



OCT 27 2016

Mr. Brent Winn
Aera Energy, LLC
PO Box 11164
Bakersfield, CA 93389-1164

**Re: Notice of Preliminary Decision – ATC / Certificate of Conformity
District Facility # S-1547
Project # 1160356**

Dear Mr. Winn:

Enclosed for your review is the District's analysis of an application for Authorities to Construct for the facility identified above. You requested that Certificates of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. The Authorities to Construct (ATC) are to modify two steam generators.

After addressing all comments made during the 30-day public notice and the 45-day EPA comment periods, the District intends to issue the Authorities to Construct with Certificates of Conformity. Please submit your comments within the 30-day public comment period, as specified in the enclosed public notice. Prior to operating with modifications authorized by the Authorities to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

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,



Arnaud Marjollet
Director of Permit Services

Enclosures

cc: Tung Le, CARB (w/enclosure) via email
cc: Gerardo C. Rios, EPA (w/enclosure) via email

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
Authority to Construct Application Review
Steam Generators

| | | | |
|-------------------|--|----------------|-------------|
| Facility Name: | Aera Energy, LLC | Date: | 10/7/16 |
| Mailing Address: | PO Box 11164 Bakersfield, CA 93389-1164 | Engineer: | David Torii |
| Contact Person: | Brent Winn | Lead Engineer: | Rich Karrs |
| Telephone: | 661-665-4363 | | |
| Application #(s): | S-1547-359-31, '729-20, '734-21 | | |
| Project #: | 1160356 | | |
| Deemed Complete: | 2/18/16 | | |

RWK
10-19-16

I. Proposal

Aera Energy, LLC (Aera) has requested Authority to Construct (ATC) permits to modify steam generators S-1547-729, '734 and TEOR S-1547-359 as follows:

S-1547-729 and '734:

- Replace burner, if needed, to achieve 15 ppmv @ 3% O₂, with burner equivalent to Coen ULN (with FGR).
- Change non-compliant DEU conditions to compliant DEU conditions.
- Add Rule 4320 fee pay option.
- Authorize incineration of TEOR S-1547-359's vapors in S-1547-729 and '734 and include S-1547-729 and '734 in '359's sulfur/SO_x SLC (SLC limit won't change).
- When fired on gas from S-1547-359, each of S-1547-729 and '734 will have the potential to emit up to the sulfur compound total mass flowrate of S-1547-359's SLC limit.
- S-1547-729 and '734's SO_x DEL, when fired on gas from S-1547-359, will be expressed on S-1547-359 and be limited by '359's sulfur compound SLC limit.

S-1547-359:

- Include S-1547-729 and '734 in '359's SO_x SLC.

Aera received their Title V Permit on 1/31/03. This modification can be classified as a Title V minor modification pursuant to Rule 2520, and can be processed with a Certificate of Conformity (COC). Since the facility has specifically requested that this project be processed in that manner, the 45-day EPA comment period will be satisfied prior to the issuance of the Authority to Construct. Aera must apply to administratively amend their Title V permit.

II. Applicable Rules

| | |
|--|---|
| Rule 2201 | New and Modified Stationary Source Review Rule (2/18/16) |
| Rule 2410 | Prevention of Significant Deterioration (6/16/11) |
| Rule 2520 | Federally Mandated Operating Permits (6/21/01) |
| Rule 4001 | New Source Performance Standards (4/14/99) |
| Rule 4101 | Visible Emissions (2/17/05) |
| Rule 4102 | Nuisance (12/17/92) |
| Rule 4201 | Particulate Matter Concentration (12/17/92) |
| Rule 4301 | Fuel Burning Equipment (12/17/92) |
| Rule 4305 | Boilers, Steam Generators and Process Heaters – Phase II (8/21/03) |
| Rule 4306 | Boilers, Steam Generators and Process Heaters – Phase III (3/17/05) |
| Rule 4320 | Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr (10/16/08) |
| Rule 4801 | Sulfur Compounds (12/17/92) |
| CH&SC 41700 | Health Risk Assessment |
| CH&SC 42301.6 | School Notice |
| Public Resources Code 21000-21177: | California Environmental Quality Act (CEQA) |
| California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387: | CEQA Guidelines |

III. Project Location

The equipment is located in the Belridge Oil Field in Aera's Heavy Oil Western stationary source

IV. Process Description

Aera Energy LLC operates permitted equipment in the Belridge Oilfield utilized for the production of crude oil and natural gas. In thermally enhanced oil recovery (TEOR), natural gas is combusted in steam generators to produce steam for injection into heavy crude oil bearing strata via injection wells to reduce the viscosity of the crude oil, thereby facilitating oil flow to producing wells. Produced fluids are then piped to surface facilities for processing and temporary storage. Produced gas from well casing is separated from the production stream at the first separation vessel, is collected scrubbed of H₂S and either incinerated in steam generators, routed to a gas plant for processing, or injected into authorized disposal wells.

