



JUL 26 2010

Mr. William Fall
Chevron USA
P.O. Box 1392
Bakersfield, CA 93302

**Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1127
Project # S-1094658**

Dear Mr. Fall:

The Air Pollution Control Officer has issued Authority to Construct permits to Chevron USA for its heavy oil operation at their Heavy Oil Central stationary source, California. The project is to limit the SOx emissions of 20 steam generators for District Rule compliance.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the Authority to Construct permits with Certificate of Conformity was published on 5/24/2010. The District's analysis of the proposal was also sent to US EPA Region IX on 5/24/2010. No comments were received following the District's preliminary decision on this project.

Also enclosed is an invoice for the engineering evaluation fees pursuant to District Rule 3010. Please remit the amount owed, along with a copy of the attached invoice, within 30 days.

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

Enclosures

c: Dolores Gough, Permit Services

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

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



JUL 26 2010

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

**Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1127
Project # S-1094658**

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authority to Construct permits to Chevron USA for its heavy oil operation at their Heavy Oil Central stationary source, California. The project is to limit the SOx emissions of 20 steam generators for District Rule compliance.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the Authority to Construct permits with Certificate of Conformity was published on 5/24/2010. The District's analysis of the proposal was also sent to CARB on 5/24/2010. No comments were received following the District's preliminary decision on this project.

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.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

Enclosures

c: Dolores Gough, Permit Services

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JUL 26 2010

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

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1127
Project # S-1094658

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to Chevron USA for its heavy oil operation at their Heavy Oil Central stationary source, California. The project is to limit the SOx emissions of 20 steam generators for District Rule compliance.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the Authority to Construct permits with Certificate of Conformity was published on 5/24/2010. The District's analysis of the proposal was also sent to US EPA Region IX on 5/24/2010. No comments were received following the District's preliminary decision on this project.

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

Enclosures

c: Dolores Gough, Permit Services

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Executive Director/Air Pollution Control Officer

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

Bakersfield Californian

**NOTICE OF FINAL DECISION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS**

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued Authority to Construct permits to Chevron USA for its heavy oil operation at their Heavy Oil Central stationary source, California. The project is to limit the SOx emissions of 20 steam generators for District Rule compliance.

No comments were received following the District's preliminary decision on this project.

The application review for Project #S-1094658, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. **SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 34946 Flyover Court, Bakersfield, CA 93308.**



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-22-29

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: SW3 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR STRUTHERS NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID #34-3, DIS #43006-74) WITH A NORTH AMERICAN MODEL GLE LOW NOX BURNER AND FLUE GAS RECIRCULATION (FGR) SYSTEM: LIMIT FUEL SULFUR TO 5 GR/100 SCF LIMIT FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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 as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
6. All required source testing shall conform to the compliance testing procedures described in District Rule 1081. [District Rule 1081] 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

DAVID WARNER, Director of Permit Services

S-1127-22-29 : Jul 19 2010 8:33AM - GOUGHD : Joint Inspection NOT Required

7. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
8. If the steam generator is fired on PUC-regulated natural gas, then the permittee shall maintain on file copies of all natural gas bills or fuel throughput records for a period of five years. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
9. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
10. If the steam generator is not fired on PUC-regulated natural gas, the sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
11. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
12. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
16. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
17. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 0.014 lb-PM₁₀/MMBtu, or 0.003 lb-VOC/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
18. Except during start-up and shutdown periods emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 29 ppmvd CO @ 3% O₂ or 0.021 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1, 4320 and 4351, 5.1] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 54.0 lb-NO_x/day or 31.5 lb-CO/day. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
22. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas moisture content - EPA Method 4, and stack gas velocities - EPA Method 2. [District Rules 1081, 4305, 4306, 6.2, 4320, and 4351] Federally Enforceable Through Title V Permit
23. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 6.3.1, 4306, 6.3.1, 4320, and 4351, 6.3.1] Federally Enforceable Through Title V Permit
24. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4320. [District Rules 4305, 5.5.2, 4306, 5.5.2 and 4320] Federally Enforceable Through Title V Permit
25. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
26. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4320]
27. Compliance with SO_x emissions shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
28. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
29. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 1081, 2520, 9.3.2, 4305, 5.5.5, 4306, 5.5.5 and 4320] Federally Enforceable Through Title V Permit
30. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
31. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
33. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
37. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
38. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
40. Source sampling to determine the compliance status of an emissions source shall be witnessed or authorized by District personnel. [District Rule 1081] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

41. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
42. The permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted, for a period of 5 years, and shall make records available for inspection upon request. [District NSR Rule and District Rules 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
43. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 6.1, 4306, 6.1, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-25-29

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 32 TOWNSHIP: 28S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF NON-COMPLIANT DORMANT 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID# 40-32, DIS# 43001-75): INSTALL NORTH AMERICAN GLE LOW-NOX BURNER AND LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. The permittee shall notify the District at least seven calendar days prior to the designation of this permit unit as a dormant emissions unit or an active emissions unit. [District Rule 1070]
5. When designated as a dormant emissions unit, the permittee shall not be required to perform source testing or monitoring requirements otherwise required by this permit. [District Rule 1070]
6. When designated as dormant, the fuel supply line shall be physically disconnected from this unit. [District Rules 4305, 4306 and 4320] 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

DAVID WARNER, Director of Permit Services

S-1127-25-29 : Jul 19 2010 8:33AM - GOUGHID : Joint Inspection NOT Required

7. A source test to demonstrate compliance with the indicated emission limits shall be performed within 60 days of recommencing operation of this unit. [District Rules 4305 and 4306]
8. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
9. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
12. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
13. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
15. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
16. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1, 4320; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
17. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Except during startup and shutdown, emission rates shall not exceed any of the following PM10: 0.014 lb/MMBtu, NOx (as NO2): 0.0182 lb/MMBtu or 15 ppmv @ 3% O2, VOC: 0.003 lb/MMBtu, or CO: 0.021 lb/MMBtu. [District Rules 2201, 4305, 4306, 4351 and 4320] Federally Enforceable Through Title V Permit
21. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
22. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4420]
23. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rule 4320]
24. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rule 4320]
25. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rule 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
26. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
27. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rule 4320]
28. Compliance with SOx emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
29. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rules 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
31. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. [District Rules 1081, 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
32. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
33. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

34. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
37. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
38. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
40. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
41. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
42. This unit shall be tested for compliance with the NO_x and CO emissions limits at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

43. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
44. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, and stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4320 and 4351] Federally Enforceable Through Title V Permit
45. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit
46. Steam generator may be operated with ring or perforated type burner diffuser plate. Changes between ring or perforated type burner diffuser plates shall be recorded in a contemporaneous log. [District Rule 2520, 6.4.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-28-30

