



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

RUSSELL CITY ENERGY CENTER  
3862 Depot Road  
Hayward, CA 94545

January 2, 2009

## FACT SHEET

### Background

- The Russell City Energy Center (RCEC) is a proposed 600-MW natural gas fired combined cycle power plant to be located in Hayward. The initial project, proposed by an affiliate of Calpine Corporation, was licensed by the California Energy Commission (CEC) in 2002. The project description was amended in 2006 to move the site about ¼ mile from the original proposed site, and an application for an amended Certification was submitted to the CEC and a new permit application was submitted to the District.
- The RCEC includes two gas turbines and two heat recovery boilers. In accordance with District rules, this combustion equipment must use the Best Available Technology (BACT) to minimize emissions. BACT requirements for the project are met with the use of selective catalytic reduction (SCR) systems, oxidation catalysts, the exclusive use of natural gas fuel, and modern combustion controls. The project is also subject to emission offset requirements, Prevention of Significant Deterioration (PSD) analysis requirements, and health risk screening analysis (HRSA) requirements.
- On June 19, 2007, the District issued a Final Determination of Compliance (FDOC) for the amended RCEC, concluding that the project, with appropriate permit conditions, could comply with all applicable air quality requirements.
- On September 26, 2007, the CEC approved the RCEC and granted a power plant license. The District subsequently issued an Authority to Construct (ATC) for the RCEC on November 1, 2007. The District also issued a federal PSD permit under a District/EPA PSD delegation agreement.

### Public Comments/Issues

- The District held a public comment period at the time of issuance of a Preliminary Determination of Compliance for the amended project. Members of the public made no comments on the project during the District's public comment period.
- Requests were made to the CEC by several parties to intervene and reopen the administrative proceedings and evidentiary record for the RCEC project after the amended power plant license was issued. The CEC issued an order to deny petitions for intervention

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and reconsideration on November 11, 2007. The CEC order was appealed to the California Supreme Court, and the Court subsequently declined to hear the case.

- A resident of Hayward filed an appeal of the Authority to Construct for the RCEC with the District's Hearing Board, and a hearing was held on March 6, 2008. The Hearing Board dismissed the appeal.
- The resident also filed an appeal with the EPA's Environmental Appeals Board (EAB) regarding the PSD permit issued by the District. On July 29, 2008, the EAB issued a remand order for the District to re-notice the PSD permit for public review using the federal notice requirements in 40 CFR Section 124.10. The EAB remand was based entirely on public noticing procedures, and not on substantive air quality issues. Up to this point, based on input from EPA Region IX staff, the District had been following the noticing requirements in District regulations for PSD permits.

### **Project Status**

- Since the EAB remand, District staff has worked on preparing the PSD permit re-notice. The federal noticing requirements are considerably more detailed than the District requirements, and involve both general noticing for the purpose of maintaining a PSD mailing list, as well as project-specific noticing.
- The general noticing was completed in November 2008, and included: (1) publication in 18 periodicals/newspapers with coverage in each of the nine Bay Area counties, (2) issuance of a press release to numerous newspapers and other news outlets and posted on the District website, (3) creation of a comprehensive agency mailing list including local city, regional, state, and federal agencies, the Native American Heritage Commission, and the departments within these agencies that may have permit interest, and (4) creation of a comprehensive interested parties list including California Energy Commission mailing lists used for several Bay Area power plant projects including the RCEC, and all parties in District records that have previously commented on, or attended public meetings held for, Title V, Major NSR and/or PSD permits.
- The District began the project-specific re-noticing on December 8, 2008. Approximately 1900 notices were mailed-out. The public notice was also published in The Hayward Daily Review, The Oakland Tribune, and El Mensajero (in Spanish). A Statement of Basis and Fact Sheet for the project have been posted on the District website.
- A Public Hearing on the project has been scheduled for 6:30 pm on January 21, 2009, at Hayward City Hall.
- The District will accept public comments on the project through January 22, 2009. Following the public comment period, District staff will consider the comments received, and re-

evaluate whether the project has met applicable PSD requirements. After responding to comments, the District will take final action on the PSD permit.