

For Discussion Purposes Only

(Adopted August 4, 1989)(Amended December 21, 1990)(Amended July 19, 1991)
(Amended November 2, 2018)(Amended TBD)
(Version 09-14-2021)

PROPOSED AMENDED RULE 1135. EMISSIONS OF OXIDES OF NITROGEN FROM ELECTRICITY GENERATING FACILITIES

- (a) Purpose
The purpose of this rule is to reduce emissions of oxides of nitrogen (NO_x) from electricity generating units at electricity generating facilities.
- (b) Applicability
This rule shall apply to electricity generating units at electricity generating facilities.
- (c) Definitions
- (1) ANNUAL CAPACITY FACTOR means the ratio between the measured heat input (in ~~MMBTU~~MMBtu) from fuel consumption to an electricity generating unit during a calendar year and the potential heat input (in ~~MMBTU~~MMBtu) to the electricity generating unit had it been operated for 8,760 hours during a calendar year at the permitted heat input rating, expressed as a percent. Annual capacity factor does not include heat input of the electricity generating unit during the Emergency Phase of the California Energy Commission Energy Emergency Response Plan or a Governor-~~declared~~-Declared State of Emergency or Energy Emergency.
 - (2) BOILER means any combustion equipment fired with liquid and/or gaseous fuel, which is primarily used to produce steam that is expanded in a turbine generator used for electric power generation.
 - (3) ~~COGENERATION TURBINE means any gas turbine which is designed to generate electricity and useful heat energy at the same time (combined heat and power).~~
 - (43) COMBINED CYCLE/COGENERATION GAS TURBINE means ~~any a~~ gas turbine that recovers heat from the gas turbine exhaust gases ~~for use in a heat recovery steam generator to generate additional electricity.~~
 - (54) DAILY means a calendar day starting at 12 midnight and continuing through 11:59 p.m.

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- (65) DUCT BURNER means a device located in the heat recovery steam generator of a gas turbine that combusts fuel and adds heat energy to the turbine exhaust to increase the output of the heat recovery steam generator.
- (76) ELECTRICITY GENERATING UNIT means a boiler that generates electric power, gas turbine that generates electric power ~~with the exception of cogeneration turbines~~, or diesel internal combustion engine that generates electric power and is located on Santa Catalina Island with the exception of emergency internal combustion engines.
- (87) ELECTRICITY GENERATING FACILITY means a facility that is owned or operated by an investor-owned electric utility; is owned or operated by a publicly owned electric utility; or has electricity generating units with a combined generation capacity of 50 megawatts or more of electrical power for distribution in the state or local electrical grid system. Electricity generating facility does not include landfills, petroleum refineries, or publicly owned treatment works facilities subject to South Coast AQMD Rule 1109.1 – Emissions of Oxides of Nitrogen from Petroleum Refineries and Related Operations, South Coast AQMD Rule 1150.3 – Emissions of Oxides of Nitrogen from Combustion Equipment at Landfills, or South Coast AQMD Rule 1179.1 – Emissions Reductions from Combustion Equipment at Publicly Owned Treatment Works Facilities.
- (8) EMISSIONS CAP is calculated as the total daily NO_x emissions in pounds from all boilers at an electricity generating facility, expressed in pounds of NO_x.
- (9) EMISSIONS RATE is calculated as the total daily NO_x emissions in pounds from all boilers at an electricity generating facility, divided by the total daily net electric power generated and/or obtained in Megawatt-Hours from all boilers at an electricity generating facility, expressed in pounds of NO_x per Megawatt-Hour.
- (10) ENGINE OPERATING LOAD is calculated as the average gross electrical power output (in kilowatts) measured at the generator terminals divided by the rated gross generator output (in kilowatts) of the engine multiplied by the inverse of the generator efficiency, expressed as a percent.
- (911) FORCE MAJEURE NATURAL GAS CURTAILMENT means an interruption in natural gas service due to unavoidable or unforeseeable failure, malfunction, or natural disaster, not resulting from an intentional or negligent act or omission on the part of the owner or operator of an electricity generating unit, or a supply restriction resulting from the application of a California Public Utilities

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Commission—(CPUC) priority allocation system of Southern California Gas Company Tariff Rule 23, such that the daily fuel needs of an electricity generating unit cannot be met with the natural gas available.

