South Coast Air Quality Management District SOx RECLAIM Bidder's Conference

July 16, 2008 2:00 p.m. Conference Room GB

Background

- Non-Attainment for Ozone and PM2.5
- 52% National Wide Exposure for PM2.5
- 2015 Deadline for PM2.5 Standards
- Further Reduce Direct PM2.5 & Precursors

SOx RECLAIM Rule Amendment

- Control Measure CMB-02: One-and-Only Stationary Source Measure Contributed to PM2.5 Attainment in 2014
- At Least 3 Tons Per Day Reductions
- Implementation Period: 2011-2014
- Preliminary Draft Staff Report
 - Part I Posted on AQMD Website
 - Part II Will Be Developed, In Part, Based on Information Provided By This RFP

Purpose of Request For Proposal

- Obtain Independent Assessment of Engineering Evaluations & Cost Estimates of Commercially Viable Control Technologies To Further Reduce SOx Emissions from Seven Major Emitting Categories of Stationary Sources at RECLAIM Facilities
- Project Information Will Be Used To Assist Staff in BARCT Analysis for Regulation XX Amendment

General Information on RFP

- Three Modules
- Five Sub-Modules in Module 3
- Five Tasks for Each Module (or Sub-Module)
- Bid On All or Individual Module (or Sub-Module)
- Must Manage Confidentiality Data Appropriately

Module 1 FCCU SOx Reducing Additives

- Objective: Analyze Results of Short-Term Testing & Provide Recommendations
- Total Budget of \$36,000 for Tasks 1 4
- Task 1: Field Visit to Each Refinery
- Task 2: Feasibility Analysis
 - Determine 2005 and 2008 Emission Levels
 - Address Various Achievable Concentration Levels
 & Associated Emission Reductions
 - Address Analysis Uncertainty
 - Address Impacts on Emissions and FCCU Operation

Module 1 FCCU SOx Reducing Additives

- Task 3: Cost Analysis
 - Quantify Costs and Cost Effectiveness Associated
 With Each Concentration Levels
- Task 4: Report Submittal
 - Progress Report: 30 Days After Receiving Data
 - Final Report: 15 Days After Receiving Data
- Task 5: Participation in Meetings
 - Mandatory Participation in 3 Meetings, If Asked
 - No Bidding Required. Additional Stipend Divided Equally Between Contractors

Module 1 FCCU Short-Term Testing

- Potentially Participation of Three Refineries
- Three-Step Process
 - Step 1: Assessment of 2005 & 2008 Emission Levels
 - Step 2: Short-Term Testing In 2008
 - Period 1: 1 Month Testing at A% Additive Addition Rate
 - Period 2: 1 Month Testing at B% Additive Addition Rate
 - Period 3: 1 Month Testing at C% Additive Addition Rate
 - Step 3: Long-Term Testing In 2009 (Optional)
- Parallel Testing, Reporting & Data Analysis

Module 2Fuel Gas Treatment and SRU/Tail Gas System

- Objective: Analyze Available Control
 Technologies for Further Emission Reductions
 and Provide Recommendations
- Total Budget of \$124,000 for Tasks 1 4
- Task 1: Field Visit
 - Visit Each Refinery At Least Twice To Assess Site-Specific Information
 - Start Immediately After Signing of Contract
 - Must Complete Within 1-Month Maximum

Module 2Fuel Gas Treatment and SRU/Tail Gas System

- Task 2: Feasibility Analysis
 - Top-Down Analysis Most Effective Control First
 - Analyze & Recommend At Least Two Technologies or Methods
 - Quantify Associated Emission Reductions
 - Estimate Multimedia Impacts (Water, Energy, Waste)
 - Address Analysis Uncertainty
 - May Need to Evaluate Fuel Gas Treatment and SRU/Tail Gas System in Parallel

Module 2Fuel Gas Treatment and SRU/Tail Gas System

- Task 3: Cost Analysis
 - Estimate Costs/Cost Effectiveness Associated With Each Level of Controls
- Task 4: Report Submittal
 - Progress Report: October 15, 2008
 - Final Report: December 1, 2008
- Task 5: Participation in Meetings
 - Mandatory Participation in 3 Meetings, If Asked
 - No Bidding Required. Additional Stipend Divided
 Equally Between Contractors

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- Objective: Analyze Wet/Dry Scrubbing
 Technology and Provide Recommendations
- Total Budget of \$200K for 5 Sub-Modules and 4 Tasks In Each Sub-Module
 - \$133K: FCCUs, Boilers/Heaters & SRUs/Tail Gas
 - \$24K: Sulfuric Acid Plants
 - \$14K: Coke Calciner
 - \$14K: Container Glass Manufacturing Plant
 - \$15K: Cement Kilns & Coal-Fired Boiler

- Task 1: Field Visit
 - Visit Each Refinery At Least Twice & Other Facilities At Least Once To Gather and Assess Site-Specific Information
 - Start Immediately After Signing of Contract
 - Must Complete Within 1-Month Maximum

- Task 2: Feasibility Analysis
 - Top-Down Analysis With Most Effective Control First
 - Provide Information From At Least Two Vendors
 - Recommend Various Achievable Concentration Levels & Associated Emission Reductions
 - Estimate Multimedia Impacts (Energy, Water, Waste)
 - Estimate Concurrent Effect on Other Air Pollutants (NOx, PM)
 - Address Analysis Uncertainty

- Task 3: Cost Analysis
 - Gather Costs Information & Performance Warranty
 - Provide Costs/Cost Effectiveness Associated With Each Level of Controls
- Task 4: Report Submittal
 - Progress Report: October 15, 2008
 - Final Report: December 1, 2008
- Task 5: Participation in Meetings
 - Mandatory Participation in 3 Meetings, If Asked
 - No Bidding Required. Additional Stipend Divided Equally Between Contractor

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Proposal Evaluation

- Evaluation Panel: AQMD & Non-AQMD Staff
- Independent Evaluation For Each Module (or Sub-Module)
- Technical Criteria: 70 Points
 - Understanding Scope of Work: 10 Points
 - Past Experience on Similar Projects: 30 Points
 - Technical/Management Approach&Schedule:30 Points
 - Minimum of 56 Points To Be Deemed Qualified

Proposal Evaluation

- Project Cost: 30 Points
 - Lowest Cost Proposal Will Receive Maximum Point
 - Other Cost Proposals Will Receive Points on Prorated Basis From Lowest Cost Proposal
- Additional Points: Cumulative Maximum of 15 Points for Small Business, Local Business, DVBE
- Project May Have Multiple Contractors

Schedule

- Aug 15: Proposal Submittal
- Aug Sept: Evaluation Process
- Sept 5: Governing Board for Approval of Selected Contractors
- Sept 9: Anticipated Contract Execution
- December 1: Anticipated Project Completion

Contacts

- RFP Submission Procedures

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- Funding & Schedule

 Mr. Joe Cassmassi, Planning & Rules Manager

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- TechnicalMs. Minh Pham, P.E., Air Quality Specialist(909) 396-2613, mpham@aqmd.gov

Some References

- Request for Proposal http://aqmd/gov/rfp/index.html
- PDSR & Past Presentations
 http://aqmd.gov/rules/proposed.html#Regulation%20XX
- Cost Analysis
 - EPA Air Pollution Control Cost Manual, 6th Edition http://www.epa.gov/ttncatc1/products.html#cccinfo
 - SCAQMD BACT Guidelines
 http://aqmd.gov/bact/bact-guidelines-7-14-2006-update.pdf