



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

JAN 27 2010

Brent Winn
Aera Energy LLC
PO Box 11164
Bakersfield, CA

**Re: Notice of Significant Title V Permit Modification
District Facility # S-1543
Project # 1095009**

Dear Mr. Winn:

Enclosed for you to review is the District's analysis of an application for significant Title V permit modification for the facility identified above. Aera Energy LLC is proposing a Title V significant permit modification to incorporate the recently issued Authority to Construct (ATC) S-1543-33-8 into the Title V operating permit (see enclosures). ATC S-33-8 authorized an increase in annual flared gas limit from 50 MMscf/yr to 75 MMscf/yr (60,000 MMBtu/yr to 90,000 MMBtu/yr) and a change in the frequency of sulfur monitoring from monthly to annual.

Enclosed are the current Title V permit, recently issued Authority to Construct (ATC) S-1543-33-8, proposed modified Title V permit, engineering evaluation, and application. The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 30-day comment period that begins on the date you receive this letter.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: RE/cm

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061
www.valleyair.org

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: (661) 392-5500 FAX: (661) 392-5585



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

JAN 27 2010

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St.
San Francisco, CA 94105

**Re: Notice of Significant Title V Permit Modification
District Facility # S-1543
Project # 1095009**

Dear Mr. Rios:

Enclosed for you to review is the District's analysis of an application for significant Title V permit modification for the facility identified above. Aera Energy LLC is proposing a Title V significant permit modification to incorporate the recently issued Authority to Construct (ATC) S-1543-33-8 into the Title V operating permit (see enclosures). ATC S-33-8 authorized an increase in annual flared gas limit from 50 MMscf/yr to 75 MMscf/yr (60,000 MMBtu/yr to 90,000 MMBtu/yr) and a change in the frequency of sulfur monitoring from monthly to annual.

Enclosed are the current Title V permit, recently issued Authority to Construct (ATC) S-1543-33-8, proposed modified Title V permit, engineering evaluation, and application. The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 45-day comment period that begins on the date you receive this letter.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: RE/cm

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San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

JAN 27 2010

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

**Re: Notice of Significant Title V Permit Modification
District Facility # S-1543
Project # 1095009**

Dear Mr. Tollstrup:

Enclosed for you to review is the District's analysis of an application for significant Title V permit modification for the facility identified above. Aera Energy LLC is proposing a Title V significant permit modification to incorporate the recently issued Authority to Construct (ATC) S-1543-33-8 into the Title V operating permit (see enclosures). ATC S-33-8 authorized an increase in annual flared gas limit from 50 MMscf/yr to 75 MMscf/yr (60,000 MMBtu/yr to 90,000 MMBtu/yr) and a change in the frequency of sulfur monitoring from monthly to annual.

Enclosed are the current Title V permit, recently issued Authority to Construct (ATC) S-1543-33-8, proposed modified Title V permit, engineering evaluation, and application. The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 30-day comment period that begins on the date you receive this letter.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: RE/cm

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**NOTICE OF PRELIMINARY DECISION
FOR THE PROPOSED MODIFICATION OF
FEDERALLY MANDATED OPERATING PERMIT**

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District solicits public comment on the proposed modification of the Federally Mandated Operating Permit to Aera Energy LLC for its Belridge gas processing plant in Kern County, California. ATC S-33-8 authorized an increase in annual flared gas limit from 50 MMscf/yr to 75 MMscf/yr (60,000 MMBtu/yr to 90,000 MMBtu/yr) and a change in the frequency of sulfur monitoring from monthly to annual.

The District's analysis of the legal and factual basis for this proposed action, project #1095009, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. This will be the public's only opportunity to comment on the specific conditions of the modification. If requested by the public, the District will hold a public hearing regarding issuance of this modification. For additional information, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900. Written comments on the proposed initial permit must be submitted within 30 days of the publication date of this notice to DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CALIFORNIA 93726-0244.