- (1012) ~~FORMER RECLAIM NO_x SOURCE-FACILITY~~ for the purpose of this rule means a n electric generating unit located at an electricity generating facility or any of its successors that was in the NO_x Regional Clean Air Incentives Market (RECLAIM) as of January 5, 2018, as established in Regulation XX – Regional Clean Air Incentives Market (RECLAIM), that has received a final determination notification from the Executive Officer or the owner or operator opts out of RECLAIM, and is no longer in the NO_x RECLAIM program.
- (1113) INTERNAL COMBUSTION ENGINE means a reciprocating type engine in which the combustion of a fuel occurs with an oxidizer (usually air) in a combustion chamber to produce mechanical energy.
- (1214) INVESTOR-OWNED ELECTRIC UTILITY means a business organization managed as a private enterprise that operates electricity generating unit(s) for electric power distribution primarily in the grid system overseen by the California Public Utilities Commission.
- (13) ~~LANDFILL means an entire disposal facility in a contiguous geographical space where solid waste is placed in or on land.~~
- (1415) ~~NON-RECLAIM NO_x SOURCE-FACILITY~~ for the purpose of this rule means a n electric generating unit located at an electricity generating facility or any of its successors that was not in the NO_x RECLAIM as of January 5, 2018, as established in Regulation XX.
- (16) NO_x PEAKING UNIT for the purposes of this rule means any NO_x emitting turbine used intermittently to produce energy on a demand basis, does not operate more than 1,300 hours per year, and not subject to 40 CFR Part 72.
- (1517) OXIDES OF NITROGEN (NO_x) EMISSIONS means the sum of nitric oxides and nitrogen dioxides emitted, collectively expressed as nitrogen dioxide emissions.
- (16) ~~PETROLEUM REFINERY means a facility identified by the North American Industry Classification System Code 324110, Petroleum Refineries.~~
- (1718) PUBLICLY OWNED ELECTRIC UTILITY means a special-purpose district or other jurisdiction, including municipal districts or municipalities, that operates electricity generating unit(s) for electric power distribution, either partially or totally, to residents of that district or jurisdiction.

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- ~~(18) PUBLICLY OWNED TREATMENT WORKS means wastewater treatment or reclamation plants owned and operated by a public entity, including all operations within the boundaries of the wastewater and sludge treatment plant.~~
- (19) RECLAIM NO_x SOURCE FACILITY for the purpose of this rule means a n electric generating unit located at an electricity generating facility or any of its successors that is in the NO_x RECLAIM as of January 5, 2018, as established in Regulation XX and is still in RECLAIM on the relevant date.
- ~~(20) SCAQMD WIDE DAILY LIMITS means the daily emissions limits applicable to any electricity generating facility consisting of an emissions cap and/or an emissions rate.~~
- ~~(A) EMISSIONS CAP is expressed in pounds of NO_x and calculated as the total daily NO_x emissions in pounds from all boilers at an electricity generating facility.~~
- ~~(B) EMISSIONS RATE is expressed in pounds of NO_x per Megawatt-Hour and calculated as the total daily NO_x emissions in pounds from all boilers at an electricity generating facility, divided by the total daily net electric power generated and/or obtained in Megawatt-Hours from all boilers at an electricity generating facility. NO_x emissions during start-ups and shutdowns, up to a maximum of 12 hours for each event, shall not be included in the determination of the emissions rate for an electricity generating facility if five or fewer boilers are in operation during this period.~~
- ~~(2120) SHUTDOWN means the time period during which an electric generating unit begins reducing load and ending in a period of zero fuel flow or as otherwise defined in the SCAQMD permit is as defined in South Coast AQMD Rule 429.2 – Startup and Shutdown Exemption Provisions for Oxides of Nitrogen from Electricity Generating Facilities.~~
- ~~(2221) SIMPLE CYCLE GAS TURBINE means any stationary combustion turbine that does not recover heat from the combustion turbine exhaust gases to heat water or generate steam.~~
- ~~(2322) START-UP STARTUP means the time period that begins when an electric generating unit begins combusting fuel after a period of zero fuel flow and ends when the electric generating unit generates electricity for sale over the grid for power distribution, or as otherwise defined in the SCAQMD permit is as defined in South Coast AQMD Rule 429.2.~~

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~~(2423)~~ TUNING means adjusting, optimizing, rebalancing, or other similar operations to an electricity generating unit or an associated control device or as otherwise defined in the South Coast AQMD permit. Tuning does not include normal operations to meet load fluctuations.

