



FEB 02 2011

Mr. John Gruber
Chevron USA
PO Box 1392
Bakersfield, CA 93302

**Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1141
Project # S-1104209**

Dear Mr. Gruber:

The Air Pollution Control Officer has issued Authority to Construct permits to Chevron USA for its heavy oil facility (Cymric Field) at Section 1, Township: 30S, Range: 21E (Sec 1Y) or Section 36, Township: 29S, Range: 21E (Sec 36W) in Kern County, California. The project consists of adding a new SOx scrubber serving three existing steam generators for Rule 4320 and other changes.

A copy of the notice of final action to be published approximately three days from the date of this letter. The Authority to Construct permits will be mailed under separate cover.

Notice of the District's preliminary decision to issue the Authority to Construct permits with Certificate of Conformity was published on December 9, 2010. The District's analysis of the proposal was also sent to US EPA Region IX on December 9, 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

DW: SD/cm

Enclosures

Seyed Sadredin

Executive Director/Air Pollution Control Officer

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

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

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



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

FEB 02 2011

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-1141
Project # S-1104209**

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authority to Construct permits to Chevron USA for its heavy oil facility (Cymric Field) at Section 1, Township: 30S, Range: 21E (Sec 1Y) or Section 36, Township: 29S, Range: 21E (Sec 36W) in Kern County, California. The project consists of adding a new SOx scrubber serving three existing steam generators for Rule 4320 and other changes.

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 December 9, 2010. The District's analysis of the proposal was also sent to CARB on December 9, 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

DW: SD/cm

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San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT



FEB 02 2011

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-1141
Project # S-1104209**

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to Chevron USA for its heavy oil facility (Cymric Field) at Section 1, Township: 30S, Range: 21E (Sec 1Y) or Section 36, Township: 29S, Range: 21E (Sec 36W) in Kern County, California. The project consists of adding a new SOx scrubber serving three existing steam generators for Rule 4320 and other changes.

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 December 9, 2010. The District's analysis of the proposal was also sent to US EPA Region IX on December 9, 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

DW: SD/cm

Enclosures

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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 facility (Cymric Field) at Section 1, Township: 30S, Range: 21E (Sec 1Y) or Section 36, Township: 29S, Range: 21E (Sec 36W) in Kern County, California. The project consists of adding a new SOx scrubber serving three existing steam generators for Rule 4320 and other changes.

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

The application review for Project #S-1104209, 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, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.**



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1141-26-35

ISSUANCE DATE: 01/26/2011

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: 17 **TOWNSHIP:** 32S **RANGE:** 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR STRUTHERS THERMOFLOOD NATURAL GAS/TEOR GAS/TVC VAPORS-FIRED STEAM GENERATOR WITH A NORTH AMERICAN MODEL GLE 4231 ULTRA-LOW NOX BURNER, FGR, A THERMOX O2 CONTROLLER, VAPOR PIPING FROM TEOR SYSTEM, VAPOR PIPING FROM TVC SYSTEMS, AND A SULFA SCRUB HYDROGEN SULFIDE (H2S) SYSTEM (COMMON TO -31, -549, -550, -551, -552, -553, -555, -556, -557 AND -558) (#48, DIS #20660-81, NATIONAL BOARD #1041): DESIGNATE AS DORMANT FOR RULE 4320 COMPLIANCE

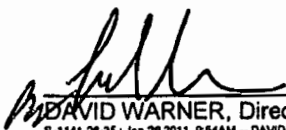
CONDITIONS

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. No modification to this unit shall be performed without an Authority to Construct for such modification(s), except for changes specified in conditions below. [District Rule 2010] Federally Enforceable Through Title V Permit
4. The fuel supply line shall be physically disconnected from this unit. [District Rule 4320] Federally Enforceable Through Title V Permit
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 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-1141-26-35 : Jan 26 2011 9:04AM - DAVIDSOS : Joint Inspection NOT Required

6. This equipment shall not be operated for any reason until an Authority to Construct permit is issued approving all necessary permit changes and/or retrofits required to comply with the applicable requirements of District Rule 4306 and all other applicable District regulations. [District Rule 4320] Federally Enforceable Through Title V Permit
7. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320]
8. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
9. 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
10. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
11. Steam generator shall be equipped with the following operational instrumentation: fuel gas volume flowmeter, TEOR gas volume flowmeter, TVC gas flowmeter, and flue gas oxygen monitor. [District Rule 2201] Federally Enforceable Through Title V Permit
12. The VOC content of the fluid stream handled by the Sulfa-Scrub system shall be less than ten (10) percent by weight, as determined by ASTM Methods E-260-73, E-168-67, or E-169-63. Test samples shall be taken from sampling ports immediately upstream and downstream of the Sulfa-Scrub system. VOC content shall be determined quarterly, and if compliance with the VOC content limit is demonstrated for eight consecutive quarters, the testing frequency may be changed to annual. Testing frequency shall revert to quarterly if an annual test is failed. [District Rule 2201] Federally Enforceable Through Title V Permit
13. All piping, fittings, and valves shall be inspected annually in accordance with EPA Method 21, with an instrument calibrated with methane. Components located in unsafe areas shall be inspected and repaired at the next process turnaround (the shutdown of a unit for maintenance and repair work). [District Rule 2201] Federally Enforceable Through Title V Permit
14. Except for components that are part of a critical process unit as defined in this permit, leaking components (having a gas leak >10,000 ppmv measured as methane) shall be repaired to a leak-free condition within 15 days of discovery. [District Rule 2201] Federally Enforceable Through Title V Permit
15. If the leaking component is an essential part of a critical process unit which cannot be immediately shut down for repairs, the operator shall 1) Minimize the leak within 15 calendar days; and 2) If the leak which has been minimized still exceeds the concentration allowed by this permit, the essential component shall be repaired to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection. A critical process unit is any process unit which would result in the automatic shutdown of other process units if it were shut down. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Flue gas recirculation system may be designed such that ambient air may be drawn into flue gas recirculation piping. [District Rule 2201] Federally Enforceable Through Title V Permit
17. When combustion air orifice and flue gas recirculation orifice have been used to demonstrate compliance they shall not be changed without a District-witnessed compliance demonstration. [District Rule 2201] Federally Enforceable Through Title V Permit
18. For each steam generator site downstream of H₂S scavenger vessel, permittee shall monitor sulfur content of the gas prior to incineration in affected steam generators on a weekly basis utilizing gas detection tubes calibrated for existing sulfur species or other District approved fuel sulfur detection method(s) or device(s). [District Rule 1070] Federally Enforceable Through Title V Permit
19. Fuel H₂S, total sulfur, and methane content shall be determined semi-annually using the following test methods H₂S: ASTM D6228; total sulfur: ASTM D1072; ASTM D3246, double GC for H₂S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320]