TITLE V APPLICATION REVIEW

Significant Modification

Project #: 1095009

Engineer: Richard Edgehill

Date: January 25, 2010

Facility Number: S-1543
Facility Name: Aera Energy LLC
Mailing Address: PO Box 11164
Bakersfield, CA 93389

Contact Name: Brent Winn
Phone: (661) 665-4363

Responsible Official: G. B. Douglas
Title: Manager of Operations

I. PROPOSAL

Aera Energy LLC is proposing a Title V significant permit modification to incorporate the recently issued ATC S-1543-33-8 into the Title V operating permit. ATC S-1543-33-8 authorized an increase in annual flared gas limit from 50 MMscf/yr to 75 MMscf/yr (60,000 MMBtu/yr to 90,000 MMBtu/yr) and a change in the frequency of sulfur monitoring from monthly to annual. Note that the change in the frequency of sulfur monitoring was not included in the equipment description of ATC S-1543-33-8 but was authorized by permit condition (ATC S-1543-33-8 condition # 12) as stated below:

12. *Permittee shall measure the sulfur content of the produced gas combusted in the flare and the H₂S concentration of the pilot/sweep gas by District witnessed, or authorized, sample collection by ARB certified testing laboratory annually. [District Rules 1081, 7.2 and 2201] Y*

The authorized increase in permitted flow rate to the flare reflects an increase in gas processed at the gas plant. The less frequent S monitoring is justified based on the fact that the sulfur content of the gas is significantly less than the permit limit of 1000 ppmv (as H₂S) and the H₂S content of the gas has not shown a significant increase over time. The monthly sulfur content monitoring for 2009 ranged from 295 to 392 ppmv (applicant email dated January 23, 2010).

The purpose of this evaluation is to identify all applicable requirements, determine if the facility will comply with the applicable requirements and to provide the legal and factual basis for the proposed revisions.

II. FACILITY LOCATION

The flare is located at the Section 32 gas plant Section 32, T28S, R21E.

III. EQUIPMENT DESCRIPTION

PTO S-1543-33-11: 3,600 MMBTU/HR KALDAIR INDAIR LIMITED USE
PRODUCED GAS FLARE WITH COANDA EFFECT
FLARE TIP

IV. SCOPE OF EPA AND PUBLIC REVIEW

This change to a Title V permit is considered to be a Title V Significant Modification because the applicant did not originally apply for a Certificate of Conformity (COC) with the original New Source Review (NSR) Authorities to Construct (ATCs). As such, this project requires public review.

V. APPLICABLE REQUIREMENTS

District Rule 2520, Federally Mandated Operating Permits (Adopted June 21, 2001)

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

Aera Energy LLC is proposing to increase volume of flared gas from 50 MMscf/yr to 75 MMscf/yr (60,000 MMBtu/yr to 90,000 MMBtu/yr) and change sulfur monitoring frequency from monthly to annual.

The following conditions on PTO S-1543-33-7 (6 through 12) will be deleted and replaced by ATC S-1543-33-8 conditions (8, 9, 10, 12, 13, 15, and 16)

PTO S-1543-33-7

- ~~6. {2332} Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Y~~
- ~~8. Total quantity of pilot gas and sweep gas combusted in the flare shall not exceed 15,000 scf/day. [District Rule 2201] Y~~
- ~~9. Total quantity of produced gas combusted in the flare shall not exceed 50 MM scf/day and 50 MM scf/yr. [District Rule 2201] Y~~
- ~~10. Emissions from this flare shall not exceed any of the following limits: PM10: 0.008 lb/MMBtu, NOx (as NO2): 0.068 lb/MMBtu, VOC: 0.063 lb/MMBtu, or CO: 0.370 lb/MMBtu. [District Rule 2201] Y~~

- ~~11. The sulfur content of the produced gas combusted in the flare and the pilot/sweep gas shall be determined at least monthly by District witnessed, or authorized, sample collection by ARB certified testing laboratory using District approved methods as referenced in this permit. The sulfur content of the pilot/sweep gas may also be determined by using gas supplier test data consistent with the fuel sulfur content test methods listed in this permit. [District Rules 1081, 7.2, 2201, and 2520, 9.3.2] Y~~
12. The sulfur content of the pilot/sweep gas and the produced gas flared shall be determined using ASTM test methods D-1072, D-3246, D-4084, D-6228, double GC for H₂S and Mercaptans, or using Draeger tubes. [District Rules 1081 and 2520, 9.3.2] Y