(d) Emissions Limits

(1) Emissions Limits for Boilers and Gas Turbines

~~Notwithstanding the exemptions contained in Rule 2001—Applicability, subdivision (j)—Rule Applicability and its accompanying Table 1: Existing Rules Not Applicable to RECLAIM Facilities for Requirements Pertaining to NO_x Emissions, on~~ On and after January 1, 2024, or when required by a permit to operate issued to effectuate the requirements in this rule, whichever occurs first, the owner or operator of an electricity generating facility shall not operate a boiler or gas turbine in a manner that exceeds the NO_x ~~and ammonia~~ emissions limits listed in Table 1: Emissions Limits for Boilers and Gas Turbines, where:

- (A) Boilers and gas turbines for which the owner or operator has applied for permits to construct after November 2, 2018 shall average the NO_x ~~and ammonia~~ emissions limits in Table 1 over a 60 minute rolling average.
- (B) Boilers and gas turbines installed or for which the owner or operator has applied for permits to construct prior to November 2, 2018 shall:
 - (i) Average the NO_x ~~and ammonia~~ emissions limits in Table 1 over a 60 minute rolling average; or
 - (ii) Retain the averaging time requirements specified ~~on~~ in the South Coast AQMD permit as of November 2, 2018.

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Table 1: Emissions Limits for Boilers and Gas Turbines

Equipment Type	NO _x (ppmv) ¹	Ammonia (ppmv)	Oxygen Correction (%, dry)
Boiler	5	5	3
Combined Cycle/ <u>Cogeneration</u> Gas Turbine and Associated Duct Burner	2	5	15
Simple Cycle Gas Turbine	2.5	5	15

¹ – The NO_x emission limits in Table 1 shall not apply during ~~start-up~~ startup, shutdown, and tuning.

- (2) Emissions Limits for Diesel Internal Combustion Engines
- (A) ~~Notwithstanding the exemptions contained in Rule 2001—Applicability, subdivision (j)—Rule Applicability and its accompanying Table 1: Existing Rules Not Applicable to RECLAIM Facilities for Requirements Pertaining to NO_x Emissions, on~~ On and after January 1, 2024, or when required by a permit to operate issued to effectuate the requirements in this rule, whichever occurs first, the owner or operator of an electricity generating facility located on Santa Catalina Island shall not operate a diesel internal combustion engine in a manner that exceeds the NO_x, ~~ammonia~~, carbon monoxide, volatile organic compounds, and particulate matter emissions limits listed in Table 2: Emissions Limits for Diesel Internal Combustion Engines, where:-
- (B) Diesel internal combustion engines installed prior to November 2, 2018 may retain the averaging time requirements specified ~~on~~ in the South Coast AQMD permit as of November 2, 2018.

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Table 2: Emissions Limits for Diesel Internal Combustion Engines

NO _x (ppmv) ^{1,4}	Ammonia (ppmv) ¹	Carbon Monoxide (ppmv) ^{2,4}	Volatile Organic Compounds (ppmv) ^{3,4}	Particulate Matter (lbs/mmbtu)
45	5	250	30	0.0076

¹ – Corrected to 15% oxygen on a dry basis and averaged over a 60 minute rolling average

² – Corrected to 15% oxygen on a dry basis and averaged over 15 minutes

³ – Measured as carbon, corrected to 15% oxygen on a dry basis, and averaged over sampling time required by the test method

⁴ – The NO_x, carbon monoxide, and volatile organic compounds emissions limits in Table 2 shall not apply during start-up and shutdown