V. Equipment Listing

Pre-Project Equipment Description (see PTOs in Appendix A):

S-1547-359-30: VAPOR COLLECTION AND CONTROL SYSTEM SERVING 1657 THERMALLY ENHANCED WELLS IN SECTIONS 1, 2, 3, 4, 10, 11, 12 OF T29S, R21E, SECTIONS 33, 34, 35 OF T28S, R21E

S-1547-729-19: DORMANT 62.5 MMBTU/HR STRUTHERS GAS FIRED STEAM GENERATOR, WITH A COEN MODEL ULN LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2K, DIS #5406-74) (BELRIDGE)

S-1547-734-20: 62.5 MMBTU/HR C.E. NATCO GAS-FIRED STEAM GENERATOR, WITH A COEN QLN-ULN LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2L) (BELRIDGE)

Proposed ATCs:

S-1547-359-31: MODIFICATION OF VAPOR COLLECTION AND CONTROL SYSTEM SERVING 1657 THERMALLY ENHANCED WELLS IN SECTIONS 1, 2, 3, 4, 10, 11, 12 OF T29S, R21E, SECTIONS 33, 34, 35 OF T28S, R21E: **ADD STEAM GENERATORS S-1547-729 & '734 TO THIS PERMIT'S SULFUR/SOX SPECIFIC LIMITING CONDITION (SLC) PLAN**

S-1547-729-20: MODIFICATION OF DORMANT 62.5 MMBTU/HR STRUTHERS GAS FIRED STEAM GENERATOR, WITH A COEN MODEL ULN LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2K, DIS #5406-74) (BELRIDGE): **CHANGE STATUS TO COMPLIANT DORMANT, REPLACE BURNER (IF NEEDED) WITH A COEN ULN (OR EQUIVALENT) TO MEET 15 PPM-NOX, ADD FEE PAY OPTION FOR RULE 4320 COMPLIANCE, ADD VAPOR PIPING TO TEOR S-1547-359 AND INCLUDE IN '359'S SULFUR/SOX SLC PLAN**

S-1547-734-21: MODIFICATION OF 62.5 MMBTU/HR C.E. NATCO GAS-FIRED STEAM GENERATOR, WITH A COEN QLN-ULN LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2L) (BELRIDGE): **CHANGE STATUS TO COMPLIANT DORMANT, REPLACE BURNER (IF NEEDED) WITH A COEN ULN (OR EQUIVALENT) TO MEET 15 PPM-NOX, ADD FEE PAY OPTION FOR RULE 4320 COMPLIANCE, ADD VAPOR PIPING TO TEOR S-1547-359 AND INCLUDE IN '359'S SULFUR/SOX SLC PLAN**

Post Project Equipment Description:

S-1547-359-31: VAPOR COLLECTION AND CONTROL SYSTEM SERVING 1657 THERMALLY ENHANCED WELLS IN SECTIONS 1, 2, 3, 4, 10, 11, 12 OF T29S, R21E, SECTIONS 33, 34, 35 OF T28S, R21E

S-1547-729-20: 62.5 MMBTU/HR STRUTHERS NATURAL GAS/TEOR GAS-FIRED STEAM GENERATOR, WITH xxx MODEL xxx LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2K, DIS #5406-74) (BELRIDGE):

S-1547-734-21: 62.5 MMBTU/HR C.E. NATCO NATURAL GAS/TEOR GAS-FIRED STEAM GENERATOR, WITH xxx MODEL xxx LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2L) (BELRIDGE)

VI. Emission Control Technology Evaluation

Low-NO_x burners reduce NO_x formation by producing lower flame temperatures (and longer flames) than conventional burners. Conventional burners thoroughly mix all the fuel

and air in a single stage just prior to combustion, whereas low-NO_x burners delay the mixing of fuel and air by introducing the fuel (or sometimes the air) in multiple stages. Generally, in the first combustion stage, the air-fuel mixture is fuel rich. In a fuel rich environment, all the oxygen will be consumed in reactions with the fuel, leaving no excess oxygen available to react with nitrogen to produce thermal NO_x. In the secondary and tertiary stages, the combustion zone is maintained in a fuel-lean environment. The excess air in these stages helps to reduce the flame temperature so that the reaction between the excess oxygen with nitrogen is minimized.

