

EIT VOC Control Email Diamond Generation Mariposa Energy.txt  
From: Prasad Raju 6332  
Sent: Tuesday, May 18, 2010 2:05 PM  
To: Bo Buchynsky; 'Gary Normoyl e'; 'Jerry.Sal amy@CH2M.com'  
Cc: Gregg Harwood 6360; Whitney Mereness 6342; Harry Hall 6238  
Subject: FW: Diamond Generation, Mariposa Energy

Based on this morning conference call, we have obtained the following information from Express (EIT) on VOC reduction from 3ppmvd to 1ppmvd. Express confirmation is based on backup calculations performed with BASF oxidation catalyst.

Trust this answers your query.

Regards

Prasad Raju  
POWER Engineers Inc  
Boise, Idaho  
Tel No: 208 288 6332

From: Brian Crockett [mailto:bcrockett@expresstechnusa.com]  
Sent: Tuesday, May 18, 2010 1:51 PM  
To: Prasad Raju 6332  
Cc: 'Phil Childers'  
Subject: Diamond Generation, Mariposa Energy

Based on a CO out of 1.5 ppmvd@15% O<sub>2</sub>; a VOC reduction from an inlet of 3 ppmvd@15% O<sub>2</sub> to an outlet of 1 ppmvd@15% O<sub>2</sub> is achievable with the following capital and operating cost impact:

- 1) An increase in initial capital costs of \$50,000.00 per unit with no change in replacement period.
- 2) An increase in total system pressure loss of less than 0.2" WC.
- 3) An increase in tempering air fan power consumption of 0.32 KW.

Brian Crockett  
Product Manager  
Express Integrated Technologies LLC  
Office 918-622-1420  
Direct 918-728-7738  
Cell 918-859-4445

**TABLE 3  
BAAQMD Mariposa Energy Project**

**POC Catalyst Control Costs Base Case 3 PPMVD to 1 PPMVD  
CAPITAL COST SUMMARY**

**Average/Total Cost Effectiveness analysis**

DIRECT CAPITAL COSTS (2009 \$)	Explanation of Cost Estimates per Turbine
1. Purchased Equipment:	Base Cost
A) Pollution Control Equipment	\$50,000 EIT Email dated May 18, 2010.
B) Instrumentation & Controls(No CEMS)	\$0 EPA1998 10% of Base Cost (assumed \$0 for incremental assessment)
C) Freight & Taxes	\$0 8% Taxes; 5% Freight; on 1A & 1B
Total Purchased Equip. Costs (TEC):	\$50,000 Sum 1A,1B,1C
2. Installation Costs:	
A) Foundation & Supports	\$0 EPA1998 8% of TEC
B) Erection and Handling	\$0 EPA1998 14% of TEC (assumed \$0 for incremental assessment)
C) Electrical	\$0 EPA1998 4% of TEC
D) Piping	\$0 EPA1998 2% of TEC
E) Insulation	\$0 1% of TEC
F) Painting	\$0 EPA1998 1% of TEC
G) Site Preparation	\$0 0% of TEC
Total Installation Costs (TINC):	\$0 Sum 2A,2B,2C,2D,2E,2F,2G
Total Direct Capital Costs (TDCC):	\$50,000 Sum TEC,TINC
<b>INDIRECT CAPITAL COSTS</b>	
1. Engineering & Supervision	\$5,000 EPA1998 10% of TEC
2. Construction and Field Exp.	\$2,500 OAQPS 5% of TEC
3. Contractor Fees	\$5,000 OAQPS 10% of TEC
4. Start-up	\$1,000 OAQPS 2% of TEC
5. Performance Testing	\$500 OAQPS 1% of TEC
Total Indirect Capital Costs (TICC):	\$14,000 Sum 1,2,3,4,5
Total Direct & Indirect Capital Costs (TDICC):	\$64,000 Sum TDCC,TICC
Contingency (@12%):	\$7,680 12% TDICC (std engineering accuracy)
TOTAL CAPITAL COSTS (TCC):	\$71,680 Sum TDICC,Contingency

**TABLE 3  
ANNUAL OPERATING COST SUMMARY**

DIRECT OPERATING COSTS (2003 \$)	Explanation of Cost Estimates per Turbine
1. Operating Labor	\$15,148 EPA1998 3 hr/day, @41.50 hr
2. Supervisory Labor	\$2,272 OAQPS 15% Operating Labor
3. Maintenance Labor & Materials	\$7,574 2 hr/day, \$41.50/hr, + 100% materials (estimated at \$0)
4. Electricity Expense (\$0.0527/kWh)	
5. Catalyst Cost (replace)	\$0 NA
6. Fuel Penalty (\$0.0041/scf gas)	\$2,243 0.15% fuel increase/inch wc, assumed 1.0" bp
7. Annual Catalyst Cost	\$0 Initial Catalyst will last 15 year period
Total Direct Operating Costs (TDOC):	\$27,236 Sum 1 through 7
 INDIRECT OPERATING COSTS	
1. Overhead	\$9,089 OAQPS 60% Total Labor
Total Indirect Operating Costs (TIOC):	\$9,089 Sum 1
 CAPITAL CHARGES COSTS	
1. Property Tax	\$717 OAQPS 1% TCC
2. Insurance	\$717 OAQPS 1% TCC
3. General Administrative	\$1,434 OAQPS 2% TCC
4. Capital Recovery Cost (7%, 15 years)	\$7,870 10.98%, TCC
Total Capital Charges Costs (TCCC):	\$10,738 Sum 1,2,3,4
TOTAL ANNUALIZED OPERATING COSTS:	\$47,062 Sum TDOC,TIOC,TCCC
 Per Turbine	
Base Uncontrolled Case	3.0 ppm (GE Guarantee)
Annual Emission Rate	3.5 TPY (3.74 Lb POC/Hr * 3.0 ppm POC/6.4 ppm POC * 4000 hr/yr * 2000 lb/ton)
 Controlled Case Emissions	
POC Concentration	1.0 ppm (3-hour)
Annual Emission Rate:	1.2 TPY (3.5 TPY * 1 ppm POC /3 ppm POC)
POC Reduction from Uncontrolled Case:	2.34 tpy
Control Cost Effectiveness:	<b>\$20,134 per ton</b>

References:

OAQPS - OAQPS Cost Control Manual, 5th ED., February 1996.

EPA1998 - Cost Effectiveness fo Oxidation Catalyst Control of HAP Emissions from Stationary Combustion Turbines,

\* EPA memo dated 12-30-99, Emissions Stds Division, Docket A-95-51, and May 14, 1999 memo on Stationary CT control cost options.