CONDITIONS CONTINUE ON NEXT PAGE

20. Each fuel source shall be tested semi-annually for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which semi-annual testing may resume. [District Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
21. 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, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
22. If the unit 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 Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
23. 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 D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2520, 9.4.2, 4305, 6.2.1 and 4320] Federally Enforceable Through Title V Permit
24. Emissions from the steam generator shall not exceed any of the following limits: 1.94 lb-SO_x/MMBtu, 0.096 lb-PM₁₀/MMBtu, or 0.005 lb-VOC/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
25. Except during start-up and shutdown periods emissions from the steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 51 ppmvd CO @ 3% O₂ or 0.0375 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1 and 4320] Federally Enforceable Through Title V Permit
26. During start-up and shutdown periods, emissions from the 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
27. 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. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit
28. 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
29. Maximum emissions from the steam generator, including start-up and shutdown, shall not exceed any of the following limits: 54.0 lb-NO_x/day, 9,965 lb-NO_x/yr, 56.3 lb-CO/day, and 20,531 lb-CO/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
30. Fuel gas sulfur content shall not exceed 5 gr S/100 dscf unless SO_x emissions are reduced by 95% or to 9 ppmv SO_x @ 3% O₂ in the exhaust with scrubber. [District Rule 4320]
31. Source testing to measure 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 and 4320] Federally Enforceable Through Title V Permit
32. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rules 2201 and 4320]
33. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

34. 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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
35. 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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
37. 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 (O₂) - 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, 4306 and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 5.5.1, 4306, 5.5.1 and 4320] Federally Enforceable Through Title V Permit
39. 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
40. 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
41. 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 4305, 5.5.5, 4306, 5.5.5 and 4320] Federally Enforceable Through Title V Permit
42. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
43. 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, 6.1 and 4306, 6.1] Federally Enforceable Through Title V Permit
44. Permittee shall maintain with the permit a current listing of all TEOR and TVC gas systems providing vapors to this steam generator and shall make such listing readily available for District inspection upon request [District NSR Rule] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

45. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
46. The requirements of SJVUAPCD Rule 4351 (Amended October 19, 1995) 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
47. Pursuant to Rule 4320, beginning in 2010 the operator shall pay an annual emission fee to the District for NOx emissions from this unit for the previous calendar year. Payments are due by July 1 of each year. Payments shall continue annually until either the unit is permanently removed from service in the District or the operator demonstrates compliance with the applicable NOx emission limit listed in Rule 4320. [District Rule 4320]
48. Permittee shall maintain records of annual heat input (MMBtu) for this unit on a calendar year basis. Such 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 and Rule 4320]
49. 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-1141-26-36

ISSUANCE DATE: 01/26/2011

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: 17 TOWNSHIP: 32S RANGE: 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR STRUTHERS THERMOFLOOD NATURAL GAS/TEOR GAS/TVC VAPORS-FIRED STEAM GENERATOR WITH A NORTH AMERICAN MODEL GLE 4231 ULTRA-LOW NOX BURNER, FGR, A THERMOX O2 CONTROLLER, VAPOR PIPING FROM TEOR SYSTEM, VAPOR PIPING FROM TVC SYSTEMS, AND A SULFA SCRUB HYDROGEN SULFIDE (H2S) SYSTEM (COMMON TO -31, -549, -550, -551, -552, -553, -555, -556, -557 AND -558) (#48, DIS #20660-81, NATIONAL BOARD #1041): LIMIT FUEL GAS SULFUR CONTENT TO 5 GR-S/100 SCF OR REDUCE SOX BY 95% VIA AN EXHAUST SO2 SCRUBBER WITH A BRINK MIST ELIMINATOR (OR EQUIVALENT) SHARED BY UNITS S-1141-26, S-1141-31, AND S-1141-515, REPLACE/UPGRADE STEAM PIPING, REPLACE/UPGRADE BLOWER, FGR, AND AIR INTAKE COMPONENTS (IF NECESSARY), REPLACE/UPGRADE FUEL TRAIN COMPONENTS, ADD ADDITIONAL VARIOUS SPECIFIED OPERATING LOCATIONS, AND REMOVE REFERENCES AND CONDITIONS TO SULFA SCRUB H2S SYSTEM.

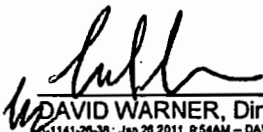
CONDITIONS

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 steam generator is approved to operate at the following locations: Section 1, Township: 30S, Range: 21E (Sec 1Y), NW/4 Section: 17, Township: 32S, Range:23E or Section 36, Township: 29S, Range: 21E (Sec 36W). [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

