades and vanes will need to be replaced, and that damage to the combustor, fuel nozzles, and hot section blades will need to be repaired. The extent and duration of necessary repairs will not be known until Petitioner's repair contractor completes the teardown inspection of Gas Turbine No. 1. The inspection and repair will occur at Petitioner's repair contractor's depot facility in Alberta, Canada.

Petitioner estimates that transportation, inspection, and repair of Gas Turbine No. 1 will take several months.

Gas Turbine No. 1 was scheduled for triennial testing in August 2024 pursuant to Permit Condition D29.3. Because the blade liberation required the turbine to be shut down on June 21, 2024, and because the turbine inspection and repair will not be conducted at the Facility, Petitioner will not be able to comply with triennial testing requirements until the turbine is repaired, returned, tested, and successfully started. Therefore, without a Regular Variance, Petitioner is and will be in violation of Permit Condition D29.3.

On October 3, 2024, the Hearing Board voted unanimously to grant Petitioner's request for a Regular Variance, subject to the conditions mutually agreed upon by the Parties and ordered by the Hearing Board as enumerated below. The Hearing Board granted the Regular Variance with the amended compliance date of August 31, 2025 (originally June 30, 2025, as stated in the Petition) as requested by Petitioner at the hearing.

FINDINGS OF FACT AND CONCLUSIONS

The following facts and conclusions support the Hearing Board making the findings in Health and Safety Code Section 42352 in support of a Regular Variance. The South Coast AQMD Executive Officer does not oppose the granting of the Regular Variance.

A. The petitioner for a variance is, or will be, in violation of Section 41701 or of any rule regulation or order of the District.

Petitioner is in violation of District Rules 203(b), 2004(f)(1), and 3002(c)(1), which require compliance with permit conditions because Petitioner is unable to meet triennial testing requirements of Permit Condition D29.3.

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B. Non-compliance with District Rules is due to conditions beyond the petitioner's reasonable control.

Although triennial testing as required by Permit Condition D29.3 was scheduled for August 2024, Petitioner was, for reasons beyond Petitioner's reasonable control, unable to conduct the testing as scheduled. Gas Turbine No. 1 and the liberated blade are manufactured by General Electric (GE). GE's Service Bulletin recommends replacement of blade rows (stages) 3 through 5 when a turbine reaches 1,500 starts. On June 21, 2024, when the stage 3 blade broke in Gas Turbine No. 1, Gas Turbine No. 1 had approximately 1,087 starts. Petitioner could not have reasonably anticipated and prevented the violation resulting from the blade that was defective and required replacement significantly sooner than the manufacturer's service bulletin indicated.

C. Requiring compliance would result in either (1) an arbitrary or unreasonable taking of property, or (2) the practical closing and elimination of a lawful business.

Because compliance with triennial testing requirements cannot be accomplished without the physical and functional presence of Gas Turbine No. 1, denial of the Regular Variance would cause an unreasonable burden on Petitioner's provision of critical electric utility service to the community in the City of Anaheim. It would cause significant, unreasonable, and unavoidable harm to Petitioner in that Petitioner will be subject to fines and penalties for violations of its Permit and the above-referenced Rules.

D. The closing or taking would be without a corresponding benefit in reducing air contaminants.

Gas Turbine No. 1 will not be operational until the turbine is returned, tested, and has a successful start after the turbine's inspection and repair is completed at the Petitioner's repair contractor's depot facility in Canada. In the absence of Gas Turbine No. 1, Petitioner will not be using any substitute turbine. Denying a Regular Variance would result in significant harm to Petitioner without a corresponding benefit in air

contaminant reduction because the air contaminant reduction is already resulting from the non-operative status of Gas Turbine No. 1.

E. The applicant for the variance has given consideration to curtailing operations of the source in lieu of obtaining a variance.

Because the requested variance is for an administrative exception to triennial testing requirements mandated by Permit Condition D29.3, curtailment of operations at the Facility or of Gas Turbine No. 1 does not address compliance with testing requirements. In addition, operations for Gas Turbine No. 1 will be suspended during the variance period because the turbine will be transported, inspected, and repaired offsite at the repair contractor's depot facility in Canada.

F. During the period the variance is in effect, the applicant will reduce excess emissions to the maximum extent feasible.

Because Petitioner is not substituting Gas Turbine No. 1 while Gas Turbine No. 1 is non-operative during inspection and repair, emissions from Gas Turbine No. 1 are already reduced to the maximum extent feasible. Petitioner's operation of the remaining turbines at the Facility will be in compliance with the Facility Permit.

G. During the period the variance is in effect, the applicant will monitor or otherwise quantify emission levels from the source, if requested to do so by the District, and report these emission levels to the district pursuant to a schedule established by the District.

As stated during the hearing, Petitioner acknowledges testing schedule oversights and will monitor and report compliance pursuant to the Hearing Board's order and the Facility Permit.