(3) ~~Start-up, Shutdown, and Tuning Requirements~~

~~The owner or operator of an electricity generating facility shall meet start-up, shutdown, and tuning requirements in the SCAQMD permit for each electric generating unit. On and after January 1, 2024, the SCAQMD permit shall include limitations for duration, mass emissions, and number of start-ups, shutdowns, and, if applicable, tunings.~~

(4) ~~Alternative Compliance Approach for Electric Generating Units Located on Santa Catalina Island~~

~~The owner or operator of an electricity generating facility located on Santa Catalina Island with diesel internal combustion engines that elects to meet a mass emission limit of 13 tons of NO_x annually by January 1, 2026 in lieu of complying with paragraph (d)(2)(A) shall:~~

- (A) ~~On or before January 1, 2022, submit a written notification to the Executive Officer that specifies the decision to meet a mass emission limit of 13 tons of NO_x annually by January 1, 2026; provide a description of the technologies that will be implemented to meet the emission limits; and provide a schedule of submittal of permits to the SCAQMD and any other approving agency, the timeframe to order equipment, and the timeframe for installation of equipment that will demonstrate the facility can meet a mass emission limit of 13 tons of NO_x annually by January 1, 2026; and~~

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- (B) ~~On or before January 1, 2022, submit an application for a permit condition that limits total annual emissions from the facility to no more than 13 tons of NO_x emissions annually after December 31, 2025.~~
- (53) Time Extensions
- (A) The owner or operator of an electricity generating facility on Santa Catalina Island may submit a request to the Executive Officer for approval of an extension of up to three years to meet the emissions limits specified in ~~paragraphs (d)(2) or (d)(4).~~ Table 2, if
- (i) ~~If electing to comply with paragraph (d)(2), a minimum of two units, excluding units exempt under paragraph (g)(3), shall meet the emissions limits in Table 2 by January 1, 2023; or.~~
- (ii) ~~If electing to comply with paragraph (d)(4), the facility shall meet a mass emission limit of 50 tons of NO_x annually for compliance year 2022, and meet a mass emission limit of 40 tons of NO_x annually for compliance year 2023.~~
- (B) The owner or operator that elects to submit a request for a time extension shall submit the request at least 365 days before the compliance deadline specified in ~~subparagraph (d)(2)(A) or paragraph (d)(4)~~ paragraph (d)(2).
- (C) The owner or operator that submits a request for a time extension request shall provide the following information to the Executive Officer:
- (i) Identification of the units for which a time extension is needed;
- (ii) The reason(s) a time extension is needed;
- (iii) Progress of replacing or retrofitting the electricity generating units; and
- (iv) The length of time requested.
- (D) The Executive Officer will approve or disapprove the request for a time extension. Approval or disapproval will be based on the following criteria:
- (i) The owner or operator prepared the request for a time extension in compliance with ~~subparagraphs (d)(5)(A) through (d)(5)(C)~~ (d)(3)(A) through (d)(3)(C); and
- (ii) The owner or operator provided sufficient details identifying the reason(s) a time extension is needed that demonstrates to the Executive Officer that there are extenuating circumstances that necessitate additional time to complete implementation. Such a

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demonstration may include, but is not limited to, providing detailed schedules, engineering designs, construction plans, land acquisition contracts, permit applications, and purchase orders.

- (E) If the Executive Officer approves the request for a time extension, the owner or operator shall:
 - ~~(i) Submit an application at least 18 months before the new compliance deadline for a permit condition that limits total annual emission from the facility to no more than 13 tons of NO_x emission annually on and after the new compliance deadline, if electing to comply with paragraph (d)(4); and~~
 - (ii) Pay a mitigation fee within 30 days of the date of approval. The mitigation fee shall be \$100,000/year, or any portion of a year, after the compliance date specified in ~~subparagraph (d)(2)(A) or paragraph (d)(4)~~ paragraph (d)(2).

