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10 SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

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

13 In the Matter of

14 SOUTH COAST AIR QUALITY
15 MANAGEMENT DISTRICT,

16 Petitioner,

17 v.

18 CITY OF COLTON, AGUA MANSA
19 POWER PLANT,

20 Facility ID #172077

21 Respondent.

22 Case No. 6266-1

23 **STIPULATED ORDER FOR ABATEMENT;**
24 **[Proposed] FINDINGS AND DECISION OF**
25 **THE HEARING BOARD**

26 District Rules 201, 203(b), 2004(f)(1) and 3002(c)

27 Hearing Date: October 23, 2024

28 Time: 9:30 a.m.

Place: 21865 Copley Drive

Diamond Bar, CA 91765-0940

20 This petition for an Order for Abatement was heard on October 23, 2024, pursuant to
21 notice and in accordance with the provisions of California Health and Safety Code Section
22 40823 and District Rule 812. The following members of the Hearing Board were present:
23 Micah Ali, Chair; Robert Pearman, Vice-Chair; Dr. Jerry P. Abraham, MD; Cynthia Verdugo-
24 Peralta; and Mohan Balagopalan. Petitioner, Executive Officer of the South Coast Air Quality
25 Management District, (hereinafter referred to as “District” or “Petitioner”), was represented by
26 Karin Manwaring, Senior Deputy District Counsel. Respondent City of Colton, a public entity,
27 (hereinafter referred to as “Respondent”), was represented by Best Best & Krieger LLP partner,
28 Wendy Y. Wang. The public was given the opportunity to testify. The matter was submitted and

1 evidence received. The Hearing Board finds and decides as follows:

2 **FINDINGS OF FACT**

3 1. Petitioner is a body corporate and politic established and existing pursuant to
4 Health and Safety Code § 40400, *et seq.* and is the sole and exclusive local agency with the
5 responsibility for comprehensive air pollution control in the South Coast Basin.

6 2. Respondent is a public entity that operates the Agua Mesa Power Plant located in
7 the City of Colton, California. As a power generating facility with rapid response capability, Agua
8 Mesa Power Plant (the “Facility”) is positioned to provide low-emitting electrical power
9 generation to the California Independent System Operator (CAISO) and the City of Colton, under
10 peak demands and is referred to as a “peaker” plant.

11 3. The Facility is in the RECLAIM program and is a Title V facility.

12 4. Title V is the permit program for air pollution sources required to implement the
13 Federal Operating Permit Program established under the Clean Air Act

14 5. **District Rule 201(A)** requires that building, erecting, altering or replacing any
15 equipment which may cause the issuance of air contaminants must first obtain a permit to
16 construct.

17 6. **District Rule 203(b)** requires that equipment shall not be operated contrary to the
18 conditions specified in the permit to operate.

19 7. **District Rule 2004(f)(1)** requires that a RECLAIM permit holder shall comply with
20 all rules and permit conditions applicable to the facility, as specified in the Facility Permit.

21 8. **District Rule 3002(c)** requires Title V permit holders to comply with all terms,
22 requirements, and conditions specified in the Title V permit at all times.

23 9. Respondent operates at the Facility a LM6000 PC simple cycle gas turbine, referred
24 to as Device D1 or “D1” with the associated serial number of 191-486.

25 10. Respondent removed major components of D1 on or about July 6, 2024, and
26 replaced these components with a leased unit, serial number 192-404, on July 7, 2024, with the
27 intent to operate this temporary leased unit until repair and re-installation of D1.

1 11. Petitioner’s position is that replacement of major components of D1 (either
2 temporary or permanent) is not authorized under City of Colton Facility Permit ID# 172077, and
3 Respondent did not request authority to modify D1 by first submitting an application and obtaining
4 a permit modification approval. Replacement of major components of the turbine assembly, in
5 this case the combustor along with the HPT nozzles and blades, required a permit modification
6 application.