S-1141-26-36: Jan 26 2011 8:54AM - DAVIDSOS : Joint Inspection NOT Required

4. The permittee shall notify the District Compliance Division of each location which the operation is located in excess of 24 hours. Such notification shall be made not later than 48 hours after starting operating at the location. [District Rule 2201] Federally Enforceable Through Title V Permit
5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
6. 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
7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
8. Steam generator shall be equipped with the following operational instrumentation: fuel gas volume flowmeter, TEOR/TVC gas flowmeter, or a flowmeter that measures the combined volume of all fuels combusted. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Fuel H₂S, total sulfur, and methane content shall be determined using the following test methods H₂S: ASTM D6228; total sulfur: ASTM D1072; ASTM D3246, double GC for H₂S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320] Federally Enforceable Through Title V Permit
10. Each fuel source, or the combined fuel stream, shall be tested monthly for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which monthly testing may resume. [District Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
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, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
12. If the unit 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 Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
13. 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 D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2520, 9.4.2, 4305, 6.2.1 and 4320] Federally Enforceable Through Title V Permit
14. Emissions from the steam generator shall not exceed any of the following limits: 1.94 lb-SO_x/MMBtu, 0.096 lb-PM₁₀/MMBtu, or 0.005 lb-VOC/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
15. Except during start-up and shutdown periods emissions from the steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 51 ppmvd CO @ 3% O₂ or 0.0375 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1 and 4320] Federally Enforceable Through Title V Permit
16. During start-up and shutdown periods, emissions from the 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
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. [District Rules 4305, 5.5.6, 4306, 5.3 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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. Maximum emissions from the steam generator, including start-up and shutdown, shall not exceed any of the following limits: 54.0 lb-NOx/day, 9,965 lb-NOx/yr, 56.3 lb-CO/day, and 20,531 lb-CO/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Source testing to measure 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 and 4320] Federally Enforceable Through Title V Permit
21. Exhaust from the steam generator shall be directed to the SOx scrubber listed on this permit, except when the steam generator is combusting natural gas with a sulfur content less than or equal to 5.0 gr-S/100scf. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
22. Upon the conclusion of an initial 60 day shakedown period, the SOx scrubber's control efficiency shall not be less than 95% by weight sulfur compounds, or the SO2 concentration at the stack gas outlet shall not exceed 9 ppmvd corrected to 3.0% O2. [District Rule 2201 and 4320] Federally Enforceable Through Title V Permit
23. Combined SOx emissions from Permit units S-1141-26, S-1141-31, and S-1141-515 shall not exceed 937,243 lb/calender year. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Combined PM10 emissions from Permit units S-1141-26, S-1141-31, and S-1141-515 shall not exceed 110,893 lb/calender year. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Scrubber recirculation pH shall be maintained only by the addition of caustic unless prior approval for an alternative pH maintenance method is received from the District. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Daily average pH of the scrubber liquor (calculated from hourly averages) shall be maintained at or above 6, and shall be continuously monitored. [District Rule 2201] Federally Enforceable Through Title V Permit
27. SO2 scrubber exhaust shall be vented to an operational Brinks mist eliminator prior to being exhausted to the atmosphere when the H2S load exceeds 1.24 lb/min for an aggregate of three or more minutes in any one-hour period. H2S concentration of the TEOR/TVC gas shall be determined and entered into the generator fuel throughput processor weekly using gas detection tubes to determine H2S concentration. The H2S load shall be calculated using the generator actual fuel volumetric flow rate and H2S concentration of the TEOR/TVC and fuel gas. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Scrubber mist eliminator shall be properly cleaned and maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Source testing to demonstrate compliance with the SOx control efficiency of this permit and the SOx emissions limit (lb/MMBtu) of this permit shall be conducted 60 days after initial operation of the scrubber with the unit(s) firing on TEOR/TVC gas and at least annually thereafter. If the emission unit(s) are not firing on TEOR/TVC gas when the annual source test is due, the source test may be delayed until operation on TEOR/TVC gas recommences. Source testing to demonstrate compliance with the SOx control efficiency requirements of this permit and the SOx emissions limit (lb/MMBtu) of this permit shall be conducted within 60 days of recommencing firing on TEOR/TVC gas and at least annually thereafter. [District Rule 2201] Federally Enforceable Through Title V Permit
30. During a SOx scrubber shakedown period not to exceed 60 calender days from initial operation of the modifications authorized by this ATC, SOx emissions from the steam generator shall not exceed 1.94 lb/MMBtu or 2,910 lb/day. [District Rule 2201]
31. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. 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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
33. 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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
34. 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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
35. 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 (O₂) - 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, 4306 and 4320] Federally Enforceable Through Title V Permit
36. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 5.5.1, 4306, 5.5.1 and 4320] Federally Enforceable Through Title V Permit
37. 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
38. 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
39. 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 4305, 5.5.5, 4306, 5.5.5 and 4320] Federally Enforceable Through Title V Permit
40. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] 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, 6.1 and 4306, 6.1] Federally Enforceable Through Title V Permit
42. Permittee shall maintain a record of the cumulative annual combined PM₁₀ and SO_x emissions for units S-1141-26, S-1141-31 and S-1141-515. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

43. Permittee shall maintain daily records of the volume of the fuel gas burned, TEOR and TVC gas incinerated, and the permit number (s) of systems providing gas for incineration [District Rule 2201]
44. Permittee shall maintain with the permit a current listing of all TEOR and TVC gas systems providing vapors to this steam generator and shall make such listing readily available for District inspection upon request [District NSR Rule] Federally Enforceable Through Title V Permit
45. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
46. The requirements of SJVUAPCD Rule 4351(Amended October 19, 1995) 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
47. Pursuant to Rule 4320, beginning in 2010 the operator shall pay an annual emission fee to the District for NOx emissions from this unit for the previous calendar year. Payments are due by July 1 of each year. Payments shall continue annually until either the unit is permanently removed from service in the District or the operator demonstrates compliance with the applicable NOx emission limit listed in Rule 4320. [District Rule 4320]
48. Permittee shall maintain records of annual heat input (MMBtu) for this unit on a calendar year basis. Such 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 and Rule 4320]
49. 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
50. ATCs S-1141-26-36, '-31-37, '-515-13, and '-597-0 shall be implemented concurrently. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1141-31-36

ISSUANCE DATE: 01/26/2011

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NW17 TOWNSHIP: 32S RANGE: 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/TEOR/TVC GAS FIRED CE NATCO STEAM GENERATOR #59 (DIS# 20639-81, NATIONAL BOARD #1352), WITH NORTH AMERICAN MAGNA-FLAME GLE ULTRA-LOW NOX BURNER, O2 CONTROLLER AND FGR PERMITTED TO OPERATE WITH EITHER AN AIR-FUEL MIXING ROD OR A MULTI-PORT (AKA GATLING GUN) PRIMARY MIXER. DESIGNATE AS DORMANT EMISSIONS UNIT FOR RULE 4320 COMPLIANCE