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: NE09 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID# 43-9, DIS# 43010-75) WITH A NORTH AMERICAN MODEL #GLE-4231 LOW-NOX BURNER AND FLUE GAS RECIRCULATION: LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 & CORRECT LOCATION TO NE9, T29S R28E

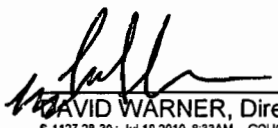
CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
5. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] 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



DAVID WARNER, Director of Permit Services
S-1127-28-30 : Jul 19 2010 8:33AM - GOUGHD : Joint Inspection NOT Required

6. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
7. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
8. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
9. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
10. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rule 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
11. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
12. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2520, 9.3.2; 4305, 6.2.1; 4351, 6.2.1, 4306 and 4320] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Emission rates shall not exceed any of the following PM₁₀: 0.014 lb/MMBtu or VOC: 0.003 lb/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
16. Emission rates, except during startup and shutdown, shall not exceed any of the following: NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmvd @ 3% O₂, or CO: 0.021 lb/MMBtu or 28 ppmvd @ 3% O₂. [District Rules 4305, 5.1 and 4306, 5.1] Federally Enforceable Through Title V Permit
17. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
18. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
19. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rule 4320]

20. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rule 4320]
21. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rules 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
22. If the NO_x and CO concentrations, as measured by the portable analyzer, exceed the allowable emission rate, the permittee shall notify the District and take corrective action within one (1) hour after detection. If the portable analyzer readings continue to exceed the allowable emission rate, the permittee shall conduct an emissions test within 60 days, utilizing District-approved test methods, to demonstrate compliance with the applicable emission limits. [District Rules 4305, 5.4.2.1, 4306, 5.4.2.1, 4320 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
24. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rule 4320]
25. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
26. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
27. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rule 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
28. Permittee shall maintain records of duration of each start-up and shutdown for a period of five years and make such records readily available for District inspection upon request. [District Rules 4306, 6.1 and 4320] Federally Enforceable Through Title V Permit
29. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. [District Rules 1081, 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
30. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
31. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
33. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The stack concentration of NO_x (as NO₂), CO, and O₂ shall be measured at least on a monthly basis and when the mode of operation of the FGR system (open or closed) is changed, using District approved portable analyzers, in any calendar month in which the unit operates. [District Rules 2520, 9.3.2, 4305 and 4306] Federally Enforceable Through Title V Permit
37. The permittee shall maintain records of the date and time of NO_x, CO, and O₂ measurements, the measured NO₂ and CO concentrations corrected to 3% O₂, and the O₂ concentration. The records shall also include a description of any corrective action taken to maintain the emissions in the acceptable range and shall identify any unit that did not operate at any time during the calendar month. These records shall be retained at the facility for a period of no less than 5 years and shall be made readily available for District inspection upon request. [District Rules 1070, 4305, 5.4.2.1, 4306, 5.4.2.1, 4320, 4351] Federally Enforceable Through Title V Permit
38. This unit shall be tested for compliance with the NO_x and CO emissions limits at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4320 and 4351] Federally Enforceable Through Title V Permit
39. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 6.2, 4306, 6.2, 4320 and 4351] Federally Enforceable Through Title V Permit
41. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-29-26

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: NE09 TOWNSHIP: 29S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR STRUTHERS NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID #44-9, DIS #43007-75) WITH FLUE GAS RECIRCULATION AND WITH A NORTH AMERICAN MODEL GLE LOW NOX BURNER: LIMIT FUEL SULFUR TO 5 GR/100 SCF LIMIT FOR RULE 4320 COMPLIANCE & CORRECT LOCATION TO NE9, T29S R28E

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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 as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
6. Flue gas recirculation shall be utilized, as needed, in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District NSR Rule]

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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-1127-29-26 : Jul 19 2010 8:33AM - GOUGHD : Joint Inspection NOT Required

7. All required source testing shall conform to the compliance testing procedures described in District Rule 1081. [District Rule 1081] Federally Enforceable Through Title V Permit
8. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
9. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
10. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
11. If the steam generator is not fired on PUC-regulated natural gas, the sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
12. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3, and 4320] Federally Enforceable Through Title V Permit
17. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22, and 4320] Federally Enforceable Through Title V Permit
18. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 0.014 lb-PM₁₀/MMBtu, or 0.003 lb-VOC/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Except during start-up and shutdown periods emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 29 ppmvd CO @ 3% O₂ or 0.021 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1, and 4351, 5.1] Federally Enforceable Through Title V Permit
20. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 54.0 lb-NO_x/day or 31.5 lb-CO/day. [District Rule 2201] Federally Enforceable Through Title V Permit
22. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
23. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas moisture content - EPA Method 4, and stack gas velocities - EPA Method 2. [District Rules 1081, 4305, 4306, 6.2, 4320 and 4351] Federally Enforceable Through Title V Permit
24. Whenever the flue gas recirculation (FGR) system on this unit is switched from the open to the closed position, or from the closed to the open position, compliance source testing for NO_x and CO emissions shall be conducted within 60 days of change of FGR operation date unless source testing with FGR system in both the open and closed position has occurred within the previous 12 months. [District Rule 1070]
25. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 6.3.1, 4306, 6.3.1, 4320 and 4351, 6.3.1] Federally Enforceable Through Title V Permit
26. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 5.5.2, 4306, 5.5.2 and 4320] Federally Enforceable Through Title V Permit
27. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
28. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
29. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 1081, 2520, 9.3.2, 4305, 5.5.5, 4306, 5.5.5 and 4320] Federally Enforceable Through Title V Permit
31. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
33. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
37. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
38. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

40. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
41. Source sampling to determine the compliance status of an emissions source shall be witnessed or authorized by District personnel. [District Rule 1081] Federally Enforceable Through Title V Permit
42. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
43. The permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted, for a period of 5 years, and shall make records available for inspection upon request. [District NSR Rule and District Rules 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
44. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 6.1, 4306, 6.1 and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-30-27

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 9 TOWNSHIP: 29S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR STRUTHERS NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID #45-9, DIS #43008-75) WITH FLUE GAS RECIRCULATION AND WITH A NORTH AMERICAN MODEL GLE LOW NOX BURNER: LIMIT FUEL SULFUR TO 5 GR/100 SCF LIMIT FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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 as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
6. Flue gas recirculation shall be utilized, as needed, in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District NSR Rule]