The use of flue gas re-circulation (FGR) can reduce nitrogen oxides (NO_x) emissions by 60% to 70%. In an FGR system, a portion of the flue gas is re-circulated back to the inlet air. As flue gas is composed mainly of nitrogen and the products of combustion, it is much lower in oxygen than the inlet air and contains virtually no combustible hydrocarbons to burn. Thus, flue gas is practically inert. The addition of an inert mass of gas to the combustion reaction serves to absorb heat without producing heat, thereby lowering the flame temperature. Since thermal NO_x is formed by high flame temperatures, the lower flame temperatures produced by FGR serve to reduce thermal NO_x.

VII. General Calculations

Pursuant to determination #20 of FYI 111, allowing TEOR S-1547-359 to vent to the two steam generators is not an NSR modification to S-1547-359; therefore, calculations are not needed for ATC S-1547-359-21

Pursuant to District GEAR #28, DEU, reclassifying S-1547-729 and '734 as compliant DEUs is not an NSR Modification

A. Assumptions

- When fired on gas from S-1547-359, each of S-1547-729 and '734 will have a potential to emit based on combustion of up to the sulfur compound total mass flowrate of S-1547-359's SLC limit.
- The maximum operating schedule is 8760 hours per day
- Pre and post-project heat input limit for each of S-1547-729 and '734: 1466.7 MMBtu/day
- This project will not change TEOR S-1547-359's 336.92 lb/day total mass flowrate limit of sulfur compound gas leaving sulfur removal systems
- When fired on gas from S-1547-359, each of S-1547-729 and '734 will have the potential to emit up to the sulfur compound total mass flowrate of S-1547-359's SLC limit.
- S-1547-729 and 734's SO_x DEL, when fired on gas from S-1547-359, will be expressed on S-1547-359 and be limited by '359's 336.92 lb/day sulfur compound SLC limit.

B. Emission Factors

| Pollutant | Pre-Project Emission Factors (EF1) | | Source |
|------------------|------------------------------------|---|----------------|
| NO _x | 0.018 lb-NO _x /MMBtu | 15 ppmvd NO _x (@ 3%O ₂) | Current Permit |
| SO _x | 0.002 lb-SO _x /MMBtu | | Current Permit |
| PM ₁₀ | 0.005 lb-PM ₁₀ /MMBtu | | Current Permit |
| CO | 0.030 lb-CO/MMBtu | 40 ppmvd CO (@ 3%O ₂) | Current Permit |
| VOC | 0.003 lb-VOC/MMBtu | | Current Permit |

| Pollutant | Post-Project Emission Factors (EF2) | | Source |
|------------------|-------------------------------------|---|----------------|
| NO _x | 0.018 lb-NO _x /MMBtu | 15 ppmvd NO _x (@ 3%O ₂) | Current Permit |
| SO _x | 673.8 lb-SO _x /day* | | Proposed |
| PM ₁₀ | 0.005 lb-PM ₁₀ /MMBtu | | Current Permit |
| CO | 0.030 lb-CO/MMBtu | 40 ppmvd CO (@ 3%O ₂) | Current Permit |
| VOC | 0.003 lb-VOC/MMBtu | | Current Permit |