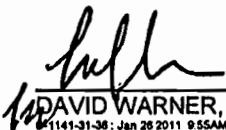
CONDITIONS

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. No modification to this unit shall be performed without an Authority to Construct for such modification(s), except for changes specified in conditions below. [District Rule 2010] Federally Enforceable Through Title V Permit
4. The fuel supply line shall be physically disconnected from this unit. [District Rule 4320] Federally Enforceable Through Title V Permit
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 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-1141-31-36: Jan 26 2011 9:55AM - DAVIDBOS : Joint Inspection NOT Required

6. This equipment shall not be operated for any reason until an Authority to Construct permit is issued approving all necessary permit changes and/or retrofits required to comply with the applicable requirements of District Rule 4306 and all other applicable District regulations. [District Rule 4320] Federally Enforceable Through Title V Permit
7. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320] Federally Enforceable Through Title V Permit
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 fuel invoices, 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, 9.4.2] 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, 9.5.2] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 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. Fuel H₂S, total sulfur, and methane content shall be determined semi-annually using the following test methods H₂S: ASTM D6228; total sulfur: ASTM D1072; ASTM D3246, double GC for H₂S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320]
13. Each fuel source shall be tested semi-annually for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which semi-annual testing may resume. [District Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
14. 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, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
15. If the unit 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 Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
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 D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2520, 9.4.2, 4305, 6.2.1 and 4320] 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 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). 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 because this permit unit has not been modified per 40 CFR 60. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. The requirements of SJVUAPCD Rule 4351 (Amended October 19, 1995) do not apply to this source because this permit unit is located west of Interstate Highway 5. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
20. Steam generator shall be equipped with the following operational instrumentation: fuel gas volume flowmeter, TEOR/TVC gas volume flowmeter, and flue gas oxygen monitor. [District NSR Rule, 4305 and 4306] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. Exhaust gas stack shall be equipped with adequate provisions facilitating the collection of gas samples consistent with EPA Test Methods. [District NSR Rule and 1081] Federally Enforceable Through Title V Permit
22. Flue gas recirculation system may be designed such that ambient air may be drawn into flue gas recirculation piping. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. During a start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. [District Rule 4306] Federally Enforceable Through Title V Permit
24. Permittee shall maintain daily records of the 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
25. During start-up and shutdown periods, emissions from the steam generator shall not exceed the following limits: 0.1 lb-NOx/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
26. 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
27. Emission rates shall not exceed: PM10: 144.0 lb/day or 52,560 lb/year, SOx: 2910 lb/day or 1,062,150 lb/year, NOx (as NO2): 54.0 lb/day or 9855 lb/year, VOC: 9.0 lb/day or 3285 lb/year, CO: 40.5 lb/day or 14,783 lb/year. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
28. Emission rates shall not exceed any of the following: PM10: 0.096 lb/MMBtu, SOx (as SO2): 1.94 lb/MMBtu, or VOC: 0.006 lb/MMBtu. [District Rule 2201, 4305, 4306, 4406 and 4320] Federally Enforceable Through Title V Permit
29. Emission rates, except during startup and shutdown, shall not exceed any of the following: NOx (as NO2): 0.018 lb/MMBtu or 15 ppmv @ 3% O2, or CO: 37 ppmv @ 3% O2. [District Rule 2201, 4305, 4306, 4406 and 4320] Federally Enforceable Through Title V Permit
30. Fuel gas sulfur content shall not exceed 5 gr S/100 dscf unless SOx emissions are reduced by 95% or to 9 ppmv SOx @ 3% O2 in the exhaust with scrubber. [District Rule 4320]
31. 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, 4306 and 4320] Federally Enforceable Through Title V Permit
32. 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
33. 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
34. 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
35. 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
36. 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

37. The results of each source test shall be submitted to the District within 60 days thereafter. [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 (O2) - EPA Method 3 or 3A or ARB Method 100; stack gas velocities - EPA Method 2; Stack gas moisture content - EPA Method 4; and Stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. 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
40. 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
41. 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
42. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent 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] Federally Enforceable Through Title V Permit
43. Permittee shall maintain with the permit a current listing of all TEOR and TVC gas systems providing vapors to this steam generator and shall make such listing readily available for District inspection upon request. [District NSR Rule] Federally Enforceable Through Title V Permit
44. 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 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
45. Pursuant to Rule 4320, beginning in 2010 the operator shall pay an annual emission fee to the District for NOx emissions from this unit for the previous calendar year. Payments are due by July 1 of each year. Payments shall continue annually until either the unit is permanently removed from service in the District or the operator demonstrates compliance with the applicable NOx emission limit listed in Rule 4320. [District Rule 4320]
46. Permittee shall maintain records of annual heat input (MMBtu) for this unit on a calendar year basis. Such 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 and Rule 4320]
47. 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



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1141-31-37

ISSUANCE DATE: 01/26/2011

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NW17 TOWNSHIP: 32S RANGE: 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/TEOR/TVC GAS FIRED CE NATCO STEAM GENERATOR #59 (DIS# 20639-81, NATIONAL BOARD #1352), WITH NORTH AMERICAN MAGNA-FLAME GLE ULTRA-LOW NOX BURNER, O2 CONTROLLER AND FGR PERMITTED TO OPERATE WITH EITHER AN AIR-FUEL MIXING ROD OR A MULTI-PORT (AKA GATLING GUN) PRIMARY MIXER: LIMIT FUEL GAS SULFUR CONTENT TO 5 GR-S/100 SCF OR REDUCE SOX BY 95% VIA AN EXHAUST SO2 SCRUBBER WITH BRINK MIST ELIMINATOR (OR EQUIVALENT) SHARED BY UNITS S-1141-26, S-1141-31 AND S-1141-515, REPLACE/UPGRADE STEAM PIPING, REPLACE/UPGRADE BLOWER, FGR, AND AIR INTAKE COMPONENTS (IF NECESSARY), REPLACE/UPGRADE FUEL TRAIN COMPONENTS, ADD ADDITIONAL VARIOUS SPECIFIED OPERATING LOCATIONS