~~(64)~~ City of Glendale

- (A) Until compliance with the provisions pursuant to paragraph (d)(1) is achieved, the City of Glendale or any of its successors, shall not operate its boilers unless at least one of the following ~~SCAQMD-wide daily limits on~~ emissions rate or emissions cap is met:
 - (i) Emissions rate of 0.20 pounds of NO_x per net Megawatt-Hour. NO_x emissions during startups and shutdowns of boilers, up to a maximum of 12 hours for each event, shall not be included in the determination of the emissions rate if five or fewer boilers are in operation during this period; or
 - (ii) Emissions cap of 390 pounds of NO_x per day.
- (B) Until compliance with paragraph (d)(1) is achieved, the City of Glendale shall not emit total quantities of NO_x from all boilers in excess of 35 tons of NO_x per calendar year. If Grayson combined cycle gas turbine Unit 8BC cannot produce electricity because of a breakdown for 30 continuous days or more, the annual NO_x emissions limit shall be increased by 65 pounds per day, up to a maximum of 41 tons per year.
- (C) A violation of any requirement specified in subparagraphs ~~(d)(6)(A) or (d)(6)(B)~~ (d)(4)(A) or (d)(4)(B) shall constitute a violation of this rule for every applicable unit operating during the exceedance period.

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- (75) On or before July 1, 2022, the owner or operator of an electricity generating facility shall submit an application for a change of permit conditions to reconcile their permit(s) with Rule 1135.
- (e) **Monitoring, Recordkeeping, and Reporting**
- (1) **RECLAIM NO_x Source Facility**
The owner or operator of each RECLAIM NO_x source facility subject to Rule 1135 shall comply with South Coast AQMD Rule 2012 – Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions to demonstrate compliance with the NO_x emissions limits of this rule.
- (2) **Former RECLAIM NO_x Source and Non-RECLAIM NO_x Facilities**
The owner or operator of each former RECLAIM NO_x source facility and non-RECLAIM NO_x facility subject to Rule 1135 shall comply with South Coast AQMD Rule 2012 – Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions Rule 218 – Continuous Emission Monitoring, South Coast AQMD Rule 218.1 – Continuous Emission Monitoring Performance Specifications, South Coast AQMD Rule 218.2 – Continuous Emission Monitoring System: General Provisions, South Coast AQMD Rule 218.3 – Continuous Emission Monitoring System: Performance Specifications, and 40 CFR Part 75 to demonstrate compliance with the NO_x emissions limits of this rule, excluding the following:
- (A) Paragraphs (c)(3) through (c)(8), reporting and Super Compliant facilities;
 - (B) Subparagraphs (d)(2)(B) through (d)(2)(E), reporting and emission factors;
 - (C) Subdivision (e), NO_x Process Units;
 - (D) Paragraphs (g)(5) through (g)(8), reporting;
 - (E) Paragraphs (h)(1), (h)(2), and (h)(4) through (h)(6), reporting and mass emissions;
 - (F) Subdivisions (i), (k), and (l), Recordkeeping, Exemptions, and Appeals; and
 - (G) Reported Data and Transmitting/Reporting Frequency requirements from Appendix A – “Protocol for Monitoring, Reporting and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions.”

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~~(3) Non-RECLAIM NO_x Source~~

~~The owner or operator of a non-RECLAIM NO_x source subject to Rule 1135 shall comply with the following provisions to demonstrate compliance with the NO_x emissions limits of this rule:~~

~~(A) 40 CFR Part 75 and calculating NO_x in ppmv pursuant to SCAQMD Rule 218—Continuous Emission Monitoring; or~~

~~(B) SCAQMD Rule 218—Continuous Emission Monitoring.~~

(3) NO_x Process Units

Until [FIVE YEARS AFTER DATE OF ADOPTION], in lieu of paragraph (e)(2), the owner or operator of a former RECLAIM NO_x facility with a NO_x peaking unit shall:

(A) Conduct yearly source testing to demonstrate compliance with the NO_x emission limits of this rule according to South Coast AQMD Method 100.1 – Instrumental Analyzer Procedures for Continuous Gaseous Emission Sampling, South Coast AQMD Method 7.1 – Determination of Nitrogen Oxide Emissions from Stationary Sources, U.S. EPA Method 20 – Nitrogen Oxides from Stationary Gas Turbines; or U.S. EPA Method 7E – Nitrogen Oxide - Instrumental Analyzer; and

(B) By July 1, 2022, for each NO_x process unit, submit a permit application that limits total annual operation time to no more than 1,300 hours per calendar year.