*(2 lb SO₂/lb S)(336.92 lb S/day) = 673.8 lb-SO_x/day

C. Calculations

1. Pre-Project Potential to Emit (PE1)

The potential to emit for S-1547-729 and '734 is calculated as follows, and summarized in the table below:

$$PE = EF \text{ (lb/MMBtu)} \times \text{Heat Input (MMBtu/day)}$$

| PE1 S-1547-729 and '734 (each) | | | | | |
|-----------------------------------|----------|---------------------------------|-----------------------------|-------------------------------|--------------------------------------|
| | lb/MMBtu | Heat Input Limit (MMBtu/day) | Daily Emissions (lb/day) | Annual Emissions (lb/year) | Total for Both Units (lb/year) |
| NO _x | 0.018 | 1466.7 | 52.8* | 9,636 | 19,272 |
| SO _x | 0.002 | 1466.7 | 2.9 | 1,071 | 2,142 |
| PM ₁₀ | 0.005 | 1466.7 | 7.3 | 2,677 | 5,354 |
| CO | 0.030 | 1466.7 | 44.0 | 16,060 | 32,120 |
| VOC | 0.003 | 1466.7 | 4.4 | 1,606 | 3,212 |

*daily NO_x emissions assume 24 hr/day of refractory curing at 0.036 lb-NO_x/MMBtu

2. Post Project Potential to Emit (PE2)

The potential to emit for the boiler is calculated as follows, and summarized in the table below:

The potential to emit for S-1547-729 and '734 is calculated as follows, and summarized in the table below:

$$PE = EF \text{ (lb/MMBtu)} \times \text{Heat Input (MMBtu/day)}$$

| PE S-1547-729 and '734 (each) | | | | | |
|--|----------|------------------------------|--------------------------|----------------------------|--------------------------------|
| | lb/MMBtu | Heat Input Limit (MMBtu/day) | Daily Emissions (lb/day) | Annual Emissions (lb/year) | Total for Both Units (lb/year) |
| NO _x | 0.018 | 1466.7 | 52.8* | 9,636 | 19,272 |
| SO _x | | | 673.8** | 345,937 | 491,874 |
| PM ₁₀ | 0.005 | 1466.7 | 7.3 | 2,677 | 5,354 |
| CO | 0.030 | 1466.7 | 44.0 | 16,060 | 32,120 |
| VOC | 0.003 | 1466.7 | 4.4 | 1,606 | 3,212 |

*daily NO_x emissions assume 24 hr/day of refractory curing at 0.036 lb-NO_x/MMBtu

** $(2 \text{ lb SO}_2/\text{lb S})(336.92 \text{ lb S/day}) = 673.8 \text{ lb-SO}_x/\text{day}$

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

Pursuant to District Rule 2201, the SSPE1 is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of Emission Reduction Credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions (AER) that have occurred at the source, and which have not been used on-site.

Facility emissions are already above the Offset and Major Source Thresholds for all pollutants; therefore, SSPE1 calculations are not necessary.

4. Post Project Stationary Source Potential to Emit (SSPE2)

Pursuant to District Rule 2201, the SSPE2 is the PE from all units with valid ATCs or PTOs at the Stationary Source and the quantity of ERCs which have been banked since September 19, 1991 for AER that have occurred at the source, and which have not been used on-site.

Since facility emissions are already above the Offset and Major Source Thresholds for all pollutants, SSPE2 calculations are not necessary.

5. Major Source Determination

Rule 2201 Major Source Determination:

This source is an existing Major Source for all pollutants and will remain so. No change in other pollutants are proposed or expected as a result of this project.

Rule 2410 Major Source Determination:

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(iii). Therefore the PSD Major Source threshold is 250 tpy for any regulated NSR pollutant.

| PSD Major Source Determination (tons/year) | | | | | | |
|---|-----|-----|-----|-------|-----|------|
| | NO2 | VOC | SO2 | CO | PM | PM10 |
| Estimated Facility PE before Project Increase | | | | >>250 | | |
| PSD Major Source Thresholds | 250 | 250 | 250 | 250 | 250 | 250 |
| PSD Major Source ? (Y/N) | | | | y | | |

As shown above, the facility is an existing PSD major source for at least one pollutant.

6. Baseline Emissions (BE)

The BE calculation (in lb/year) is performed pollutant-by-pollutant for each unit within the project to determine the amount of offsets required.

Pursuant to District Rule 2201, BE = PE1 for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to District Rule 2201.

As shown in Section VII.C.5 above, the facility is a major source for NO_x emissions.