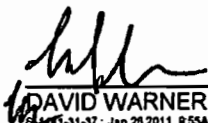
CONDITIONS

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 steam generator is approved to operate at the following locations: Section 1, Township: 30S, Range: 21E (Sec 1Y), NW/4 Section: 17, Township: 32S, Range: 23E or Section 36, Township: 29S, Range: 21E (Sec 36W). [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

S-1141-31-37 : Jan 26 2011 9:55AM - DAVIDSOS : Joint Inspection NOT Required

4. The permittee shall notify the District Compliance Division of each location which the operation is located in excess of 24 hours. Such notification shall be made not later than 48 hours after starting operating at the location. [District Rule 2201] Federally Enforceable Through Title V Permit
5. 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
6. Copies of all fuel invoices, 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, 9.4.2] Federally Enforceable Through Title V Permit
7. 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, 9.5.2] Federally Enforceable Through Title V Permit
8. Particulate matter emissions shall not exceed 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. Fuel H₂S, total sulfur, and methane content shall be determined using the following test methods H₂S: ASTM D6228; total sulfur: ASTM D1072; ASTM D3246, double GC for H₂S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320] Federally Enforceable Through Title V Permit
10. Each fuel source, or the combined fuel stream, shall be tested monthly for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which monthly testing may resume. [District Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
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, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
12. If the unit 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 Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
13. 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 D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2520, 9.4.2, 4305, 6.2.1 and 4320] 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 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). 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 because this permit unit has not been modified per 40 CFR 60. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. The requirements of SJVUAPCD Rule 4351 (Amended October 19, 1995) do not apply to this source because this permit unit is located west of Interstate Highway 5. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. Steam generator shall be equipped with the following operational instrumentation: fuel gas volume flowmeter, TEOR/TVC gas volume flowmeter, or a flow meter that measures combined volume of all fuels combusted. [District NSR Rule, 4305 and 4306] Federally Enforceable Through Title V Permit
18. Exhaust gas stack shall be equipped with adequate provisions facilitating the collection of gas samples consistent with EPA Test Methods. [District NSR Rule and 1081] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Flue gas recirculation system may be designed such that ambient air may be drawn into flue gas recirculation piping. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. During a start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. [District Rule 4306] Federally Enforceable Through Title V Permit
21. Permittee shall maintain daily records of the 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
22. During start-up and shutdown periods, emissions from the steam generator shall not exceed the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] 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 Rule 4306, 3.25 and 3.22] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed: PM10: 144.0 lb/day, SO_x: 2910 lb/day, NO_x (as NO₂): 54.0 lb/day or 9855 lb/year, VOC: 9.0 lb/day or 3285 lb/year, CO: 40.5 lb/day or 14,783 lb/year. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
25. Emission rates shall not exceed any of the following: PM10: 0.096 lb/MMBtu, SO_x (as SO₂): 1.94 lb/MMBtu, or VOC: 0.006 lb/MMBtu. [District Rule 2201, 4305, 4306, 4406 and 4320] Federally Enforceable Through Title V Permit
26. Emission rates, except during startup and shutdown, shall not exceed any of the following: NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmv @ 3% O₂, or CO: 0.0273 lb/MMBtu or 37 ppmv @ 3% O₂. [District Rule 2201, 4305, 4306, 4406 and 4320] Federally Enforceable Through Title V Permit
27. Upon the conclusion of an initial 60 day shakedown period, the SO_x scrubber's control efficiency shall not be less than 95% by weight sulfur compounds, or the SO₂ concentration at the stack gas outlet shall not exceed 9 ppmvd corrected to 3.0% O₂. [District Rule 2201 and 4320] Federally Enforceable Through Title V Permit
28. Exhaust from the steam generator shall be directed to the SO_x scrubber listed on this permit, except when the steam generator is combusting natural gas with a sulfur content less than or equal to 5.0 gr-S/100scf. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
29. Combined SO_x emissions from Permit units S-1141-26, S-1141-31, and S-1141-515 shall not exceed 937,243 lb/calender year. [District Rule 2201] Federally Enforceable Through Title V Permit
30. Combined PM10 emissions from Permit units S-1141-26, S-1141-31, and S-1141-515 shall not exceed 110,893 lb/calender year. [District Rule 2201] Federally Enforceable Through Title V Permit
31. Scrubber recirculation pH shall be maintained only by the addition of caustic unless prior approval for an alternative pH maintenance method is received from the District. [District Rule 2201] Federally Enforceable Through Title V Permit
32. Daily average pH of the scrubber liquor (calculated from hourly averages) shall be maintained at or above 6, and shall be continuously monitored. [District Rule 2201] Federally Enforceable Through Title V Permit
33. SO₂ scrubber exhaust shall be vented to an operational Brinks mist eliminator prior to being exhausted to the atmosphere when the H₂S load exceeds 1.24 lb/min for an aggregate of three or more minutes in any one-hour period. H₂S concentration of the TEOR/TVC gas shall be determined and entered into the generator fuel throughput processor weekly using gas detection tubes to determine H₂S concentration. The H₂S load shall be calculated using the generator actual fuel volumetric flow rate and H₂S concentration of the TEOR/TVC and fuel gas. [District Rule 2201] Federally Enforceable Through Title V Permit
34. Scrubber mist eliminator shall be properly cleaned and maintained. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