(4) City of Glendale

The City of Glendale or any of its successors shall demonstrate compliance with paragraph (d)(~~6~~4) and calculate NO_x emissions rate in pounds per net Megawatt-Hour or NO_x emissions cap in pounds of NO_x per day and tons of NO_x per calendar year as established in their approved Continuous Emission Monitoring System (CEMS) Plan.

(5) Diesel Internal Combustion Engines

The owner or operator of each diesel internal combustion engine electricity generating unit shall comply with the following provisions:

(A) Demonstrate compliance with the carbon monoxide and volatile organic compound emissions limits of this rule pursuant to Rule 1110.2 – Emissions

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- from Gaseous- and Liquid-Fueled Engines subdivisions (f) – Monitoring, Testing, Recordkeeping and Reporting and (g) – Test Methods; and
- (B) Conduct yearly source test for particulate matter emissions according to South Coast AQMD Method 5.1 – Determination of Particulate Matter Emissions from Stationary Sources Using a Wet Impingement Train or South Coast AQMD Method 5.2 – Determination of Particulate Matter Emissions from Stationary Sources using Heated Probe and Filter to demonstrate compliance with the particulate matter emission limit. The yearly emission limit shall be defined as a period of ~~twelve~~12 consecutive months determined on a rolling basis with a new ~~twelve~~12 month period beginning on the first day of each calendar month.
- (6) Catalytic and Non-Catalytic Control Devices with Ammonia Injection Emissions Limits
- (A) The owner or operator of each electricity generating unit with a catalytic or non-catalytic control devices with ammonia injection shall conduct quarterly source tests to demonstrate compliance with the ammonia emission limit specified in the South Coast AQMD permit according to South Coast AQMD Method 207.1 – Determination of Ammonia Emissions from Stationary Sources during the first ~~twelve~~12 months of operation of the electricity generating unit with a catalytic or non-catalytic control device with ammonia injection and annually thereafter when four consecutive quarterly source tests demonstrate compliance with the ammonia emission limit specified in the South Coast AQMD permit. If an annual test is failed, the owner or operator shall conduct four consecutive quarterly source tests ~~must to~~ demonstrate compliance with the ammonia emissions limits specified in the South Coast AQMD permit to operate prior to resuming annual source tests.
- (B) In lieu of complying with subparagraph (e)(6)(A), the owner or operator of each electricity generating unit with a catalytic or non-catalytic control device with ammonia injection may utilize ammonia CEMS certified under an approved South Coast AQMD protocol to demonstrate compliance with the ammonia emission limit specified in the South Coast AQMD permit to operate.

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- (7) The owner or operator of each former RECLAIM NO_x ~~source~~ facility and non-RECLAIM NO_x ~~source~~ facility shall maintain information pursuant to this subdivision at the facility for a period of five years, except that all data gathered or computed for intervals of less than 15 minutes shall be maintained for a minimum of 48 hours, and made available to South Coast AQMD upon request.
- (8) Operating Log
The owner or operator of each former RECLAIM NO_x ~~source~~ facility and non-RECLAIM NO_x ~~source~~ facility shall maintain records, in a manner approved by the South Coast AQMD, in an operating log on a daily basis, for the following parameter(s) or item(s):
- (A) Time and duration of ~~start-ups~~ startups and shutdowns;
 - (B) Total hours of operation;
 - (C) Quantity of fuel;
 - (D) Cumulative hours of operation to date for the calendar year;
 - (E) ~~Megawatt~~ Megawatt-hours of electricity produced; and
 - (F) Net ~~megawatt~~ megawatt-hours electricity produced.
- (f) Use of Liquid Petroleum Fuel
- (1) Force Majeure Natural Gas Curtailment
~~The owner or operator of an electricity generating unit shall not be subject to the~~ NO_x emissions limits specified in subdivision (d) ~~shall not apply to an electric generating unit~~ during force majeure natural gas curtailment when the use of liquid petroleum fuel is required, provided that:
- (A) Within 15 days of each occurrence, the owner or operator of each electricity generating facility submits an affidavit signed by a corporate officer affirming that liquid petroleum fuel was burned due to force majeure natural gas curtailment; and
 - (B) Each electricity generating unit, when it burns liquid petroleum fuel, emits NO_x at no more than the applicable unit-specific liquid petroleum fuel NO_x emission limit specified in the South Coast AQMD permit to operate.
- (2) Fuel Oil Readiness Testing
~~The owner or operator of an electricity generating unit shall not be subject to the~~ NO_x emissions limits specified in subdivision (d) ~~shall not apply to an electric~~

