State of Emergency for Energy Reliability

Compliance Assistance Bulletin

August 12, 2021

Guidelines for Electrical Demand Reduction Program during State of Emergency for Energy Reliability

Extreme heat events with higher-than-average temperatures have been occurring in California. These occurrences have the potential to raise demand and put a strain on California's electricity grid. As a result, the California Independent System Operator (CAISO) and the Governor's Office have taken steps to boost electricity capacity during these Extreme Heat Events. The Governor issued a <u>Proclamation of a State of Emergency</u> concerning electrical dependability for the summer and fall of 2021 (July 30, 2021 through October 31, 2021). After August 15, 2021, on any day when CAISO issues a Grid Warning or Emergency Notice, the Proclamation suspends some permitting requirements and authorizes permitted facilities to produce more electricity if enrolled in one of the Demand Reduction Programs cited in the Governor's Proclamation.

State and local air quality and permitting requirements that limit the amount of power a facility can generate, the amount of fuel a facility can use, or impose air quality requirements that prevent operators of backup generators from generating additional power during declared hours are suspended by the Proclamation. Any permit condition, regulation, or statute that limits, restricts, or penalizes the use of stationary or portable generators during declared hours are suspended under the Proclamation. Please note that while local and state requirements are suspended, the Proclamation does not suspend federal or other applicable requirements (i.e. Title V requirements).

The Proclamation, in part, enables the deployment of backup generators and other backup power sources to boost energy production and fulfill demand on California's electrical grid during peak times of the state of emergency. Permitted facilities must notify the San Joaquin Valley Air Pollution Control District (District), as well as the California Air Resources Board (CARB) and the California Energy Commission (CEC), within 48 hours if their operations may cause permit conditions to be violated. In addition, within 30 days of operation, such facilities must submit a report to the District, CARB, and the CEC including the following information: the additional fuel used, the additional hours of operation, and the energy produced by that additional use. Please submit this required report to Compliance@valleyair.org.

Limitations on total annual hours of operation, maximum heat inputs, daily or monthly emission limits, differential pressures, or fuel usage rates are examples of permit requirements that may need notification if they are exceeded. Monitoring and recordkeeping requirements that do not impede power generation will continue in place. Emission concentration limits and mass emission rate limits will remain in full effect.

The suspension of state and municipal permitting requirements has the potential to have a substantial negative impact on air quality and our capacity to attain federal air quality standards. As a result, the District is asking that all facilities operating within our jurisdiction submit advance notification of their intent to operate under the Proclamation to the District including the following information: Facility ID, Equipment Address, Facility Contact Information, Permit Number(s), PERP Registrations, and Engine Tier. Please keep in mind that submitting this notice is not a requirement for operating equipment under the Proclamation. Additionally, the District requests that facilities continue to reduce emissions as feasible to mitigate the potential impacts under the Proclamation, including considering energy efficiency and conservation measures and other clean-air actions.

For additional questions, or to submit required information contact the District's Compliance Department.

Phone: 559-230-6000 Email: Compliance@valleyair.org

Main Office: 1990 E. Gettysburg Avenue, Fresno, CA 93726 **Phone:** (559) 230-6000