



WZI INC.

April 28, 2010

Mr. Dennis Roberts
San Joaquin Valley APCD
1990 East Gettysburg Avenue
Fresno, CA 93726

**RE: *Climate Change Action Plan: Addressing GHG Under CEQA
Best Performance Standards for Stationary Source Projects***

Dear Mr. Roberts:

The SJVAPCD has proposed to impose a boiler specific BPS. Prior to the adoption of a boiler specific BPS, the technical analysis should account for:

- 1) The cyclic multi-unit operation of real world-integrated facility operation as opposed to the simplistic maximum design case for a "single stand alone" boiler cycle;
- 2) The incorporation of pinch-point analysis at the operating conditions to determine if the low temperature/low energy value heat that is recovered at temperatures approaching the bottom of a realistic facility-wide carnot cycle is even usable in a normally fully integrated process where other available low value heat sources and pinched sinks already exist and must be displaced or replaced. This maximum design case largely ignores valley summer high temperatures which approach the heat sink temperature necessary for a 95% boiler to work in an operational facility;
- 3) The use of low temperature exhaust may force conditions in the exhaust gas path at varying load conditions to meet localized dew points (and low pH conditions) at tube walls that will lead to premature corrosion failures;
- 4) The need to maximize boiler design performance may create a need to forego burner designs that are more attuned to Valley-wide criteria pollutant objectives to meet the maximum design GHG criteria while meeting the necessary range of facility operation; and
- 5) An outline for BPS permit analysis should be constructed.

We are concerned that the case-by-case resolution of these issues including the internal BACT/BPS conflict will delay much needed improvement projects.

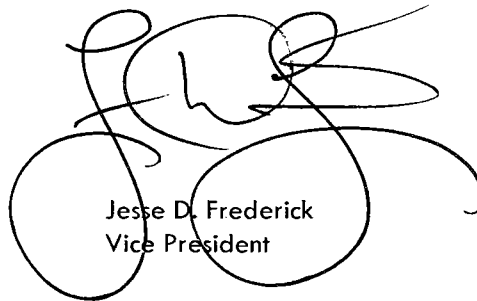
We believe that proper facility integration can lead to overall cycle efficiencies (reducing GHG) while meeting the operational needs of the affected businesses. In addition, I respectfully suggest that the District staff consider the wisdom of extending any claims concerning boiler performance at a single design point with a clear understanding about facility operations, contract obligations and normal operational nodes. Any claimed performance that is not backed by a vendor's commitment to consequential damages for failure to perform as promised will likely result in poor after-the-fact performance. This will lead to numerous breakdowns or reductions in efficiencies throughout the remainder of the facility operations leaving the industry boiler owner with the duty to fix new problems created by poorly matched boiler designs in a time when valuable capital is in short supply.

Also, I would respectfully suggest that the use of GHG emission allowances/credits should not be imposed until the District itself is able to define a reasonable source of the credits or develop a mechanism to provide reasonable access to the required allowances/offsets. The District may want to establish a funding mechanism through agreements. This imposition of "buying an out for the difference" could then meet a District imposed requirement without subjecting operations to unnecessary curtailment due to unmet needs for system improvements and repairs while: 1) trying to source prototype allowances and offsets, 2) satisfy the District veracity requirements and 3) meet the non-GHG related BACT requirements in a time period that does not result in permitting delays to a point that the project requirements and/or regulations change and the process of permitting starts over.

WZI will gladly provide general references, however, we feel that Valley industrial users are a better source of the technical information that is available and that further consultation with the Valley-wide industrial boiler users should take place.

We appreciate and share the District's effort to meet the new paradigm and achieve a better physical and employment environment in the Valley.

Very Truly Yours



Jesse D. Frederick
Vice President