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~~generating unit~~ during fuel oil readiness testing and the electricity generating unit may burn liquid petroleum fuel, provided that:

- (A) Fuel oil readiness testing does not exceed sixty minutes per week;
- (B) Each electricity generating unit, when it burns liquid petroleum fuel, emits NO_x at no more than the applicable unit-specific liquid petroleum fuel NO_x emission limit specified in the South Coast AQMD permit to operate;
- (C) The owner or operator conducts fuel oil readiness testing ~~shall only occur~~ after the equipment has reached the emissions limits specified in paragraph (d)(1) while firing on natural gas and shall commence no later than sixty minutes after achieving emissions limits specified in paragraph (d)(1) while firing on natural gas; and
- (D) Each fuel oil readiness test shall commence with the equipment switching from natural gas to liquid petroleum fuel and conclude with the equipment switching from liquid petroleum fuel to natural gas.

(3) Source Testing

~~The owner or operator of an electricity generating unit shall not be subject to the~~ NO_x emissions limits specified in subdivision (d) ~~shall not apply to an electric generating unit~~ when it burns liquid petroleum fuel during emissions source testing, and the electricity generating unit may burn liquid petroleum fuel for emissions source testing as specified by South Coast AQMD rules or the South Coast AQMD permit to operate, including initial certifications of ~~Continuous Emissions Monitoring Systems (CEMS)~~ and semi-annual Relative Accuracy Test Audits (RATAs). The owner or operator shall only conduct RATA tests ~~shall only be conducted~~ concurrently with weekly readiness testing.

(g) Exemptions

(1) Combined Cycle Gas Turbines

The owner or operator of a combined cycle gas turbine installed prior to November 2, 2018 shall not be subject to paragraph (d)(1) for that combined cycle gas turbine, provided that:

- (A) The South Coast AQMD pPermit to Operate as of November 2, 2018 includes a condition limiting the NO_x concentration to 2.5 ppmv NO_x or less averaged over 60 minutes at 15% ~~percent~~ oxygen on a dry basis; and

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(B) The NO_x and ammonia limits, averaging times, and ~~start-up~~ startup, shutdown, and, if applicable, tuning requirements specified on the South Coast AQMD ~~p~~Permit to Operate as of November 2, 2018 are retained.

(2) Once-Through-Cooling Electricity Generating Units

The owner or operator of an electricity generating unit subject to the Clean Water Act Section 316(b) shall not be subject to paragraph (d)(1) for that electricity generating unit, provided that:

(A) The NO_x and ammonia limits, averaging times, and ~~start-up~~ startup, shutdown, and, if applicable, tuning requirements specified on the South Coast AQMD ~~p~~Permit to Operate as of November 2, 2018 are retained;

(B) On or before January 1, 2023, the owner or operator notifies South Coast AQMD of the compliance dates set forth in Table 1 of Section 2(B) of the State Water Resources Control Board's Statewide Water Quality Control Policy on the Use of Coastal Estuarine Waters for Power Plant Cooling (Once-Through-Cooling Policy) implementing Section 316(b) of the Clean Water Act;

(C) Within 3 months of approval of an extension of the compliance date set forth in Table 1 of Section 2(B) of the Once-Through-Cooling Policy, the owner or operator notifies South Coast AQMD of the extension. This extension is not applicable to facilities that have utilized the Modeling and Offset Exemptions in Rule 1304 – Exemptions paragraph (a)(2) and the associated replacement electricity generating unit is in operation; and

(D) The owner or operator complies with the compliance date set forth in Table 1 of Section 2(B) of the Once-Through-Cooling Policy.