35. 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] Federally Enforceable Through Title V Permit
36. 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, 4306 and 4320] Federally Enforceable Through Title V Permit
37. 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
38. 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
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. 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
41. Source testing to demonstrate compliance with the SOx control efficiency of this permit and the SOx emissions limit (lb/MMBtu) of this permit shall be conducted 60 days after initial operation of the scrubber with the unit(s) firing on TEOR/TVC gas and at least annually thereafter. If the emission unit(s) are not firing on TEOR/TVC gas when the annual source test is due, the source test may be delayed until operation on TEOR/TVC gas recommences. Source testing to demonstrate compliance with the SOx control efficiency requirements of this permit and the SOx emissions limit (lb/MMBtu) of this permit shall be conducted within 60 days of recommencing firing on TEOR/TVC gas and at annually thereafter. [District Rules 2201 and 4320]
42. The results of each source test shall be submitted to the District within 60 days thereafter. [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 (O2) - EPA Method 3 or 3A or ARB Method 100; stack gas velocities - EPA Method 2; Stack gas moisture content - EPA Method 4; and Stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
44. 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

CONDITIONS CONTINUE ON NEXT PAGE

45. 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
46. 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
47. 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
48. Permittee shall maintain with the permit a current listing of all TEOR and TVC gas systems providing vapors to this steam generator and shall make such listing readily available for District inspection upon request. [District NSR Rule] Federally Enforceable Through Title V Permit
49. 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 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
50. Pursuant to Rule 4320, beginning in 2010 the operator shall pay an annual emission fee to the District for NO_x emissions from this unit for the previous calendar year. Payments are due by July 1 of each year. Payments shall continue annually until either the unit is permanently removed from service in the District or the operator demonstrates compliance with the applicable NO_x emission limit listed in Rule 4320. [District Rule 4320]
51. Permittee shall maintain records of annual heat input (MMBtu) for this unit on a calendar year basis. Such 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 and Rule 4320]
52. Permittee shall maintain a record of the cumulative annual combined PM₁₀ and SO_x emissions for units S-1141-26, S-1141-31 and S-1141-515. [District Rule 2201] Federally Enforceable Through Title V Permit
53. Permittee shall maintain daily records of the volume of the fuel gas burned, TEOR and TVC gas incinerated, and the permit number (s) of systems providing gas for incineration [District Rule 2201]
54. Permittee shall maintain with the permit a current listing of all TEOR and TVC gas systems providing vapors to this steam generator and shall make such listing readily available for District inspection upon request [District NSR Rule] Federally Enforceable Through Title V Permit
55. 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
56. ATCs S-1141-26-36, '-31-37, and '515-13 shall be implemented concurrently. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1141-515-12

ISSUANCE DATE: 01/26/2011

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NW21 TOWNSHIP: 31S RANGE: 22E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/TEOR GAS-FIRED SMITH MOON STEEL STEAM GENERATOR WITH A NORTH AMERICAN MODEL #GLE MAGNA-FLAME WITH FGR AND O2 ANALYZER/CONTROLLER (N.B. #826): DESIGNATE AS DORMANT EMISSIONS UNIT 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. No modification to this unit shall be performed without an Authority to Construct for such modification(s), except for changes specified in conditions below. [District Rule 2010] Federally Enforceable Through Title V Permit
4. This equipment shall not be operated for any reason until an Authority to Construct permit is issued approving all necessary permit changes and/or retrofits required to comply with the applicable requirements of District Rule 4306 and all other applicable District regulations. [District Rule 4320] Federally Enforceable Through Title V Permit
5. This Authority to Construct shall be implemented according to the date proposed in the District-approved Rule 4320 Emission Control Plan. [District Rule 4320] Federally Enforceable Through Title V Permit
6. The fuel supply line shall be physically disconnected from this unit. [District Rule 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-1141-515-12 : Jan 26 2011 9:55AM - DAVIDSOS : Joint Inspection NOT Required

7. 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 4320]
8. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
9. 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
10. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
11. Fuel H₂S, total sulfur, and methane content shall be determined semi-annually using the following test methods H₂S: ASTM D6228; total sulfur: ASTM D1072; ASTM D3246, double GC for H₂S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320]
12. Each fuel source shall be tested semi-annually for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which semi-annually testing may resume. [District Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
13. 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, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
14. If the unit 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 Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
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 D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2520, 9.4.2, 4305, 6.2.1 and 4320] Federally Enforceable Through Title V Permit
16. Emissions from the steam generator shall not exceed any of the following limits: 1.644 lb-SO_x/MMBtu, 0.096 lb-PM₁₀/MMBtu, or 0.0056 lb-VOC/MMBtu. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
17. Except during start-up and shutdown periods emissions from the steam generator shall not exceed any of the following limits: 15 ppmvd NO_x @ 3% O₂ or 0.0182 lb-NO_x/MMBtu or 51 ppmvd CO @ 3% O₂ or 0.0375 lb-CO/MMBtu. [District Rules 2201, 4301, 5.2, 4305, 5.1, 4306, 5.1, and 4320] Federally Enforceable Through Title V Permit
18. Fuel gas sulfur content shall not exceed 5 gr S/100 dscf unless SO_x emissions are reduced by 95% or to 9 ppmv SO_x @ 3% O₂ in the exhaust with scrubber. [District Rule 4320]
19. During start-up and shutdown periods, emissions from the steam generator shall not exceed 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. 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. [District Rules 4305, 5.5.6 and 4306, 5.3] Federally Enforceable Through Title V Permit
21. 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