ATC S-1543-33-8

8. Maximum amount of gas combusted shall not exceed 60,000 MMBtu/day. [District Rule 2201] Y
9. Maximum amount of gas combusted shall not exceed 90,000 MMBtu/yr. [District Rule 2201] Y
10. Emissions from the flare shall not exceed any of the following limits (based on total gas combusted): NO_x (as NO₂): 0.068 lb/MMBtu; SO_x (as SO₂): 0.14 lb/MMBtu; PM₁₀: 0.008 lb/MMBtu; CO: 0.37 lb/MMBtu; or VOC: 0.063 lb/MMBtu. [District Rule 2201] Y
11. Total quantity of pilot gas and sweep gas combusted in the flare shall not exceed 15 MMBtu/day. [District Rule 2201] Y
12. Permittee shall measure the sulfur content of the produced gas combusted in the flare and the H₂S concentration of the pilot/sweep gas by District witnessed, or authorized, sample collection by ARB certified testing laboratory annually. [District Rules 1081, 7.2 and 2201] Y
13. The sulfur content of the produced gas flared shall be determined using ASTM test methods D-1072, D-3246, D-6228, or double GC for H₂S and Mercaptans. H₂S concentration (ppmv) of the pilot/sweep gas shall be determined using ASTM test methods D-1072 or D-4084, using Draeger tube, or by gas supplier test data consistent with the natural gas fuel sulfur content test method listed in this permit. [District Rules 1081 and 2520, 9.4.2] Y
15. The higher heating value of the pilot gas, sweep gas, and flared gas shall be monitored at least quarterly. [District Rule 2201] Y
16. Measured heating value and quantity of gas flared shall be used to determine compliance with heat input limits. [District Rule 2201]

PTO Condition # 6 is not relevant as the flare is equipped with a heat sensing device and a continuous pilot. ATC conditions #8 and #9 express flared gas volume in units of MMBtu/day and MMBtu/yr which more accurately ensures compliance as flare emissions factors are expressed in units of lb/MMBtu and the heating value of the flared gas may vary and be as high as 1200 Btu/scf. ATC condition #10 includes a sulfur emissions limit of 0.14 lb/MMBtu which was not included on the PTO and was calculated assuming 1000 ppmv H₂S and a

higher heating value of 1200 Btu/scf, ensuring compliance if the heating value exceeds 1200 Btu/scf (and the current permit limit 1000 ppmv H₂S).

Note that the heating value must be monitored quarterly as stated in ATC conditions #15 and #16 for calculation to check compliance with the MMBtu/hr and MMBtu/day input and lb/MMBtu S emissions limit. PTO condition #11 requiring monthly monitoring of S is revised to annual (ATC condition #12) as explained above. ATC condition #13 adds additional test methods for H₂S.

The following ATC conditions will not be included on the PTO as they have already been satisfied:

- ~~1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Y~~
- ~~21. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 510 lb, 2nd quarter - 510 lb, 3rd quarter - 510 lb, and fourth quarter - 510 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Y~~
- ~~22. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 60 lb, 2nd quarter - 60 lb, 3rd quarter - 60 lb, and fourth quarter - 60 lb. Offsets shall be provided at the applicable distance offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Y~~
- ~~23. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 473 lb, 2nd quarter - 473 lb, 3rd quarter - 473 lb, and fourth quarter - 473 lb. Offsets shall be provided at the applicable distance offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Y~~
- ~~24. ERC Certificate Numbers S-259-2 for NO_x, S-257-4 for PM10, and S-1481-1 for VOCs (or certificates derived from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Y~~

VII. COMPLIANCE

This facility is subject to this Rule, and has received their Title V Operating Permit. Section 3.29 defines a significant permit modification as a "permit amendment that does not qualify as a minor permit modification or administrative amendment."