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

DAVID WARNER, Director of Permit Services

S-1127-30-27 : Jul 19 2010 8:33AM - GOUGHD : Joint Inspection NOT Required

7. All required source testing shall conform to the compliance testing procedures described in District Rule 1081. [District Rule 1081] Federally Enforceable Through Title V Permit
8. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
9. If the steam generator is fired on PUC-regulated natural gas, then the permittee shall maintain on file copies of all natural gas bills or fuel throughput records for a period of five years. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
11. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
12. If the steam generator is not fired on PUC-regulated natural gas, the sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
13. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
14. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3, and 4320] Federally Enforceable Through Title V Permit
18. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rule 4306, 3.25 and 3.22] Federally Enforceable Through Title V Permit
19. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 0.014 lb-PM₁₀/MMBtu, or 0.003 lb-VOC/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Except during start-up and shutdown periods emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 29 ppmvd CO @ 3% O₂ or 0.021 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1, 4320 and 4351, 5.1] Federally Enforceable Through Title V Permit
21. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 54.0 lb-NO_x/day or 31.5 lb-CO/day. [District Rule 2201] Federally Enforceable Through Title V Permit
23. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
24. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas moisture content - EPA Method 4, and stack gas velocities - EPA Method 2. [District Rules 1081, 4305, 4306, 6.2, 4320, and 4351] Federally Enforceable Through Title V Permit
25. Whenever the flue gas recirculation (FGR) system on this unit is switched from the open to the closed position, or from the closed to the open position, compliance source testing for NO_x and CO emissions shall be conducted within 60 days of change of FGR operation date unless source testing with FGR system in both the open and closed position has occurred within the previous 12 months. [District Rule 1070]
26. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 6.3.1, 4306, 6.3.1, 4320, and 4351, 6.3.1] Federally Enforceable Through Title V Permit
27. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 5.5.2, 4306, 5.5.2 and 4320] Federally Enforceable Through Title V Permit
28. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
29. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rule 4320]
30. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
31. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 1081, 2520, 9.3.2, 4305, 5.5.5, 4306, 5.5.5 and 4320] Federally Enforceable Through Title V Permit
32. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
37. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
38. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
40. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

41. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
42. Source sampling to determine the compliance status of an emissions source shall be witnessed or authorized by District personnel. [District Rule 1081] Federally Enforceable Through Title V Permit
43. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
44. The permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted, for a period of 5 years, and shall make records available for inspection upon request. [District NSR Rule and District Rules 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
45. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 6.1, 4306, 6.1 and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-31-27

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 9 TOWNSHIP: 29S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR STRUTHERS NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID #46-9, DIS #43009-75) WITH FLUE GAS RECIRCULATION AND WITH A NORTH AMERICAN MODEL GLE MAGNA FLAME LOW NOX BURNER: LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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 as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
6. Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [County Rules 404 (Madera), 406 (Fresno), and 407 (Kings, Merced, San Joaquin, Tulare, Kern, and Stanislaus)] 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

DAVID WARNER, Director of Permit Services

S-1127-31-27: Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

7. All required source testing shall conform to the compliance testing procedures described in District Rule 1081. [District Rule 1081] Federally Enforceable Through Title V Permit
8. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
9. If the steam generator is fired on PUC-regulated natural gas, then the permittee shall maintain on file copies of all natural gas bills or fuel throughput records for a period of five years. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
11. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
12. If the steam generator is not fired on PUC-regulated natural gas, the sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
13. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
14. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3, and 4320] Federally Enforceable Through Title V Permit
18. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22, and 4320] Federally Enforceable Through Title V Permit
19. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 0.014 lb-PM₁₀/MMBtu, or 0.003 lb-VOC/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Except during start-up and shutdown periods emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 29 ppmvd CO @ 3% O₂ or 0.021 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1, 4320 and 4351, 5.1] Federally Enforceable Through Title V Permit
21. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 54.0 lb-NO_x/day or 31.5 lb-CO/day. [District Rule 2201] Federally Enforceable Through Title V Permit
23. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
24. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas moisture content - EPA Method 4, and stack gas velocities - EPA Method 2. [District Rules 1081, 4305, 4306, 6.2, 4320 and 4351] Federally Enforceable Through Title V Permit
25. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 6.3.1, 4306, 6.3.1, 4320, and 4351, 6.3.1] Federally Enforceable Through Title V Permit
26. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 5.5.2, 4306, 5.5.2 and 4320] Federally Enforceable Through Title V Permit
27. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
28. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rule 4320]
29. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
30. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
31. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 1081, 2520, 9.3.2, 4305, 5.5.5, 4306, 5.5.5 and 4320] Federally Enforceable Through Title V Permit
32. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
37. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
38. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4320 and 4320] Federally Enforceable Through Title V Permit
40. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

41. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
42. Source sampling to determine the compliance status of an emissions source shall be witnessed or authorized by District personnel. [District Rule 1081] Federally Enforceable Through Title V Permit
43. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
44. The permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted, for a period of 5 years, and shall make records available for inspection upon request. [District NSR Rule and District Rules 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
45. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 6.1, 4306, 6.1 and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-34-25

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 05 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR WITH A NORTH AMERICAN MAGNA-FLAME GLE ULTRA-LOW NOX BURNER AND FLUE GAS RECIRCULATION (CUSA ID# 49-5, DIS# 43003-76): LIMIT FUEL SULFUR TO 5 GR/100 SCF LIMIT FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
5. Emission rates shall not exceed: PM₁₀: 21.0 lb/day or 7665 lb/year, SO_x: 21.5 lb/day or 7,829 lb/year, NO_x (as NO₂): 54.0 lb/day or 9855 lb/year, VOC: 4.5 lb/day or 1643 lb/year, CO: 31.5 lb/day or 11,498 lb/year. [District Rule 2201] 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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-1127-34-25 : Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

6. Emission rates, except during startup and shutdown, shall not exceed any of the following: PM10: 0.014 lb/MMBtu, NOx (as NO2): 0.018 lb/MMBtu or 15 ppmv @ 3% O2, VOC: 0.003 lb/MMBtu or CO: 0.021 lb/MMBtu or 28 ppmv @ 3% O2. [District Rule 2201, 4305, 4306, 4406, and 4320] Federally Enforceable Through Title V Permit
7. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
8. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
9. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
10. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generators shall not exceed either of the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
11. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
12. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H2S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
13. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
15. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
16. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
17. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081 and Kern County Rule 108.1] Federally Enforceable Through Title V Permit
19. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
20. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rules 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
21. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
22. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
24. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by an ARB certified testing laboratory. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
25. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, fuel gas sulfur content - ASTM D3246 or double GC for H₂S and mercaptans, stack gas velocities - EPA Method 2, stack gas moisture content - EPA Method 4, and SO_x (lb/MMBtu) - ARB Method 100. [District Rules 1081, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
26. Steam generator may be operated with ring or perforated type burner diffuser plate. Changes between ring or perforated type burner diffuser plates shall be recorded in a contemporaneous log. [District Rule 2520, 6.4.2] Federally Enforceable Through Title V Permit
27. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
28. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
29. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

30. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
31. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
32. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
33. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rule 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
34. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of five years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit
35. All records shall be maintained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
36. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
37. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
38. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
39. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
40. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

41. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
42. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
43. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-35-26

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 5 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR WITH A NORTH AMERICAN MAGNA-FLAME GLE ULTRA-LOW NOX BURNER AND FLUE GAS RECIRCULATION (CUSA ID# 50-5, DIS# 43005-76): LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
5. Emission rates shall not exceed: PM₁₀: 21.0 lb/day or 7665 lb/year, SO_x: 21.5 lb/day or 7829 lb/year, NO_x (as NO₂): 54.0 lb/day or 9855 lb/year, VOC: 4.5 lb/day or 1643 lb/year, CO: 31.5 lb/day or 11,498 lb/year. [District Rule 2201] 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



DAVID WARNER, Director of Permit Services

6-1127-35-26 : Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

6. Emission rates, except during startup and shutdown, shall not exceed any of the following: PM10: 0.014 lb/MMBtu, NOx (as NO2): 0.018 lb/MMBtu or 15 ppmv @ 3% O2, VOC: 0.003 lb/MMBtu or CO: 0.021 lb/MMBtu or 28 ppmv @ 3% O2. [District Rule 2201, 4305, 4306, 4406 and 4320] Federally Enforceable Through Title V Permit
7. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
8. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 4306, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
9. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
10. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
11. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
12. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H2S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
13. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
15. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4320; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
16. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
17. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081 and Kern County Rule 108.1] Federally Enforceable Through Title V Permit
19. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
20. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rules 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
21. Compliance with SOx emissions shall be conducted within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
22. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
24. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by an ARB certified testing laboratory. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
25. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, stack gas moisture content - EPA Method 4, and SOx (lb/MMBtu) - ARB Method 100. [District Rules 1081, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
26. Steam generator may be operated with ring or perforated type burner diffuser plate. Changes between ring or perforated type burner diffuser plates shall be recorded in a contemporaneous log. [District Rule 2520, 6.4.2] Federally Enforceable Through Title V Permit
27. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
28. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
29. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

30. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
31. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
32. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rule 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
33. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of five years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit
34. All records shall be maintained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
35. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
36. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
37. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
38. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
39. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
40. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
41. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-36-26

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 05 TOWNSHIP: 29S RANGE: 28

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR STRUTHERS NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID #51-5, DIS #43004-76) WITH LOW PRESSURE FUEL INDUCED RECIRCULATION AND A NORTH AMERICAN MODEL GLE 4231 LOW NOX BURNER WITH FLUE GAS RECIRCULATION: LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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 as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
6. All required source testing shall conform to the compliance testing procedures described in District Rule 1081. [District Rule 1081] 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



DAVID WARNER, Director of Permit Services

S-1127-36-26; Jul 19 2010 8:34AM - GOUHGD - Joint Inspection NOT Required

7. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
8. If the steam generator is fired on PUC-regulated natural gas, then the permittee shall maintain on file copies of all natural gas bills or fuel throughput records for a period of five years. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
9. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
10. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
11. If the steam generator is not fired on PUC-regulated natural gas, the sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
12. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6 and 4306, 5.3] Federally Enforceable Through Title V Permit
16. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rule 4306, 3.25 and 3.22] Federally Enforceable Through Title V Permit
17. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 0.014 lb-PM₁₀/MMBtu, or 0.003 lb-VOC/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
18. Except during start-up and shutdown periods emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 29 ppmvd CO @ 3% O₂ or 0.021 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1, 4320 and 4351, 5.1] Federally Enforceable Through Title V Permit
19. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 54.0 lb-NOx/day or 31.5 lb-CO/day. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
22. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas moisture content - EPA Method 4, and stack gas velocities - EPA Method 2. [District Rules 1081, 4305, 4306, 6.2., 4320 and 4351] Federally Enforceable Through Title V Permit
23. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 6.3.1, 4306, 6.3.1, 4320 and 4351, 6.3.1] Federally Enforceable Through Title V Permit
24. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4320. [District Rules 4305, 5.5.2, 4306, 5.5.2 and 4320] Federally Enforceable Through Title V Permit
25. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
26. Compliance with SOx emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
27. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
28. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 1081, 2520, 9.3.2, 4305, 5.5.5, 4306, 5.5.5 and 4320] Federally Enforceable Through Title V Permit
29. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
30. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
31. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
33. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
36. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
37. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
38. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
39. Source sampling to determine the compliance status of an emissions source shall be witnessed or authorized by District personnel. [District Rule 1081] Federally Enforceable Through Title V Permit
40. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
41. The permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted, for a period of 5 years, and shall make records available for inspection upon request. [District NSR Rule and District Rules 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 6.1, 4306, 6.1, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-38-28

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: SW03 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS FIRED STEAM GENERATOR (CUSA ID# 35-3, DIS# 43007-74) WITH A NORTH AMERICAN MODEL GLE 4231 LOW NOX BURNER AND FGR: LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
5. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] 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

DAVID WARNER, Director of Permit Services

S-1127-38-28 : Jul 19 2010 8:34AM - GOUHGD : Joint Inspection NOT Required

6. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
7. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
8. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
9. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4034, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
10. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
11. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
12. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4351, 6.2.1; Rule 4306, and 4320] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Emission rates shall not exceed any of the following PM₁₀: 0.014 lb/MMBtu or VOC: 0.003 lb/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
16. Emission rates, except during startup and shutdown, shall not exceed any of the following: NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmvd @ 3% O₂, or CO: 0.021 lb/MMBtu or 28 ppmvd @ 3% O₂. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1, 4320 and 4351, 5.1] Federally Enforceable Through Title V Permit
17. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
18. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
19. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
21. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rules 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
22. Permittee shall maintain records of duration of each start-up and shutdown for a period of five years and make such records readily available for District inspection upon request. [District Rules 4305, 5.5.6 and 4306, 5.3]
23. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
24. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
25. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
26. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
27. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
28. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
29. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
34. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
35. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
36. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 6.3.1, 4306, 6.3.1, 4320, and 4351, 6.3.1] Federally Enforceable Through Title V Permit
38. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
39. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 6.2, 4306, 6.2, 4320 and 4351] Federally Enforceable Through Title V Permit
40. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-39-28