CONDITIONS CONTINUE ON NEXT PAGE

22. Maximum emissions from the steam generator, including start-up and shutdown, shall not exceed any of the following limits: 32.7 lb-NO_x/day, 9,965 lb-NO_x/yr, 41.0 lb-CO/day, and 20,531 lb-CO/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Source testing to measure 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 and 4320] Federally Enforceable Through Title V Permit
24. Compliance with SO_x emission limits shall be demonstrated within 60 days of initial operation under this ATC. [District Rule 4320]
25. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
26. 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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
27. 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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
28. 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, 5.4, 4306, 5.4 and 4320] Federally Enforceable Through Title V Permit
29. 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 (O₂) - EPA Method 3 or 3A or ARB Method 100; stack gas velocities - EPA Method 2; Stack gas moisture content - EPA Method 4; SO_x - EPA Method 6C or 8 or ARB Method 100; fuel gas sulfur as H₂S content - EPA Method 11 or 15; and fuel hhv (MMBtu) - ASTM D 1826 or D 1945 in conjunction with ASTM D 3588. [District Rules 1081, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
30. 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
31. 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
32. 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 4305, 5.5.5, 4306, 5.5.5 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
34. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 5.5.1, 4306, 5.5.1 and 4320] Federally Enforceable Through Title V Permit
35. 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, 6.1 and 4306, 6.1] Federally Enforceable Through Title V Permit
36. Permittee shall maintain with the permit a current listing of all TEOR and TVC gas systems providing vapors to this steam generator and shall make such listing readily available for District inspection upon request [District NSR Rule] Federally Enforceable Through Title V Permit
37. Pursuant to Rule 4320, beginning in 2010 the operator shall pay an annual emission fee to the District for NO_x emissions from this unit for the previous calendar year. Payments are due by July 1 of each year. Payments shall continue annually until either the unit is permanently removed from service in the District or the operator demonstrates compliance with the applicable NO_x emission limit listed in Rule 4320. [District Rule 4320]
38. Permittee shall maintain records of annual heat input (MMBtu) for this unit on a calendar year basis. Such 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 and Rule 4320]
39. 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-1141-515-13

ISSUANCE DATE: 01/26/2011

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NW21 **TOWNSHIP:** 31S **RANGE:** 22E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/TEOR GAS-FIRED SMITH MOON STEEL STEAM GENERATOR WITH A NORTH AMERICAN MODEL #GLE MAGNA-FLAME WITH FGR AND O2 ANALYZER/CONTROLLER (N.B. #826); LIMIT FUEL GAS SULFUR CONTENT TO 5 GR-S/100 SCF OR REDUCE SOX BY 95% VIA AN EXHAUST SO2 SCRUBBER WITH BRINK MIST ELIMINATOR (OR EQUIVALENT) SHARED BY UNITS S-1141-26, S-1141-31 AND S-1141-515, REPLACE/UPGRADE STEAM PIPING, REPLACE/UPGRADE BLOWER, FGR, AND AIR INTAKE COMPONENTS (IF NECESSARY), REPLACE/UPGRADE FUEL TRAIN COMPONENTS, ADD ADDITIONAL VARIOUS SPECIFIED OPERATING LOCATIONS

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 steam generator is approved to operate at the following locations: Section 1, Township: 30S, Range: 21E (Sec 1Y), NW/4 Section: 17, Township: 32S, Range: 23E or Section 36, Township: 29S, Range: 21E (Sec 36W). [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee shall notify the District Compliance Division of each location which the operation is located in excess of 24 hours. Such notification shall be made not later than 48 hours after starting operating at the location. [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
S-1141-515-13 : Jan 26 2011 9:55AM - DAVIDSOS : Joint Inspection NOT Required

5. 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
6. Copies of all fuel invoices, 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, 9.4.2] Federally Enforceable Through Title V Permit
7. 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, 9.5.2] Federally Enforceable Through Title V Permit
8. Particulate matter emissions shall not exceed 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. Fuel H₂S, total sulfur, and methane content shall be determined using the following test methods H₂S: ASTM D6228; total sulfur: ASTM D1072; ASTM D3246, double GC for H₂S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320] Federally Enforceable Through Title V Permit
10. Each fuel source, or the combined fuel stream, shall be tested monthly for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which monthly testing may resume. [District Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
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, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
12. If the unit 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 Rules 2520, 9.3.2 and 4320, 5.7.6] Federally Enforceable Through Title V Permit
13. 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 D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2520, 9.4.2, 4305, 6.2.1 and 4320] 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 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). 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 because this permit unit has not been modified per 40 CFR 60. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. The requirements of SJVUAPCD Rule 4351 (Amended October 19, 1995) do not apply to this source because this permit unit is located west of Interstate Highway 5. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. Steam generator shall be equipped with the following operational instrumentation: fuel gas volume flowmeter, TEOR/TVC gas volume flowmeter, or a flowmeter that measures the combined volume of all fuels combusted. [District NSR Rule, 4305 and 4306] Federally Enforceable Through Title V Permit
18. Exhaust gas stack shall be equipped with adequate provisions facilitating the collection of gas samples consistent with EPA Test Methods. [District NSR Rule and 1081] Federally Enforceable Through Title V Permit
19. Flue gas recirculation system may be designed such that ambient air may be drawn into flue gas recirculation piping. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. During a start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. [District Rule 4306] Federally Enforceable Through Title V Permit
21. Permittee shall maintain daily records of the 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
22. During start-up and shutdown periods, emissions from the steam generator shall not exceed the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] 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 Rule 4306, 3.25 and 3.22] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed: PM₁₀: 144.0 lb/day, SO_x: 2910 lb/day, NO_x (as NO₂): 54.0 lb/day or 9855 lb/year, VOC: 9.0 lb/day or 3285 lb/year, CO: 40.5 lb/day or 14,783 lb/year. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
25. Emission rates shall not exceed any of the following: PM₁₀: 0.096 lb/MMBtu, SO_x (as SO₂): 1.94 lb/MMBtu, or VOC: 0.006 lb/MMBtu. [District Rule 2201, 4305, 4306, 4406 and 4320] Federally Enforceable Through Title V Permit
26. Emission rates, except during startup and shutdown, shall not exceed any of the following: NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmv @ 3% O₂, or CO: 0.0273 lb/MMBtu or 37 ppmv @ 3% O₂. [District Rule 2201, 4305, 4306, 4406 and 4320] Federally Enforceable Through Title V Permit
27. Exhaust from the steam generator shall be directed to the SO_x scrubber except when the steam generator is combusting natural gas with a sulfur content less than or equal to 5.0 gr-S/100scf. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
28. Upon the conclusion of an initial 60 day shakedown period, the SO_x scrubber's control efficiency shall not be less than 95% by weight sulfur compounds, or the SO₂ concentration at the stack gas outlet shall not exceed 9 ppmvd corrected to 3.0% O₂. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
29. Combined SO_x emissions from Permit units S-1141-26, S-1141-31, and S-1141-515 shall not exceed 937,243 lb/calender year. [District Rule 2201] Federally Enforceable Through Title V Permit
30. Combined PM₁₀ emissions from Permit units S-1141-26, S-1141-31, and S-1141-515 shall not exceed 110,893 lb/calender year. [District Rule 2201] Federally Enforceable Through Title V Permit
31. Scrubber recirculation pH shall be maintained only by the addition of caustic unless prior approval for an alternative pH maintenance method is received from the District. [District Rule 2201] Federally Enforceable Through Title V Permit
32. Daily average pH of the scrubber liquor (calculated from hourly averages) shall be maintained at or above 6, and shall be continuously monitored. [District Rule 2201] Federally Enforceable Through Title V Permit
33. SO₂ scrubber exhaust shall be vented to an operational Brinks mist eliminator prior to being exhausted to the atmosphere when the H₂S load exceeds 1.24 lb/min for an aggregate of three or more minutes in any one-hour period. H₂S concentration of the TEOR/TVC gas shall be determined and entered into the generator fuel throughput processor weekly using gas detection tubes to determine H₂S concentration. The H₂S load shall be calculated using the generator actual fuel volumetric flow rate and H₂S concentration of the TEOR/TVC and fuel gas. [District Rule 2201] Federally Enforceable Through Title V Permit
34. Scrubber mist eliminator shall be properly cleaned and maintained. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