Section 3.20.2 states that a minor permit modifications "Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant

changes in existing monitoring permit terms or conditions". The sulfur monitoring frequency will be changed from monthly to annual. As a result, the proposed project constitutes a Significant Modification to the Title V Permit pursuant to Section 3.29.

In accordance with Rule 2520, the application meets the procedural requirements of Section 11.3 by including;

1. The identification of the source, the name and address of the permit holder, the activities and emissions change involved in the permit action;
2. The name and address of the District, the name and telephone number of District staff to contact for additional information;
3. The availability, upon request, of a statement that sets forth the legal and factual basis for the proposed permit conditions;
4. The location where the public may inspect the complete application, the District analysis, the proposed permit, and all relevant supporting materials;
5. A statement that the public may submit written comments regarding the proposed decision within at least 30 days from the date of publication and a brief description of commenting procedures, and
6. A statement that members of the public may request the APCO or his designee to preside over a public hearing for the purpose of receiving oral public comment, if a hearing has not already been scheduled. The APCO shall provide notice of any public hearing scheduled to address the proposed decision at least 30 days prior to such hearing;

ATTACHMENTS

- A. Proposed Title V PTO S-1543-33-11.
- B. ATC S-1543-33-8.
- C. Previous Title V PTO S-1543-33-7.
- D. Emissions Increases
- E. Application

ATTACHMENT A
Proposed Title V PTO
S-1543-33-11

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1543-33-11

EXPIRATION DATE: 05/31/2009

SECTION: SE32 TOWNSHIP: 28S RANGE: 21E

EQUIPMENT DESCRIPTION:

3,600 MMBTU/HR KALDAIR INDAIR LIMITED USE PRODUCED GAS FLARE WITH COANDA EFFECT FLARE TIP

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark or darker than Ringelmann 1/4 or 5% opacity. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Flare shall be equipped with recording, volumetric flow meters that shall be used to individually monitor and record the volumes of produced gas, pilot gas and sweep gas combusted in this unit. [District Rule 2201] Federally Enforceable Through Title V Permit
3. The flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
4. The outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare. The pilot need not be present when the flare is isolated for required flare maintenance. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
5. Flare shall be equipped with a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device capable of continuously detecting at least one pilot flame or the flare flame is present. The flame detection device shall be kept operational at all times except during flare maintenance and unforeseen or necessary planned power outages. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit
6. The sulfur content of produced gas combusted in the flare shall not exceed 1,000 ppmv. Sulfur content of pilot gas and sweep gas shall not exceed 15 ppmv (as H₂S). [District Rule 2201, District Rule 4801, 3.1, and Kern County Rule 407] Federally Enforceable Through Title V Permit
7. Maximum amount of gas combusted shall not exceed 60,000 MMBtu/day. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Maximum amount of gas combusted shall not exceed 90,000 MMBtu/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Emissions from the flare shall not exceed any of the following limits (based on total gas combusted): NO_x (as NO₂): 0.068 lb/MMBtu; SO_x (as SO₂): 0.14 lb/MMBtu; PM₁₀: 0.008 lb/MMBtu; CO: 0.37 lb/MMBtu; or VOC: 0.063 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Total quantity of pilot gas and sweep gas combusted in the flare shall not exceed 15 MMBtu/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Permittee shall measure the sulfur content of the produced gas combusted in the flare and the H₂S concentration of the pilot/sweep gas by District witnessed, or authorized, sample collection by ARB certified testing laboratory annually. [District Rules 1081, 7.2 and 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