Pursuant to Rule 2201, a Clean Emissions Unit is defined as an emissions unit that is "equipped with an emissions control technology with a minimum control efficiency of at least 95% or is equipped with emission control technology that meets the requirements for achieved-in-practice BACT as accepted by the APCO during the five years immediately prior to the submission of the complete application.

a. BE: NO_x

The applicant concedes that steam generators S-1547-729's and '734's BE is zero (per 8/4/16 email).

b. BE: SO_x and PM₁₀

The steam generators are being added to TEOR S-1547-359's sulfur compound SLC. Therefore, the quantity of ERCs will be determined by comparing the post-project PE which will be the SLC limit to the pre-project BE for the SLC.

Steam generators S-1547-729 and '734 each have a SO_x emission limit of 0.002 lb-SO_x/MMBtu which is equivalent to 0.7 gr/100 scf. This is Achieved in practice BACT pursuant to current BACT guideline 1.2.1 for oilfield steam generators > or =20 MMBtu/hr. Furthermore, the vapors from S-1547-359 are treated to remove 95% by weight of its sulfur compounds; therefore, the SLC units incinerating S-1547-359's vapors are Clean Emissions Units for SO_x. Therefore, S-1547-729 and '734 are Clean Emission Units and their BE = PE1.

c. BE: VOC

The steam generators are fired on gaseous fuel. This is Achieved in practice BACT pursuant to current BACT guideline 1.2.1 for oilfield steam generators > or =20 MMBtu/hr; therefore, they are Clean Emissions Units for VOC and their BE = PE1.

d. BE: CO

As shown below in section VIII.B, offsets are not required for CO; therefore, BE calculations are not required for CO.

7. SB 288 Major Modification

SB 288 Major Modification is defined in 40 CFR Part 51.165 as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act."

Since this facility is a major source for all pollutants, the project's PE2 is compared to the SB 288 Major Modification Thresholds in the following table in order to determine if the SB 288 Major Modification calculation is required.

| SB 288 Major Modification Thresholds | | | |
|--------------------------------------|-----------------------|---------------------|---|
| Pollutant | Project PE2 (lb/year) | Threshold (lb/year) | SB 288 Major Modification Calculation Required? |
| NO _x | 19,272 | 50,000 | N |
| SO _x | 491,874 | 80,000 | Y |
| PM ₁₀ | 5,354 | 30,000 | N |
| VOC | 3,212 | 50,000 | N |

Since the project's PE2 surpasses the SB 288 Major Modification Thresholds for SO_x, the Net Emissions Increase (NEI) will be compared to the SB 288 Major Modification thresholds in order to determine if this project constitutes an SB 288 Major Modification.

The NEI is the total of emission increases for every permit unit addressed in this project and is calculated as follows:

$$NEI = PE2 - BAE$$

Where: PE2 = the sum of all the PE2s for each permit unit in this project
BAE = for units that are fully offset, the BAE = the PE1 for every unit,
otherwise, the BAE is the actual annual emissions averaged over
the baseline period for every unit.

The SOx PE2 = 491,874 lb/year and the BAE is no greater than 2,142; therefore, the NEI is greater than the SB 288 Major Modification threshold of 80,000 lb/year. Therefore, this project constitutes an SB 288 Major Modification.

8. Federal Major Modification

District Rule 2201 states that a Federal Major Modification is the same as a "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

The determination of Federal Major Modification is based on a two-step test. For the first step, only the emission *increases* are counted. Emission decreases may not cancel out the increases for this determination.

Step 1

For new emissions units, the increase in emissions is equal to the PE2 for each new unit included in this project.

For existing emissions units, the increase in emissions is calculated as follows.

$$\text{Emission Increase} = PAE - BAE - UBC$$

Where: PAE = Projected Actual Emissions, and
BAE = Baseline Actual Emissions
UBC = Unused baseline capacity

This project does not result in an increase in design capacity or potential to emit for NOx, PM10, PM2.5 or VOC, and it does not impact the ability of the emission units to operate at a higher utilization rate, the UBC is the portion of PAE that the emission units could have accommodated during the baseline period. Therefore, the BAE + UBC equals the PAE (for NOx, PM10, PM2.5 or VOC)

Therefore, replacing PAE in the above equation with BAE + UBC yields:

$$(BAE + UBC) - BAE - UBC = 0$$

For SOx the applicant has identified (per 6/9/16 email) a PAE of 8,574 lb/yr (sum total for S-1547-729 and '734) and a BAE of zero. Therefore, the emission increase = 8,574 lb-SOx/year.