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 03 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF DORMANT 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID #36-3, DIS# 43008-74) WITH LOW PRESSURE FUEL INDUCED RECIRCULATION: INSTALL NORTH AMERICAN GLE LOW NOX BURNER AND LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. The permittee shall notify the District at least seven calendar days prior to the designation of this permit unit as a dormant emissions unit or an active emissions unit. [District Rule 1070]
5. When designated as a dormant emissions unit, the permittee shall not be required to perform source testing or monitoring requirements otherwise required by this permit. [District Rule 1070]
6. When designated as dormant, the fuel supply line shall be physically disconnected from this unit. [District Rules 4305, 4306 and 4320] 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

DAVID WARNER, Director of Permit Services

S-1127-39-28 : Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

7. A source test to demonstrate compliance with the indicated emission limits shall be performed within 60 days of recommencing operation of this unit. [District Rules 4305 and 4306]
8. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
9. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
12. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
13. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6288, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
15. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
16. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4320, and 4351, 6.2.1] Federally Enforceable Through Title V Permit
17. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. Except during start-up and shutdown, emission rates shall not exceed any of the following PM₁₀: 0.014 lb/MMBtu, NO_x (as NO₂): 0.0182 lb/MMBtu or 15 ppmv @ 3% O₂, VOC: 0.003 lb/MMBtu, or CO: 0.021 lb/MMBtu. [District Rules 2201, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
20. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]

CONDITIONS CONTINUE ON NEXT PAGE

21. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
22. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
23. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
24. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rule 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
25. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
26. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
27. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
28. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rules 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
29. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
31. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
32. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
37. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
38. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
40. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
41. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
42. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, stack gas moisture content - EPA Method 4, and fuel gas sulfur content - ASTM D3246 or double GC for H₂S and mercaptans. [District Rules 1081, 4305, and 4351] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

43. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit
44. Steam generator may be operated with ring or perforated type burner diffuser plate. Changes between ring or perforated type burner diffuser plates shall be recorded in a contemporaneous log. [District Rule 2520, 6.4.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-42-27

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 03 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF NON-COMPLIANT DORMANT 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS FIRED STEAM GENERATOR (CUSA ID# 42-3, DIS# 43003-75) WITH LOW PRESSURE FUEL INDUCED RECIRCULATION: INSTALL NORTH AMERICAN GLE LOW NOX BURNER AND LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

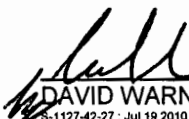
CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. The permittee shall notify the District at least seven calendar days prior to the designation of this permit unit as a dormant emissions unit or an active emissions unit. [District Rule 1070]
5. When designated as a dormant emissions unit, the permittee shall not be required to perform source testing or monitoring requirements otherwise required by this permit. [District Rule 1070]
6. When designated as dormant, the fuel supply line shall be physically disconnected from this unit. [District Rules 4305, 4306 and 4320] 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


DAVID WARNER, Director of Permit Services
S-1127-42-27 - Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

7. A source test to demonstrate compliance with the indicated emission limits shall be performed within 60 days of recommencing operation of this unit. [District Rules 4305 and 4306]
8. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
9. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
12. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
13. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
16. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
17. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Except during start-up and shutdown, emission rates shall not exceed any of the following PM10: 0.014 lb/MMBtu, NOx (as NO2): 0.0182 lb/MMBtu or 15 ppmv @ 3% O2, VOC: 0.003 lb/MMBtu, or CO: 0.021 lb/MMBtu. [District Rules 2201, 4305, 4306, 4320, and 4351] Federally Enforceable Through Title V Permit
21. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
22. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
23. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
24. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
25. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rule 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
26. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, 4320 and 4351]
27. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
28. Compliance with SOx emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
29. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. The permittee shall keep daily records of the sulfur content of the natural gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted and shall make records available for inspection upon request. [District NSR Rule] Federally Enforceable Through Title V Permit
31. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
32. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
33. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

34. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
37. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
38. The permittee shall monitor and record the stack concentration of NOX, CO, and O2 at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. If either the NOX or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
40. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
41. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O2 measurements, (2) the O2 concentration in percent by volume and the measured NOX and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306]
42. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
43. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, and stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4320 and 4351] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

44. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rule 1070] Federally Enforceable Through Title V Permit
45. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit
46. Steam generator may be operated with ring or perforated type burner diffuser plate. Changes between ring or perforated type burner diffuser plates shall be recorded in a contemporaneous log. [District Rule 2520, 6.4.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-55-27

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 03 TOWNSHIP: 29S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF NON-COMPLIANT DORMANT 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID# 65-3, DIS# 43006-80) WITH LOW PRESSURE FUEL INDUCED RECIRCULATION: INSTALL NORTH AMERICAN GLE LOW-NOX BURNER AND LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. The permittee shall notify the District at least seven calendar days prior to the designation of this permit unit as a dormant emissions unit or an active emissions unit. [District Rule 1070]
5. When designated as a dormant emissions unit, the permittee shall not be required to perform source testing or monitoring requirements otherwise required by this permit. [District Rule 1070]
6. When designated as dormant, the fuel supply line shall be physically disconnected from this unit. [District Rules 4305, 4306 and 4320] 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

DAVID WARNER, Director of Permit Services

S-1127-55-27 : Jul 19 2010 8:34AM - GOUHGD : Joint Inspection NOT Required

7. A source test to demonstrate compliance with the indicated emission limits shall be performed within 60 days of recommencing operation of this unit. [District Rules 4305 and 4306]
8. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
9. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
12. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
13. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
15. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
16. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4320 and 4351, 6.2.1] Federally Enforceable Through Title V Permit
17. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100scf. [District Rule 4320]
21. Except during start-up and shutdown, emission rates shall not exceed any of the following PM10: 0.014 lb/MMBtu, NOx (as NO2): 0.0182 lb/MMBtu or 15 ppmv @ 3% O2, VOC: 0.003 lb/MMBtu, or CO: 0.021 lb/MMBtu. [District Rules 2201, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
22. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
23. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
24. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
25. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rule 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
26. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, 4320 and 4352]
27. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
28. Compliance with SOx emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
29. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. The permittee shall keep records of the following: sulfur content of the vapor recovery gas on an annual basis; amount of natural gas and amount of vapor recovery gas combusted on a daily basis; and percentage O2, NOx concentration, and CO concentration on a monthly basis. [District Rules 1070, 4305, and 2520, 9.5.1] Federally Enforceable Through Title V Permit
31. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
32. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
37. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
38. The permittee shall monitor and record the stack concentration of NOX, CO, and O2 at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. If either the NOX or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
40. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

41. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O2 measurements, (2) the O2 concentration in percent by volume and the measured NOX and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306]
42. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
43. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, and fuel gas sulfur content - ASTM D3246 or double GC for H2S and mercaptans. [District Rules 1081, 4305, 4320 and 4351] Federally Enforceable Through Title V Permit
44. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rule 1070] Federally Enforceable Through Title V Permit
45. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit
46. Steam generator may be operated with ring or perforated type burner diffuser plate. Changes between ring or perforated type burner diffuser plates shall be recorded in a contemporaneous log. [District Rule 2520, 6.4.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-57-27

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 03 TOWNSHIP: 29S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS FIRED STEAM GENERATOR (CUSA ID# 67-3, DIS# 43008-80) EQUIPPED WITH NORTH AMERICAN MODEL GLE 4231 LOW-NOX BURNER WITH FLUE GAS RECIRCULATION (FGR); LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule]
4. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
5. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] 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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-1127-57-27 : Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

6. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
7. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
8. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
9. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
10. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
11. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
12. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4351, 6.2.1 and Rule 4306] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Emission rates shall not exceed any of the following PM₁₀: 0.014 lb/MMBtu, or VOC: 0.003 lb/MMBtu. [District Rules 2201, 4305 and 4320] Federally Enforceable Through Title V Permit
16. Emission rates, except during startup and shutdown, shall not exceed any of the following: NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmvd @ 3% O₂, or CO: 0.021 lb/MMBtu or 28 ppmvd @ 3% O₂. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
17. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
18. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
19. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
21. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rules 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
22. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
23. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
24. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
25. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rule 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
26. Permittee shall maintain records of duration of each start-up and shutdown for a period of five years and make such records readily available for District inspection upon request. [District Rule 4306] Federally Enforceable Through Title V Permit
27. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
28. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
29. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
30. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
31. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
32. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. The permittee shall monitor and record the stack concentration of NOX, CO, and O2 at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4306] Federally Enforceable Through Title V Permit
34. If either the NOX or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
35. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
36. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O2 measurements, (2) the O2 concentration in percent by volume and the measured NOX and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306]
37. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
38. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, stack gas moisture content - EPA Method 4, and fuel gas sulfur content - ASTM D3246 or double GC for H2S and mercaptans. [District Rules 1081, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
39. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit
40. Steam generator may be operated with ring or perforated type burner diffuser plate. Changes between ring or perforated type burner diffuser plates shall be recorded in a contemporaneous log. [District Rule 2520, 6.4.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-66-31

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 09 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS FIRED STEAM GENERATOR (CUSA ID# 64-9, DIS# 43005-80) EQUIPPED WITH NORTH AMERICAN MODEL GLE 4231 LOW-NOX BURNER WITH FLUE GAS RECIRCULATION (FGR): LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
5. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] 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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
S-1127-66-31 : Jul 19 2010 8:34AM - GOUHGD : Joint Inspection NOT Required

6. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
7. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
8. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
9. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
10. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
11. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
12. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2520, 9.3.2; 4305, 6.2.1; 4351, 6.2.1, 4306 and 4320] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Emission rates shall not exceed any of the following PM₁₀: 0.014 lb/MMBtu, or VOC: 0.003 lb/MMBtu. [District Rules 2201, 4305 and 4320] Federally Enforceable Through Title V Permit
16. Emission rates, except during startup and shutdown, shall not exceed any of the following: NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmvd @ 3% O₂, or CO: 0.021 lb/MMBtu or 28 ppmvd @ 3% O₂. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
17. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
18. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
19. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
21. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rule 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
22. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Compliance with SO_x emission limits shall be conducted within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
24. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
25. The permittee shall keep records of the following: sulfur content of the vapor recovery gas on an annual basis; amount of natural gas and amount of vapor recovery gas combusted on a daily basis; and percentage O₂, NO_x concentration, and CO concentration on a monthly basis. [District Rules 1070, 4305, and 2520, 9.5.1] Federally Enforceable Through Title V Permit
26. Permittee shall maintain records of duration of each start-up and shutdown for a period of five years and make such records readily available for District inspection upon request. [District Rule 4306] Federally Enforceable Through Title V Permit
27. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
28. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
29. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
30. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
31. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

32. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
33. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The permittee shall monitor and record the stack concentration of NOX, CO, and O2 at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
35. If either the NOX or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305 and 4306]
36. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
37. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O2 measurements, (2) the O2 concentration in percent by volume and the measured NOX and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306]
38. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305 and 4320]
39. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, and stack gas moisture content - EPA Method 4 [District Rules 1081, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
41. Permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rule 1070] Federally Enforceable Through Title V Permit
42. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-69-29

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 04 **TOWNSHIP:** 29S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR CUSA ID# 81-4, DIS# 43013-82) WITH NORTH AMERICAN MODEL 4231 GLE LOW-NOX BURNER AND FGR: LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. All required source testing shall conform to the compliance testing procedures described in District Rule 1081(Last Amended December 16, 1993). [District Rule 1081] Federally Enforceable Through Title V Permit
4. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
5. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] 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

DAVID WARNER, Director of Permit Services

S-1127-69-29 : Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

6. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
7. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
8. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
9. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
10. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
11. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
12. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
13. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. Emission rates shall not exceed any of the following PM₁₀: 0.014 lb/MMBtu, or VOC: 0.003 lb/MMBtu. [District Rules 2201, 4305 and 4320] Federally Enforceable Through Title V Permit
15. Emission rates, except during startup and shutdown, shall not exceed any of the following: NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmvd @ 3% O₂, or CO: 0.021 lb/MMBtu or 28 ppmvd @ 3% O₂. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
16. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
17. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
18. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
19. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]

CONDITIONS CONTINUE ON NEXT PAGE

20. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by a District-approved independent laboratory on an annual basis. Sample collection for such determination shall be District-witnessed or approved. [District Rules 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
21. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2520 and 4320] Federally Enforceable Through Title V Permit
22. NOx and CO emissions shall be measured with annual source testing conducted by an independent testing laboratory and shall be witnessed or authorized by the District [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
24. Compliance with SOx emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
25. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
26. Permittee shall maintain records of duration of each start-up and shutdown for a period of five years and make such records readily available for District inspection upon request. [District Rule 4306] Federally Enforceable Through Title V Permit
27. Permittee shall keep weekly records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted. [District Rule 1070 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
28. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
29. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
30. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
31. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
33. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
34. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. The permittee shall monitor and record the stack concentration of NOX, CO, and O2 at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320]
36. If either the NOX or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320]
37. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320]
38. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O2 measurements, (2) the O2 concentration in percent by volume and the measured NOX and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306]
39. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, and stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4320 and 4351] Federally Enforceable Through Title V Permit
41. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-70-30