12. The sulfur content of the produced gas flared shall be determined using ASTM test methods D-1072, D-3246, D-6228, or double GC for H₂S and Mercaptans. H₂S concentration (ppmv) of the pilot/sweep gas shall be determined using ASTM test methods D-1072 or D-4084, using Draeger tube, or by gas supplier test data consistent with the natural gas fuel sulfur content test method listed in this permit. [District Rules 1081 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
13. A trained observer, as defined in EPA Method 22, shall check visible emissions at least once a year for a period of 15 minutes. If visible emissions are detected at any time during this period, the observation period shall be extended to two hours. A record containing the results of these observations shall be maintained, which also includes company name, process unit, observer's name and affiliation, date, estimated wind speed and direction, sky condition, and the observer's location relative to the source and sun. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
14. The higher heating value of the pilot gas, sweep gas, and flared gas shall be monitored at least quarterly. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Measured heating value and quantity of gas flared shall be used to determine compliance with heat input limits. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The operator shall maintain all records of required monitoring data and support information for District inspection at any time. [District Rule 2520, 9.5.2] Federally Enforceable Through Title V Permit
17. The flare shall be operated according to the manufacturer's specifications, a copy of which shall be maintained on site. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
18. Permittee shall maintain accurate records of the daily quantities of produced gas and pilot and sweep gas combusted in the flare. [District Rules 2201 and Rules 2520, 9.4.2] Federally Enforceable Through Title V Permit
19. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

DRAFT

ATTACHMENT B

ATC S-1543-33-8



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1543-33-8

ISSUANCE DATE: 07/03/2008

LEGAL OWNER OR OPERATOR: AERA ENERGY LLC
MAILING ADDRESS: PO BOX 11164
BAKERSFIELD, CA 93389-1164

LOCATION: BELRIDGE GAS PLANT
CA

SECTION: SE32 **TOWNSHIP:** 28S **RANGE:** 21E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 3,600 MMBTU/HR KALDAIR INDAIR LIMITED USE PRODUCED GAS FLARE WITH COANDA EFFECT FLARE TIP: AUTHORIZE INCREASE IN FLARED GAS FROM 50 MMSCF/YR (60,000 MMBTU/YR) TO 75 MMSCF/YR (90,000 MMBTU/YR)

CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark or darker than Ringelmann 1/4 or 5% opacity. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Flare shall be equipped with recording, volumetric flow meters that shall be used to individually monitor and record the volumes of produced gas, pilot gas and sweep gas combusted in this unit. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
5. The outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare. The pilot need not be present when the flare is isolated for required flare maintenance. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

6. Flare shall be equipped with a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device capable of continuously detecting at least one pilot flame or the flare flame is present. The flame detection device shall be kept operational at all times except during flare maintenance and unforeseen or necessary planned power outages. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit
7. The sulfur content of produced gas combusted in the flare shall not exceed 1,000 ppmv. Sulfur content of pilot gas and sweep gas shall not exceed 15 ppmv (as H₂S). [District Rule 2201, District Rule 4801, 3.1, and Kern County Rule 407] Federally Enforceable Through Title V Permit
8. Maximum amount of gas combusted shall not exceed 60,000 MMBtu/day. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Maximum amount of gas combusted shall not exceed 90,000 MMBtu/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Emissions from the flare shall not exceed any of the following limits (based on total gas combusted): NO_x (as NO₂): 0.068 lb/MMBtu; SO_x (as SO₂): 0.14 lb/MMBtu; PM₁₀: 0.008 lb/MMBtu; CO: 0.37 lb/MMBtu; or VOC: 0.063 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Total quantity of pilot gas and sweep gas combusted in the flare shall not exceed 15 MMBtu/day. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Permittee shall measure the sulfur content of the produced gas combusted in the flare and the H₂S concentration of the pilot/sweep gas by District witnessed, or authorized, sample collection by ARB certified testing laboratory annually. [District Rules 1081, 7.2 and 2201] Federally Enforceable Through Title V Permit
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14. A trained observer, as defined in EPA Method 22, shall check visible emissions at least once a year for a period of 15 minutes. If visible emissions are detected at any time during this period, the observation period shall be extended to two hours. A record containing the results of these observations shall be maintained, which also includes company name, process unit, observer's name and affiliation, date, estimated wind speed and direction, sky condition, and the observer's location relative to the source and sun. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
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18. The flare shall be operated according to the manufacturer's specifications, a copy of which shall be maintained on site. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
19. Permittee shall maintain accurate records of the daily quantities of produced gas and pilot and sweep gas combusted in the flare. [District Rules 2201 and Rules 2520, 9.4.2] Federally Enforceable Through Title V Permit
20. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit
21. Prior to operating equipment under this Authority to Construct, permittee shall surrender NO_x emission reduction credits for the following quantity of emissions: 1st quarter - 510 lb, 2nd quarter - 510 lb, 3rd quarter - 510 lb, and fourth quarter - 510 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

22. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 60 lb, 2nd quarter - 60 lb, 3rd quarter - 60 lb, and fourth quarter - 60 lb Offsets shall be provided at the applicable distance offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
23. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 473 lb, 2nd quarter - 473 lb, 3rd quarter - 473 lb, and fourth quarter - 473 lb Offsets shall be provided at the applicable distance offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
24. ERC Certificate Numbers S-259-2 for NOx, S-257-4 for PM10, and S-1481-1 for VOCs (or certificates derived from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit

ATTACHMENT C
Previous Title V Operating Permit No
S-1543-33-7

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1543-33-7

EXPIRATION DATE: 05/31/2009

SECTION: SE32 TOWNSHIP: 28S RANGE: 21E

EQUIPMENT DESCRIPTION:

3,600 MMBTU/HR KALDAIR INDAIR LIMITED USE PRODUCED GAS FLARE WITH COANDA EFFECT FLARE TIP

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark or darker than Ringelmann $\frac{1}{4}$ or 5% opacity. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Flare shall be equipped with recording, volumetric flow meters that shall be used to individually monitor and record the volumes of produced gas, pilot gas and sweep gas combusted in this unit. [District Rule 2201] Federally Enforceable Through Title V Permit
3. The flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
4. The outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare. The pilot need not be present when the flare is isolated for required flare maintenance. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
5. Flare shall be equipped with a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device capable of continuously detecting at least one pilot flame or the flare flame is present. The flame detection device shall be kept operational at all times except during flare maintenance and unforeseen or necessary planned power outages. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit
6. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
7. The sulfur content of produced gas combusted in the flare shall not exceed 1,000 ppmv. Sulfur content of pilot gas and sweep gas shall not exceed 15 ppmv (as H₂S). [District Rule 2201, District Rule 4801, 3.1, and Kern County Rule 407] Federally Enforceable Through Title V Permit
8. Total quantity of pilot gas and sweep gas combusted in the flare shall not exceed 15,000 scf/day. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Total quantity of produced gas combusted in the flare shall not exceed 50 MM scf/day and 50 MM scf/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Emissions from this flare shall not exceed any of the following limits: PM₁₀: 0.008 lb/MMBtu, NO_x (as NO₂): 0.068 lb/MMBtu, VOC: 0.063 lb/MMBtu, or CO: 0.370 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
11. The sulfur content of the produced gas combusted in the flare and the the pilot/sweep gas shall be determined at least monthly by District witnessed, or authorized, sample collection by ARB certified testing laboratory using District-approved methods as referenced in this permit. The sulfur content of the pilot/sweep gas may also be determined by using gas supplier test data consistent with the fuel sulfur content test methods listed in this permit. [District Rules 1081, 7.2, 2201, and 2520, 9.3.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

12. The sulfur content of the pilot/sweep gas and the produced gas flared shall be determined using ASTM test methods D-1072, D-3246, D-4084, D-6228, double GC for H₂S and Mercaptans, or using Draeger tubes. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
13. A trained observer, as defined in EPA Method 22, shall check visible emissions at least once a year for a period of 15 minutes. If visible emissions are detected at any time during this period, the observation period shall be extended to two hours. A record containing the results of these observations shall be maintained, which also includes company name, process unit, observer's name and affiliation, date, estimated wind speed and direction, sky condition, and the observer's location relative to the source and sun. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
14. The operator shall maintain all records of required monitoring data and support information for District inspection at any time. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. The flare shall be operated according to the manufacturer's specifications, a copy of which shall be maintained on site. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
16. Permittee shall maintain accurate records of the daily quantities of produced gas and pilot and sweep gas combusted in the flare. [District Rules 2201 and Rules 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070 and 2520, 9.4.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

ATTACHMENT D

Emission Increases

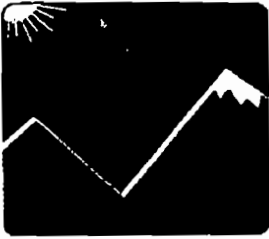
Small vertical text or artifacts along the right edge of the page.