The project's combined total emission increases are compared to the Federal Major Modification Thresholds in the following table.

| Federal Major Modification Thresholds for Emission Increases | | | |
|--|-----------------------------------|--------------------|-----------------------------|
| Pollutant | Total Emissions Increases (lb/yr) | Thresholds (lb/yr) | Federal Major Modification? |
| NO _x | 0 | 0 | N |
| VOC | 0 | 0 | N |
| PM ₁₀ | 0 | 30,000 | N |
| PM _{2.5} | 0 | 20,000 | N |
| SO _x | 8,574 | 80,000 | N |

Since none of the Federal Major Modification Thresholds are being surpassed with this project, this project does not constitute a Federal Major Modification and no further analysis is required.

9. Rule 2410 – Prevention of Significant Deterioration (PSD) Applicability Determination

Rule 2410 applies to any pollutant regulated under the Clean Air Act, except those for which the District has been classified nonattainment. The pollutants which must be addressed in the PSD applicability determination for sources located in the SJV and which are emitted in this project are: (See 52.21 (b) (23) definition of significant)

I. Project Location Relative to Class 1 Area

As demonstrated in the “PSD Major Source Determination” Section above, the facility was determined to be a existing PSD Major Source. Because the project is not located within 10 km (6.2 miles) of a Class 1 area – modeling of the emission increase is not required to determine if the project is subject to the requirements of Rule 2410.

II. Project Emission Increase – Significance Determination

a. Evaluation of Calculated Post-project Potential to Emit for New or Modified Emissions Units vs PSD Significant Emission Increase Thresholds

As a screening tool, the post-project potential to emit from all new and modified units is compared to the PSD significant emission increase thresholds, and if the total potentials to emit from all new and modified units are below the applicable thresholds, no further PSD analysis is needed.

| PSD Significant Emission Increase Determination: Potential to Emit (tons/year) | | | | | |
|--|-----|-------|------|-----|------|
| | NO2 | SO2 | CO | PM | PM10 |
| Total PE from New and Modified Units | 9.6 | 245.9 | 16.1 | 2.7 | 2.7 |
| PSD Significant Emission Increase Thresholds | 40 | 40 | 100 | 25 | 15 |
| PSD Significant Emission Increase? | n | y | n | n | n |

As demonstrated in the table above, because the post-project potential to emit from all new and modified emission units is greater than at least one PSD significant emission increase threshold, further analysis is required to determine if the project will result in an increase greater than the PSD significant emission increase thresholds, see step b. below for further analysis.

b. Evaluation of Calculated Emission Increases vs PSD Significant Emission Increase Thresholds

In this step, the emission increase for each subject pollutant is compared to the PSD significant emission increase threshold, and if the emission increase for each subject pollutant is below their threshold, no further analysis is required.

For existing emissions units, the increase in emissions is calculated as follows:

$$\text{Emission Increase} = \text{PAE} - \text{BAE} - \text{UBC}$$

Where: PAE = Projected Actual Emissions, and
BAE = Baseline Actual Emissions
UBC = Unused baseline capacity

Since this project does not result in an increase in design capacity or potential to emit for NOx, PM10, PM2.5 or VOC and it does not impact the ability of the emission units to operate at higher utilization rates, the UBC is the portion of PAE that the emission units could have accommodated during the baseline period. Therefore, the BAE + UBC equals the PAE (for NOx, PM10, PM2.5 or VOC).

Therefore, replacing PAE in the above equation with BAE + UBC yields:

$$(\text{BAE} + \text{UBC}) - \text{BAE} - \text{UBC} = 0 \text{ (for NOx, PM10, PM2.5 or VOC).}$$

For SOx the applicant has identified (per 6/9/16 email) a PAE of 8,574 lb/yr (sum total for S-1547-729 and '734) and a BAE of zero. Therefore, the emission increase = 8,574 lb-SOx/year (= 4.3 tons).

| PSD Significant Emission Increase Determination: Emission Increase (tons/year) | | | | | |
|---|------------|------------|-----------|-----------|-------------|
| | NO2 | SO2 | CO | PM | PM10 |
| Emission Increases (only) | 0 | 4.3 | 0 | 0 | 0 |
| PSD Significant Emission Increase Thresholds | 40 | 40 | 100 | 25 | 15 |
| PSD Significant Emission Increase? | n | n | n | n | n |

As shown in the table above, the emission increases from the project, for all new and modified emission units, does not exceed any of the PSD significant emission increase

thresholds. Therefore the project does not result in a PSD major modification and no further discussion is required.

