



Hydrogen Energy Air Quality Improvement Agreement

Presentation to the Governing Board

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Agreement Concepts

- Voluntary agreement
- Build on past success
 - Emissions mitigation agreements
 - Funding provided by developers
 - District-administered grant programs
- Mitigate emissions beyond rule requirements
- Funding priorities
 - Proximity to new facility
 - Cost-effectiveness



Hydrogen Energy California

- Combustion turbine fired on hydrogen
- Integrated Gasification Combined Cycle (IGCC)
 - gasification of coal or petroleum coke creates H₂
- Will sequester CO₂ in the nearby oil fields
- Located 1.5 miles from Tupman, 7 miles west of Bakersfield
- 390 MW power plant, 250 MW net
- 4 ppm NOx originally proposed
- Revised: 2 ppm target within 2 yrs with very aggressive NOx control efforts



Today's Agreement

- Provides mitigation for emissions in excess of comparable clean natural gas power plant (250 MW @ 2 ppm NOx)
- Mitigates 115 tons/year NOx
- Developer funds \$681,262.31 for 1st two years (includes 5% for District's administrative costs)
- More after two years if can't achieve 2 ppm NOx, up to additional \$6.8 million
- Funds will be spent by District on local air quality improvement projects