S-1543-33

	PE2 (lb/yr)	BE (lb/yr)	QNEC (lb/qtr)
NOx	6492	4452	510
SOx	12,614	8414	1050
PM10	764	524	60
CO	35,326	24,226	2775
VOC	6015	4125	473

ATTACHMENT E

Application



5-1543-33-11

San Joaquin Valley Unified Air Pollution Control District

APPLICATION FOR TITLE V MODIFICATION:

RECEIVED

OCT 13 2009

Permits Srvc
SJVAPCD

- ADMINISTRATIVE AMENDMENT
- MINOR MODIFICATION
- SIGNIFICANT MODIFICATION

1. PERMIT TO BE ISSUED TO: <p style="text-align: center;">Aera Energy LLC</p>	
2. MAILING ADDRESS: STREET/P.O. BOX: P.O. Box 11164 CITY: Bakersfield STATE: CA ^{9-DIGIT} ZIP CODE: 93389-1164	
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED: STREET: Section 32 Gas Plant CITY: _____ SE 1/4 SECTION 32 TOWNSHIP 28S RANGE 21E	INSTALLATION DATE: _____
4. GENERAL NATURE OF BUSINESS: Natural Gas Processing	
5. EQUIPMENT FOR WHICH APPLICATION IS MADE (Include Permit Nos.): Convert ATC S-1543-33-8 to Title V Permit to Operate. ATC increases annual flared gas limit from 50 MMscf/yr to 75 MMscf/yr. <small>(Use additional sheets if necessary)</small>	
6. DO YOU REQUEST A CERTIFICATE OF CONFORMITY WITH THIS ACTION? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
7. IS THIS APPLICATION SUBMITTED AS A RESULT OF A NOV/NTC? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO NOV/NTC No.: _____	
8. SIGNATURE OF APPLICANT/CONTACT PERSON: 	TYPE OR PRINT TITLE OF APPLICANT: Environmental Engineer
9. TYPE OR PRINT NAME OF APPLICANT/CONTACT: Brent Winn	DATE: 10/6/09
10. FAX NUMBER: (661) 665-7437	TELEPHONE NUMBER: (661) 665-4363

FOR APCD USE ONLY:

DATE STAMP	FILING FEE RECEIVED: \$ _____ / DATE PAID: _____ PROJECT NO.: S-1095009 FACILITY REGION & ID: S-1543
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**San Joaquin Valley
Unified Air Pollution Control District**

TITLE V COMPLIANCE CERTIFICATION FORM

Gas Plant 32 HP Flare: Increase Annual Flared Gas Limit to 75 MMscf/yr

I. TYPE OF PERMIT ACTION (Check appropriate box)

- [X] SIGNIFICANT PERMIT MODIFICATION [] ADMINISTRATIVE
[] MINOR PERMIT MODIFICATION [] AMENDMENT

COMPANY NAME: Aera Energy LLC	FACILITY ID: S-1543
1. Type of Organization: [X] Corporation [] Sole Ownership [] Government [] Partnership [] Utility	
2. Owner's Name: Aera Energy LLC	
3. Agent to the Owner: N/A	

II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial each circle for confirmation):

- Based on information and belief formed after reasonable inquiry, the emission units identified in this application will continue to comply with the applicable federal requirement(s) which the emission units are in compliance.
- Based on information and belief formed after reasonable inquiry, the emission units identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.
- Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.
- Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.

I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true:



Signature of Responsible Official

10/7/09

Date

G. B. Douglas

Name of Responsible Official (please print)

Manager of Operations

Title of Responsible Official (please print)