35. 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, 4306 and 4320] Federally Enforceable Through Title V Permit
36. 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 and 4320] Federally Enforceable Through Title V Permit
37. 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
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. 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
40. Source testing to demonstrate compliance with the SO_x control efficiency of this permit and the SO_x emissions limit (lb/MMBtu) of this permit shall be conducted 60 days after initial operation of the scrubber with the unit(s) firing on TEOR/TVC gas and at least annually thereafter. If the emission unit(s) are not firing on TEOR/TVC gas when the annual source test is due, the source test may be delayed until operation on TEOR/TVC gas recommences. Source testing to demonstrate compliance with the SO_x control efficiency requirements of this permit and the SO_x emissions limit (lb/MMBtu) of this permit shall be conducted within 60 days of recommencing firing on TEOR/TVC gas and at annually thereafter. [District Rules 2201 and 4320]
41. The results of each source test shall be submitted to the District within 60 days thereafter. [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 (O₂) - EPA Method 3 or 3A or ARB Method 100; stack gas velocities - EPA Method 2; Stack gas moisture content - EPA Method 4; and Stack gas moisture content - EPA Method 4. [District Rules 1081, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
43. 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
44. 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

CONDITIONS CONTINUE ON NEXT PAGE

45. 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
46. 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
47. Permittee shall maintain with the permit a current listing of all TEOR and TVC gas systems providing vapors to this steam generator and shall make such listing readily available for District inspection upon request. [District NSR Rule] Federally Enforceable Through Title V Permit
48. 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 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
49. Pursuant to Rule 4320, beginning in 2010 the operator shall pay an annual emission fee to the District for NO_x emissions from this unit for the previous calendar year. Payments are due by July 1 of each year. Payments shall continue annually until either the unit is permanently removed from service in the District or the operator demonstrates compliance with the applicable NO_x emission limit listed in Rule 4320. [District Rule 4320]
50. Permittee shall maintain records of annual heat input (MMBtu) for this unit on a calendar year basis. Such 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 and Rule 4320]
51. Permittee shall maintain a record of the cumulative annual combined PM₁₀ and SO_x emissions for units S-1141-26, S-1141-31 and S-1141-515. [District Rule 2201] Federally Enforceable Through Title V Permit
52. Permittee shall maintain daily records of the volume of the fuel gas burned, TEOR and TVC gas incinerated, and the permit number (s) of systems providing gas for incineration [District Rule 2201]
53. 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
54. ATCs S-1141-26-36, '-31-37, and '515-13 shall be implemented concurrently. [District Rule 2201]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1141-597-0

ISSUANCE DATE: 01/26/2011

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NW/17 TOWNSHIP: 32S RANGE: 23E

EQUIPMENT DESCRIPTION:
SULFA SCRUB HYDROGEN SULFIDE (H₂S) SYSTEM SERVING STEAM GENERATORS S-1141-549, -550, -551, -552, -553, -555, -556, -557 AND -558

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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. The VOC content of the fluid stream handled by the Sulfa-Scrub system shall be less than ten (10) percent by weight, as determined by ASTM Methods E-260-73, E-168-67, or E-169-63. Test samples shall be taken from sampling ports immediately upstream and downstream of the Sulfa-Scrub system. VOC content shall be determined quarterly, and if compliance with the VOC content limit is demonstrated for eight consecutive quarters, the testing frequency may be changed to annual. Testing frequency shall revert to quarterly if an annual test is failed. [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
S-1141-597-0 : Jan 26 2011 9:56AM - DAVIDSOS : Joint Inspection NOT Required

5. All piping, fittings, and valves shall be inspected annually in accordance with EPA Method 21, with an instrument calibrated with methane. Components located in unsafe areas shall be inspected and repaired at the next process turnaround (the shutdown of a unit for maintenance and repair work). [District Rule 2201] Federally Enforceable Through Title V Permit
6. Except for components that are part of a critical process unit as defined in this permit, leaking components (having a gas leak >10,000 ppmv measured as methane) shall be repaired to a leak-free condition within 15 days of discovery. [District Rule 2201] Federally Enforceable Through Title V Permit
7. If the leaking component is an essential part of a critical process unit which cannot be immediately shut down for repairs, the operator shall 1) Minimize the leak within 15 calendar days; and 2) If the leak which has been minimized still exceeds the concentration allowed by this permit, the essential component shall be repaired to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection. A critical process unit is any process unit which would result in the automatic shutdown of other process units if it were shut down. [District Rule 2201] Federally Enforceable Through Title V Permit
8. ATCs S-1141-26-36 and this ATC shall be implemented concurrently. [District Rule 2201] Federally Enforceable Through Title V Permit