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC

MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: NW 3 TOWNSHIP: 29S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR STRUTHERS NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID #80-4, DIS #43010-82) WITH A FLUE GAS RECIRCULATION (FGR) SYSTEM AND A NORTH AMERICAN MODEL GLE LOW NOX BURNER: LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. All required source testing shall conform to the compliance testing procedures described in District Rule 1081. [District Rule 1081] Federally Enforceable Through Title V Permit
5. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
6. If the steam generator is fired on PUC-regulated natural gas, then the permittee shall maintain on file copies of all natural gas bills or fuel throughput records for a period of five years. [District Rule 2520, 9.3.2] 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

DAVID WARNER, Director of Permit Services

S-1127-70-30: Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

7. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired in the engine shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 AND 4320] Federally Enforceable Through Title V Permit
8. If the steam generator is not fired on PUC-regulated natural gas, the sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
9. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
10. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
11. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3, and 4320] Federally Enforceable Through Title V Permit
12. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rule 4306, 3.25 and 3.22] Federally Enforceable Through Title V Permit
13. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 0.014 lb-PM₁₀/MMBtu, or 0.003 lb-VOC/MMBtu. [District Rules 2201, 4301, 4320] Federally Enforceable Through Title V Permit
14. Except during start-up and shutdown periods emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 29 ppmvd CO @ 3% O₂ or 0.021 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1, and 4351, 5.1] Federally Enforceable Through Title V Permit
15. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 54.0 lb-NO_x/day or 31.5 lb-CO/day. [District Rule 2201] Federally Enforceable Through Title V Permit
17. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
18. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas moisture content - EPA Method 4, and stack gas velocities - EPA Method 2. [District Rules 1081, 4305, 4306, 6.2, 4320 and 4351] Federally Enforceable Through Title V Permit
19. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 6.3.1, 4306, 6.3.1, 4320 and 4351, 6.3.1] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 5.5.2; 4306, 5.5.2 and 4320] Federally Enforceable Through Title V Permit
21. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
22. Compliance with SOx emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
23. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
24. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 1081; 2520, 9.3.2; 4305, 5.5.5; 4306, 5.5.5; and 4320] Federally Enforceable Through Title V Permit
25. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
26. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
27. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
28. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
29. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
30. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
32. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
33. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
34. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
35. Source sampling to determine the compliance status of an emissions source shall be witnessed or authorized by District personnel. [District Rule 1081] Federally Enforceable Through Title V Permit
36. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
37. The permittee shall keep daily records of the sulfur content of the vapor recovery gas, amount of natural gas combusted, and the amount of vapor recovery gas combusted, for a period of 5 years, and shall make records available for inspection upon request. [District NSR Rule and District Rules 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
38. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 6.1, 4306, 6.1 and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-71-27

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 04 TOWNSHIP: 29S RANGE: 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF DORMANT 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS FIRED STEAM GENERATOR (CUSA ID# 79-4, DIS# 43009-82): INSTALL NORTH AMERICAN GLE LOW-NOX BURNER AND LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. The permittee shall notify the District at least seven calendar days prior to the designation of this permit unit as a dormant emissions unit or an active emissions unit. [District Rule 1070]
5. When designated as a dormant emissions unit, the permittee shall not be required to perform source testing or monitoring requirements otherwise required by this permit. [District Rule 1070]
6. When designated as dormant, the fuel supply line shall be physically disconnected from this unit. [District Rules 4305, 4306 and 4320] 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

DAVID WARNER, Director of Permit Services

S-1127-71-27 : Jul 19 2010 8:34AM - GOUGHD : Joint Inspection NOT Required

7. A source test to demonstrate compliance with the indicated emission limits shall be performed within 60 days of recommencing operation of this unit. [District Rules 4305 and 4306]
8. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
9. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any non-certified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
12. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
13. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rule 2520 and 4320] Federally Enforceable Through Title V Permit
15. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
16. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4320 and 4351, 6.2.1] Federally Enforceable Through Title V Permit
17. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. When designated as dormant, the fuel supply line shall be physically disconnected or prevented from entering this unit. [District Rules 2080 and 2201] Federally Enforceable Through Title V Permit
21. Except during start-up or shutdown, emission rates shall not exceed PM10: 0.014 lb/MMBtu, NOx (as NO2): 0.018 lb/MMBtu or 15 ppmv @ 3% O2, VOC: 0.003 lb/MMBtu, and CO: 0.021 lb/MMBtu. [District Rules 2201, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
22. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
23. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
24. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
25. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
26. Compliance with SOx emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
27. Vapor recovery gas sulfur analysis and heating value determination shall be conducted by District-witnessed, or approved sample collection by an independent laboratory on an annual basis. [District Rules 1081, 7.2 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
28. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
29. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
31. The permittee shall keep records of the following: sulfur content of the vapor recovery gas on an annual basis; amount of natural gas and amount of vapor recovery gas combusted on a daily basis; and percentage O2, NOx concentration, and CO concentration on a monthly basis. [District Rules 1070, 4305, and 2520, 9.3.2] Federally Enforceable Through Title V Permit
32. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. This mean shall be multiplied by the appropriate factor. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
33. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit

34. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
37. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
38. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
39. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, and stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4320 and 4351] Federally Enforceable Through Title V Permit
41. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320]
42. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

43. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320]
44. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O2 measurements, (2) the O2 concentration in percent by volume and the measured NOX and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306]
45. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-73-27

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 32 **TOWNSHIP:** 28S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF NON-COMPLIANT DORMANT 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID# 53-32, DIS# 43012-78) WITH LOW PRESSURE FUEL INDUCED RECIRCULATION: INSTALL NORTH AMERICAN GLE LOW NOX BURNER AND LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
4. The permittee shall notify the District at least seven calendar days prior to the designation of this permit unit as a dormant emissions unit or an active emissions unit. [District Rule 1070]
5. When designated as a dormant emissions unit, the permittee shall not be required to perform source testing or monitoring requirements otherwise required by this permit. [District Rule 1070]
6. When designated as dormant, the fuel supply line shall be physically disconnected from this unit. [District Rules 4305, 4306 and 4320] 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

