



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

APR - 5 2012

Mr. Raymond Rodriguez
Occidental of Elk Hills
10800 Stockdale Highway
Bakersfield, CA 93311

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-382
Project # S-1114735**

Dear Mr. Rodriguez:

The Air Pollution Control Officer has issued an Authority to Construct (S-382-815-0) with a Certificate of Conformity to Occidental of Elk Hills located within the NW/4 of Section 2, Township 31S, Range 23E. Occidental of Elk Hills is proposing to install a new 324 bhp Tier 3 diesel-fired emergency internal combustion (IC) engine powering an electric generator at within their emergency response facility.

Enclosed is the Authority to Construct. The application and proposal were sent to US EPA Region IX on February 2, 2012. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

Prior to operating with modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5.

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: WEJ/cm

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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

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

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



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

APR - 5 2012

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

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-382
Project # S-1114735**

Dear Mr. Rios:

The Air Pollution Control Officer has issued an Authority to Construct (S-382-815-0) with a Certificate of Conformity to Occidental of Elk Hills located within the NW/4 of Section 2, Township 31S, Range 23E. Occidental of Elk Hills is proposing to install a new 324 bhp Tier 3 diesel-fired emergency internal combustion (IC) engine powering an electric generator at within their emergency response facility.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on February 2, 2012. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

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

Sincerely,

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San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

APR - 5 2012

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

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-382
Project # S-1114735**

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued an Authority to Construct (S-382-815-0) with a Certificate of Conformity to Occidental of Elk Hills located within the NW/4 of Section 2, Township 31S, Range 23E. Occidental of Elk Hills is proposing to install a new 324 bhp Tier 3 diesel-fired emergency internal combustion (IC) engine powering an electric generator at within their emergency response facility.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on February 2, 2012. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

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

Sincerely,

David Warner
Director of Permit Services

DW: WEJ/cm

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**NOTICE OF FINAL DECISION
FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT AND
THE PROPOSED SIGNIFICANT MODIFICATION OF FEDERALLY
MANDATED OPERATING PERMIT**

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District has made its final decision to issue an Authority to Construct to Occidental of Elk Hills for Heavy Oil Production Source located within the NW/4 of Section 2, Township 31S, Range 23E, California. Occidental of Elk Hills is proposing to install a new 324 bhp Tier 3 diesel-fired emergency internal combustion (IC) engine powering an electric generator at within their emergency response facility.

The District's analysis of the legal and factual basis for this proposed action, project #S-1114735, is available for public inspection at the District office at the address below. For additional information regarding this matter, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500, or contact David Warner, Director of Permit Services, in writing at SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308-9725.

AUTHORITY TO CONSTRUCT

PERMIT NO: S-382-815-0

ISSUANCE DATE: 03/29/2012

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

EQUIPMENT DESCRIPTION:

324 BHP (INTERMITTENT) CUMMINS MODEL QSB7-G5 NR3 TIER 3 CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE POWERING AN ELECTRICAL GENERATOR


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 Rule 2201] 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. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
4. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
5. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
6. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
7. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
8. This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702, 17 CCR 93115, and 40 CFR 60 Subpart III]

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

9. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801, 17 CCR 93115, 40 CFR Part 60 Subpart IIII]
10. Emissions from this IC engine shall not exceed any of the following limits: 2.69 g-NO_x/bhp-hr, 0.67 g-CO/bhp-hr, or 1.14 g-VOC/bhp-hr. [District Rule 2201, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII]
11. Emissions from this IC engine shall not exceed 0.09 g-PM₁₀/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII]
12. This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702 and 40 CFR 60 Subpart IIII]
13. During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702]
14. An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702]
15. This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702]
16. This engine shall be operated only for maintenance, testing, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year. [District Rule 4702 and 17 CCR 93115]
17. The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702 and 17 CCR 93115]
18. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year. [District Rule 4702, 17 CCR 93115 and 40 CFR Part 60 Subpart IIII]
19. The permittee shall maintain monthly records of the type of fuel purchased. [District Rule 4702 and 17 CCR 93115]
20. 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 Rule 4702 and 17 CCR 93115]