



San Joaquin Valley
Air Pollution Control District

November 18, 2005

Deborah Jordan, Director
Air Division
U.S. EPA, Region IX
75 Hawthorne Street
San Francisco, CA 94105-3901

DOCKET 05-AFC-1
DATE NOV 18 2005
RECD. MAR 30 2006

Re: Offset Equivalency Report

Dear Ms. Jordan:

As required by the District's New Source Review Rule, the District has completed an annual offset equivalency report for the twelve-month period from August 20, 2004 to August 19, 2005. The attached report incorporates the following:

- The quantity of offsets that would have been required from new major sources and major modifications to existing sources under a federal NSR program.
- The quantity of offsets actually required by the District.
- The surplus-at-time-of-use value of the emission reductions used to offset emissions increases from stationary sources.
- The quantity of shortfall or excess carry-over credits.

As you can see from the attached report, the District required more offsets than would have been required under federal offset requirements, and the surplus value of the reductions used exceeded those required under federal NSR. Therefore, equivalency is demonstrated and no remedial actions are necessary.

For your information, there is one project of interest this reporting period, Seneca Resources. Seneca Resources triggered a Major Modification for SO_x emissions and received its final air permits during this reporting period. It is therefore included in this report as a trackable project.

David L. Crow
Executive Director / Air Pollution Control Officer

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4800 Enterprise Way
Modesto, CA 95356-8718
(209) 557-6400 • FAX (209) 557-6475

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Southern Region Office
2700 M Street, Suite 275
Bakersfield, CA 93301-2373
(661) 326-6900 • FAX (661) 326-6985

Ms. Jordan
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Please call me at (559) 230-5900 if you have any questions regarding this matter, or if you need additional details.

Sincerely,

A handwritten signature in black ink, appearing to read "David Warner", with a long horizontal flourish extending to the right.

David Warner
Director of Permit Services

cc: Mike Tollstrup, CARB

San Joaquin Valley APCD Annual Offset Equivalency Report

Summary for 8/20/2004 through 8/19/2005

Pollutant	Number of New Major Sources Mods	Offsets Required under Federal NSR*	Offset Requirement Equivalency *				Surplus at the Time of Use Equivalency*			
			Offsets Required under District NSR	Excess or Shortfall this Year	Excess or Shortfall previous Year	Total Excess or Shortfall	Shortfall from Previous Year	Reduction (surplus at the time of use) used for equivalency this year	Shortfall this year	Reductions eliminated by discounting at the time of use**
NOx	0	0.0	323.5	1640.2	1963.5	0.0	0.0	0.0	4762.1	941.0
VOC	0	0.0	260.5	439.7	700.2	0.0	0.0	0.0	352.6	941.0
PM10	0	0.0	26.6	310.6	337.2	0.0	0.0	0.0	4.7	22.0
CO	0	0.0	15.7	11.9	27.6	0.0	0.0	0.0	0.0	36.0
SOx	0	82.5	490.2	290.1	697.8	0.0	82.5	0.0	0.0	312.0

* All numbers are in Tons per Year

** Total quantity of discount since initiating tracking in August 2001

San Joaquin Valley APCD

Annual Offset Equivalency Report - Detail

Transaction details for 8/20/2004 through 8/19/2005

Pollutant Company Name and Address

SOx

SENECA RESOURCES
HEAVY OIL WESTERN

Surplus at the time of use Reductions Used to Mitigate this Increase

<i>Tracking ID for ATC</i>	<i>Fed Offsets Req'd</i>	<i>ATC Date</i>	<i>Tracking ID for Reduction</i>	<i>Credit (t/y)</i>	<i>Time of Use</i>
2005-S-1041068-1982-0	82.5	11/18/2004	2003-S-1011383-925-1	1.5	11/18/2004
2005-S-1041068-1982-0	81.0	11/18/2004	2003-S-1011383-924-1	1.1	11/18/2004
2005-S-1041068-1982-0	79.9	11/18/2004	2003-S-1011383-926-1	1.5	11/18/2004
2005-S-1041068-1982-0	78.4	11/18/2004	2003-S-1011383-923-1	0.1	11/18/2004
2005-S-1041068-1982-0	78.3	11/18/2004	2003-S-1011383-927-1	0.6	11/18/2004
2005-S-1041068-1982-0	77.7	11/18/2004	2003-S-1011383-928-1	1.0	11/18/2004
2005-S-1041068-1982-0	76.7	11/18/2004	2003-S-1011383-936-1	0.8	11/18/2004
2005-S-1041068-1982-0	75.9	11/18/2004	2003-S-1011383-922-1	0.3	11/18/2004
2005-S-1041068-1982-0	75.6	11/18/2004	2003-S-1011383-930-1	1.3	11/18/2004
2005-S-1041068-1982-0	74.3	11/18/2004	2003-S-1011383-921-1	1.5	11/18/2004
2005-S-1041068-1982-0	72.8	11/18/2004	2003-S-1011383-931-1	4.2	11/18/2004
2005-S-1041068-1982-0	68.6	11/18/2004	2003-S-1011383-920-1	61.1	11/18/2004
2005-S-1041068-1982-0	7.5	11/18/2004	2003-S-1011383-932-1	0.9	11/18/2004
2005-S-1041068-1982-0	6.6	11/18/2004	2004-C-1030127-889-1	5.3	11/18/2004
2005-S-1041068-1982-0	1.3	11/18/2004	2004-C-1030128-891-1	1.0	11/18/2004
2005-S-1041068-1982-0	0.3	11/18/2004	2004-N-1030123-895-1	0.3	11/18/2004

Total Reductions, this reporting period, for this project 82.5

STATE OF CALIFORNIA

Energy Resources Conservation
and Development Commission

In the Matter of:

Application for Certification for the Pastoria Energy
Facility (PEF) 160 MW Expansion by Calpine
Corporation

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) Docket No. 05-AFC-1
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PROOF OF SERVICE

I, Ron O'Connor, declare that on March 30, 2006, I deposited copies of the attached *Annual Offset Equivalency Report of San Joaquin Valley Air Pollution Control District* in the United States mail in Sacramento, California, with first-class postage thereon fully prepaid and addressed to all parties on the attached service list.

I declare under the penalty of perjury that the foregoing is true and correct.



Ron O'Connor

SERVICE LIST
05-AFC-1

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