DAVID WARNER, Director of Permit Services

S-1127-73-27; Jul 19 2010 8:35AM - GOUGHD : Joint Inspection NOT Required

7. A source test to demonstrate compliance with the indicated emission limits shall be performed within 60 days of recommencing operation of this unit. [District Rules 4305 and 4306]
8. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
9. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
12. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
13. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
15. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
16. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.14320, and 4351, 6.2.1] Federally Enforceable Through Title V Permit
17. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Emission rates shall not exceed any of the following PM10: 0.014 lb/MMBtu, NOx (as NO2): 0.0182 lb/MMBtu or 15 ppmv @ 3% O2, VOC: 0.003 lb/MMBtu, or CO: 0.021 lb/MMBtu. [District Rules 2201, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
21. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
22. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
23. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
24. The permittee shall monitor and record the stack concentration of NOX, CO, and O2 at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320]
25. If either the NOX or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320]
26. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320]
27. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O2 measurements, (2) the O2 concentration in percent by volume and the measured NOX and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306]
28. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months [District Rules 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
29. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
30. Compliance with SOx emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

31. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
32. The permittee shall keep records of the following: sulfur content of the vapor recovery gas on an annual basis; amount of natural gas and amount of vapor recovery gas combusted on a daily basis. [District Rule 1070 and 2520, 9.5.1] Federally Enforceable Through Title V Permit
33. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
34. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003) shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
35. The Regional Administrator shall be notified in writing within (15) days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner which results in an increase in emissions above any allowable emissions limit stated in Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003). This notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under Section VIII of Federal Permit SJ 80-14 (as amended August 15, 2003), and the methods utilized to restore normal operations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
36. The Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local air pollution control agency, and/or their authorized representatives, upon the presentation of credentials, shall be permitted: A) to enter upon the premises where the source is located or in which any records are required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and B) at reasonable times to have access to and copy any records required to be kept under the terms and conditions of Federal Permit SJ 80-14 (as amended August 15, 2003); and C) to inspect any equipment, operation, or method required in Federal Permit SJ 80-14 (as amended August 15, 2003); and D) to sample emissions from the source. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
37. In the event of any changes in control or ownership of facilities, Federal Permit SJ 80-14 (as amended August 15, 2003) shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of Federal Permit SJ 80-14 (as amended August 15, 2003) and its conditions by letter, a copy of which shall be forwarded to the Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
38. The provisions of Federal Permit SJ 80-14 (as amended August 15, 2003) are severable, and, if any provision of amended Federal Permit SJ 80-14 is held invalid, the remainder of amended Federal Permit SJ 80-14 shall not be affected thereby. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
39. The owner and operator of the proposed project shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable Federal, State and local regulations. [PSD SJ 80-14] Federally Enforceable Through Title V Permit
40. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
41. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, and stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4320, and 4351] Federally Enforceable Through Title V Permit
42. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rule 4351] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1127-112-24

ISSUANCE DATE: 07/19/2010

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL

SECTION: 32 **TOWNSHIP:** 28S **RANGE:** 28E

EQUIPMENT DESCRIPTION:

MODIFICATION OF NON-COMPLIANT DORMANT 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STEAM GENERATOR (CUSA ID# 77-32, DIS# 43011-82) WITH LOW PRESSURE FUEL INDUCED RECIRCULATION: INSTALL NORTH AMERICAN GLE LOW NOX BURNER AND LIMIT FUEL SULFUR TO 5 GR/100 SCF FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule]
4. The permittee shall notify the District at least seven calendar days prior to the designation of this permit unit as a dormant emissions unit or an active emissions unit. [District Rule 1070]
5. When designated as a dormant emissions unit, the permittee shall not be required to perform source testing or monitoring requirements otherwise required by this permit. [District Rule 1070]
6. When designated as dormant, the fuel supply line shall be physically disconnected from this unit. [District Rules 4305, 4306 and 4320] 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

DAVID WARNER, Director of Permit Services

S-1127-112-24 : Jul 19 2010 8:35AM - GOUGHD : Joint Inspection NOT Required

7. A source test to demonstrate compliance with the indicated emission limits shall be performed within 60 days of recommencing operation of this unit. [District Rules 4305 and 4306]
8. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
9. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2 and 40 CFR 60.48c(g)] Federally Enforceable Through Title V Permit
10. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
12. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rules 2520 and 4320]
13. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired shall be determined using ASTM D 1072, D 3031, D 4084, D 3246, D 6228, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume until compliance is demonstrated for 8 consecutive weeks. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
15. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320]
16. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4320 and 4351, 6.2.1] Federally Enforceable Through Title V Permit
17. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements of SJVUAPCD Rules 4201 (Last Amended December 17, 1992), 4301 (Last Amended December 17, 1992), 4305 sections 4.2, 5.1, 5.5.1, 5.5.2, 6.1.1, 6.2 (except 6.2.3), 6.3.1, 6.3.2, and 8.1 (Last Amended December 17, 1992), and 4351, sections 4.2, 5.2.2, 6.1.1, 6.2, and 8.1 (Last Amended October 19, 1995). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera), 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Except during start-up and shutdown, emission rates shall not exceed any of the following PM10: 0.014 lb/MMBtu, NOx (as NO₂): 0.0182 lb/MMBtu or 15 ppmv @ 3% O₂, VOC: 0.003 lb/MMBtu, or CO: 0.021 lb/MMBtu. [District Rules 2201, 4305, 4306, 4320 and 4351] Federally Enforceable Through Title V Permit
21. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5 grains S/100 scf. [District Rule 4320]
22. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods exceeding 2 hours. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
23. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4306, 3.25 and 3.22 and 4320] Federally Enforceable Through Title V Permit
24. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 4320]
25. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320]
26. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
27. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 and 4320]
28. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent by volume and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306]
29. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
31. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. The permittee shall keep records of the following: sulfur content of the vapor recovery gas on an annual basis; amount of natural gas and amount of vapor recovery gas combusted on a daily basis. [District Rules 1070 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
33. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. This mean shall be multiplied by the appropriate factor. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
34. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, 4320 and 4351]
35. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
36. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, stack gas velocities - EPA Method 2, and stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4320 and 4351] Federally Enforceable Through Title V Permit
37. Permittee shall maintain records of fuel hhv and cumulative annual fuel use for a period of 5 years and shall make such records readily available for District inspection upon request. [District Rules 4320 and 4351] Federally Enforceable Through Title V Permit
38. Steam generator may be operated with ring or perforated type burner diffuser plate. Changes between ring or perforated type burner diffuser plates shall be recorded in a contemporaneous log. [District Rule 2520 section 6.4.2] Federally Enforceable Through Title V Permit