(3) Diesel Internal Combustion Engines

The owner or operator of a diesel internal combustion engine installed prior to November 2, 2018 shall not be subject to paragraph (d)(2) for that diesel internal combustion engine provided that:

(A) The South Coast AQMD ~~p~~Permit to Operate as of November 2, 2018 includes a condition limiting the NO_x concentration to 51 ppmv NO_x or less averaged over 60 minutes at 15% ~~percent~~ oxygen on a dry basis; and

(B) The NO_x, ammonia, carbon monoxide, volatile organic compounds, and particulate matter limits, averaging times, and ~~start-up~~ startup and shutdown

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requirements specified on the South Coast AQMD pPermit to Operate as of November 2, 2018 are retained.

(4) Low-Use

(A) Gas Turbines

The owner or operator of a gas turbine installed prior to November 2, 2018 shall not be subject to emissions limits specified under paragraph (d)(1) for that gas turbine, provided that the gas turbine:

- (i) Maintains an annual capacity factor of less than twenty-five percent each calendar year;
- (ii) Maintains an annual capacity factor of less than ten percent averaged over three consecutive calendar years on a rolling basis; and
- (iii) Retains the NO_x and ammonia limits, averaging times, and ~~start-up~~ startup, shutdown, and, if applicable, tuning requirements specified on the South Coast AQMD Ppermit to Operate as of November 2, 2018.

(B) Boilers

The owner or operator of a boiler installed prior to November 2, 2018 shall not be subject to paragraph (d)(1) for that boiler, provided that the boiler:

- (i) Maintains an annual capacity factor of less than two and one half percent each calendar year;
- (ii) Maintains an annual capacity factor of less than one percent averaged over three consecutive calendar years on a rolling basis; and
- (iii) Retains the NO_x and ammonia limits, averaging times, and ~~start-up~~ startup and shutdown requirements specified on the South Coast AQMD pPermit to Operate as of November 2, 2018.

(C) Initial Requirement for Low-Use Exemption

The owner or operator of an electricity generating facility that elects the low-use exemption pursuant to subparagraph (g)(4)(A) or (g)(4)(B) for a gas turbine or boiler shall submit permit applications by July 1, 2022 for each electricity generating unit requesting the change of South Coast AQMD permit conditions to incorporate the low-use exemption.

For Discussion Purposes Only

Proposed Amended Rule 1135 (Cont.)

(Amended November 2, 2018 TBD)

- (D) Eligibility for Low-Use Exemption
Eligibility of the low-use exemption shall be determined annually for each electricity generating unit and reported to the Executive Officer no later than March 1 following each reporting year.
- (E) Exceedance of Low-Use Exemption
- (i) If an electricity generating unit with a low-use exemption pursuant to subparagraph (g)(4)(A) or (g)(4)(B) exceeds the annual or three year average annual capacity factor limit, such exceedance shall be a violation of this rule and the owner or operator of that electricity generating unit is subject to issuance of a notice of violation each year there is an exceedance for each annual and/or three-year exceedance.
- (ii) If an electricity generating unit with a low-use exemption pursuant to subparagraph (g)(4)(A) or (g)(4)(B) exceeds the annual or ~~three year~~three-year average annual capacity factor limit, the owner or operator of that electricity generating unit shall:
- (A) Within six months of the date of reported exceedance of subparagraph (g)(4)(A) or (g)(4)(B), submit complete South Coast AQMD permit applications to repower, retrofit, or retire that electricity generating unit;
- (B) Submit a CEMS Plan within six months from the date of complete South Coast AQMD permit application submittal pursuant to subclause (g)(4)(E)(ii)(A); and
- (C) Not operate that electricity generating unit in a manner that exceeds the emissions limits listed in Table I after two years from the date of the reported exceedance of subparagraph (g)(4)(A) or (g)(4)(B).
- (5) Internal combustion engines located on Santa Catalina Island are exempt from subdivision (f).