7 12. Respondent believed that all repairs were routine in nature in accordance with
8 industry norms and would not be defined as a modification to D1 per District Rules.

9 13. Respondent has indicated that the repairs to turbine D1 (S/N 191-486) include the
10 replacement the stage 1 and stage 2 high pressure turbine (HPT) blades and nozzles, replacement
11 of one or more segments of stage 1 low pressure turbine (LPT) nozzle, refurbishment of the
12 remaining stage 1 LPT nozzle segments (13 total), and disassembly of the turbine combustor to
13 install a like kind refurbished combustor.

14 14. Respondent desires to re-install a repaired D1 and operate the unit as soon as
15 possible.

16 15. Respondent has agreed to achieve compliance as expeditiously as possible by
17 submitting a permit application to reflect modifications to City of Colton Facility Permit ID#
18 172077 related to D1 and by re-installing the repaired components (S/N 191-486) of D1 as soon as
19 possible.

20 16. Respondent requested, and the parties held, a pre-application meeting on October
21 22, 2024, to discuss an application to modify City of Colton Facility Permit ID# 172077.

22 17. The Parties request an Order for Abatement (Stipulated) to allow Respondent to re-
23 install the repaired components (S/N 191-486) of D1 without incurring violations of Rules 201,
24 203(b), 2004(f)(1) or 3002(c), while the District processes a permit application.

CONCLUSIONS

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26 1. The parties have stipulated to the issuance of this Order for Abatement, pursuant
27 to Health and Safety Code Section 42451(b).

1 2. This Order for Abatement (Stipulated) is not intended to be, nor will it act as, a
2 variance. Respondent is subject to all rules and regulations of the District and to all applicable
3 provisions of California law. Nothing herein shall be deemed or construed to limit the authority
4 of the District to issue Notices of Violation, to seek civil penalties or injunctive relief, or to other
5 administrative or legal relief. The Findings of Fact are based on evidence presented by
6 Petitioner and Respondent as of the date hereof.

7 3. The issuance of the prayed for Order for Abatement is not expected to result in
8 the closing or elimination of an otherwise lawful endeavor, but if it does result in such closure or
9 elimination, it would not be without a corresponding benefit in reducing air contaminants.

10 4. Issuance of this Stipulated Order for Abatement, upon a fully noticed hearing,
11 will not constitute a taking of property without due process of law.

ORDER

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14 THEREFORE, subject to and based on the aforesaid Findings of Fact, Conclusions and
15 additional evidence and testimony, and good cause appearing, Respondent is hereby ordered to
16 cease and desist operation of D1 resulting in violations of District Rules 201, 203(b), 2004(f)(1),
17 and 3002(c), or in the alternative, comply with the actions and conditions set forth below:

18 1. Respondent shall submit a complete permit application to modify City of Colton
19 Facility Permit ID# 172077 to reflect modifications to D1 (S/N 191-486) consistent with the pre-
20 application meeting held on October 22, 2024, within thirty (30) days of issuance of this Order.

21 2. Respondent shall notify South Coast AQMD by emailing AQ Engineer Chris Perri
22 (cperri@aqmd.gov) (i) within 24 hours of the date of the reinstallation of repaired turbine engine
23 (S/N 191-486) and (ii) within 24 hours of the first date of operation of a repaired D1 (S/N 191-
24 486).

25 3. Respondent shall provide the final cost of the repairs to the damaged turbine engine
26 (S/N 191-486), to the extent not previously provided, within 7 days of receiving this information,
27 by emailing AQ Engineer Chris Perri (cperri@aqmd.gov).

1 4. Respondent shall notify South Coast AQMD's Clerk of the Board by email
2 (ClerkofBoard@aqmd.gov) and Karin Manwaring (at KManwaring@aqmd.gov) within five (5)
3 days of achieving final compliance.

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5 Good cause appearing, it is so ordered.

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7 For the Board: _____

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9 Date Signed: _____

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