CONCLUSION AND ORDER

THEREFORE, the Hearing Board orders as follows:

1. The variance applies only to the portion of permit condition D29.3 stating the "test shall be conducted at least one every three years," for the period

- commencing October 3, 2024, and continuing until and including August 31, 2025. All other requirements in this condition shall remain in effect.
- 2. Petitioner shall notify the South Coast AQMD via email to AQ Engineer Chris Perri (cperri@aqmd.gov), AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), and Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov) of the following:
 - a. Completion of repairs to Turbine No. 1, within seven (7) days of completion;
 - b. The return of repaired Turbine No. 1 to Canyon Power, within (7) seven calendar days;
 - c. Date and time of initial start-up of the repaired Turbine No. 1, within twenty-four (24) hours of start-up;
 - d. At least ten (10) calendar days prior to the source test, provide notification of the date and time of the source test.
- 3. Petitioner shall conduct the triennial testing in accordance with permit condition D29.3 within 90 days after first successful fire. Successful fire shall mean operation that demonstrates compliance with all permit conditions, including the NOx emission limit.
- 4. Petitioner shall notify South Coast AQMD by calling 1-800-CUT-SMOG and by sending an email to AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), Supervising AQ Inspector Thomas Lee (tlee2@aqmd.gov), and AQ Engineer Chris Perri (cperri@aqmd.gov) at least 24 hours prior to starting the Triennial Source Test.
- 5. Petitioner shall submit a complete source test report showing preliminary compliance with the Triennial Source Test conditions to South Coast AQMD Source Testing (sourcetesting@aqmd.gov) and to AQ Inspector II Avelino Revilla (arevilla@aqmd.gov), Supervising AQ Inspector Thomas Lee

- (tlee2@aqmd.gov), and AQ Engineer Chris Perri (cperri@aqmd.gov) within 45 calendar days after the test date.
- 6. Petitioner shall operate the Continuous Emissions Monitoring System (CEMS) to continuously monitor the exhaust from Turbine No. 1 (Device No. D1) and record all required parameters (i.e. NOx concentration, oxygen content, and fuel flow) pursuant to Rule 2012, Appendix A, Chapter 2 for the duration of the variance period including showing valid zeros for all parameters when the turbine is not operating. In lieu of the abovementioned requirement, the Petitioner may choose to comply with the requirements in Rule 2012(c)(2)(D) and 2012(c)(2)(E), as amended on November 3, 2022.
- 7. Petitioner shall pay all applicable fees to the Clerk of the Hearing Board, or the variance shall be invalidated pursuant to Rule 303(k), except for excess emissions fees, which shall be paid within fifteen (15) days of notification in writing that the fees are due, unless otherwise ordered by the Hearing Board.
- 8. Petitioner shall notify the Clerk of the Hearing Board at clerkofboard@aqmd.gov in writing when final compliance has been achieved.

FOR THE BOARD:

Mohan Balagopalar

DATED:

12/24/24

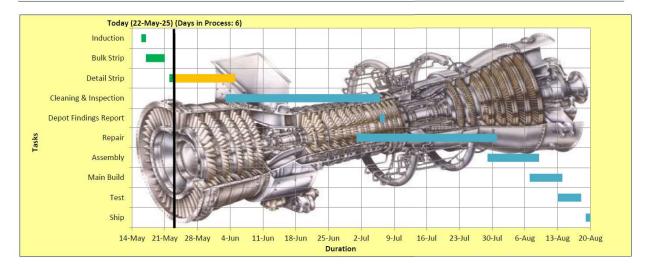
EXHIBIT C Declaration of Ron Hoffard

Case No. 6264-2



ORIGINAL TIMELINE

191-657 WEEKLY UPDATE



Key	1
Completed Tasks	
Tasks in Progress	
Future Tasks	
Delayed Tasks	

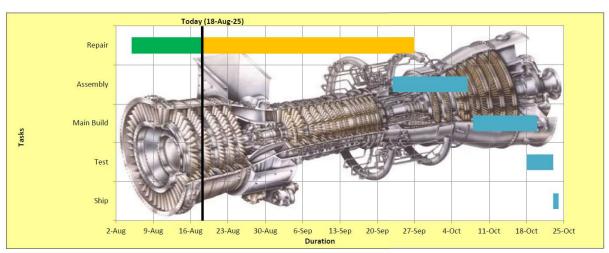
Proposed	Current
TAT	Forecast
(Days)	TAT(Days)

Tasks	Start Date	End Date	Duration
Induction	16-May-25	16-May-25	1
Bulk Strip	17-May-25	21-May-25	4
Detail Strip	22-May-25	05-Jun-25	14
Cleaning & Inspection	03-Jun-25	06-Jul-25	33
Depot Findings Report	06-Jul-25	06-Jul-25	1
Repair	01-Jul-25	31-Jul-25	30
Assembly	29-Jul-25	08-Aug-25	11
Main Build	07-Aug-25	12-Aug-25	5
Test	13-Aug-25	18-Aug-25	5
Ship	19-Aug-25	20-Aug-25	1



EXTENDED TIMELINE

191-657 WEEKLY UPDATE



Key	
Completed Tasks	
Tasks in Progress	
Future Tasks	
Delayed Tasks	

Tasks	Start Date	End Date	Duration
Tasks	Start Date	End Date	Duration
Repair	05-Aug-25	28-Sep-25	55
Assembly	23-Sep-25	07-Oct-25	14
Main Build	08-Oct-25	18-Oct-25	10
Test	18-Oct-25	23-Oct-25	5
Ship	23-Oct-25	23-Oct-25	1