VIII. Compliance

Rule 2201 New and Modified Stationary Source Review Rule

As stated above in Section VII, allowing TEOR S-1547-359 to vent to the two steam generators is not an NSR modification. Therefore, a Rule 2201 discussion is not required for S-1547-359.

A. Best Available Control Technology (BACT)

Rule 2201 New and Modified Stationary Source Review Rule

A. Best Available Control Technology (BACT)

1. BACT Applicability

BACT requirements are triggered on a pollutant-by-pollutant basis and on an emissions unit-by-emissions unit basis. Unless specifically exempted by Rule 2201, BACT shall be required for the following actions*:

- a. Any new emissions unit with a potential to emit exceeding two pounds per day,
- b. The relocation from one Stationary Source to another of an existing emissions unit with a potential to emit exceeding two pounds per day,
- c. Modifications to an existing emissions unit with a valid Permit to Operate resulting in an AIPE exceeding two pounds per day, and/or
- d. Any new or modified emissions unit, in a stationary source project, which results in an SB 288 Major Modification or a Federal Major Modification, as defined by the rule.

*Except for CO emissions from a new or modified emissions unit at a Stationary Source with an SSPE2 of less than 200,000 pounds per year of CO.

a. New emissions units – PE > 2 lb/day

As discussed in Section I above, there are no new emissions units associated with this project. Therefore BACT for new units with PE > 2 lb/day purposes is not triggered.

b. Relocation of emissions units – PE > 2 lb/day

As discussed in Section I above, there are no emissions units being relocated from one stationary source to another; therefore BACT is not triggered.

c. Modification of emissions units – AIPE > 2 lb/day

AIPE = PE2 – HAPE

Where,

AIPE = Adjusted Increase in Permitted Emissions, (lb/day)

PE2 = Post-Project Potential to Emit, (lb/day)

HAPE = Historically Adjusted Potential to Emit, (lb/day)

$$\text{HAPE} = \text{PE1} \times (\text{EF2}/\text{EF1})$$

Where,

PE1 = The emissions unit's PE prior to modification or relocation, (lb/day)

EF2 = The emissions unit's permitted emission factor for the pollutant after modification or relocation. If EF2 is greater than EF1 then EF2/EF1 shall be set to 1

EF1 = The emissions unit's permitted emission factor for the pollutant before the modification or relocation

$$\text{AIPE} = \text{PE2} - (\text{PE1} * (\text{EF2} / \text{EF1}))$$

For NO_x, PM₁₀, CO and VOC PE1 = PE2 and EF1 = EF2; therefore, the AIPE for NO_x, PM₁₀, CO and VOC = zero.

SO_x:

S-1547-729-20 and '734-21:

Since EF2 is greater than EF1; EF2/EF1 is set to 1.

$$\begin{aligned} \text{AIPE} &= 673.8 - (2.9 * (1)) \\ &= 670.9 \text{ lb-SO}_x/\text{day} \end{aligned}$$

As demonstrated above, the AIPE is greater than 2.0 lb/day for SO_x emissions for each steam generator. Therefore BACT is triggered.

d. SB 288/Federal Major Modification

As discussed in Sections VII.C.7 and VII.C.8 above, this project does constitute an SB 288 Major Modification for SO_x emissions. Therefore BACT is triggered for SO_x for all emissions units in the project for which there is an emission increase.

2. BACT Guideline

BACT Guideline 1.2.1, applies to the steam generators. [Oilfield Steam Generator (> or =20 MMBtu/hr)] (See Appendix B)

3. Top-Down BACT Analysis

Per Permit Services Policies and Procedures for BACT, a Top-Down BACT analysis shall be performed as a part of the application review for each application subject to the BACT requirements pursuant to the District's NSR Rule.

Pursuant to the attached Top-Down BACT Analysis (see **Appendix B**), BACT has been satisfied with the following:

SOx: Fuel treated to remove 95% by weight of sulfur compounds

B. Offsets

1. Offset Applicability

Offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the SSPE2 equals to or exceeds the offset threshold levels in Table 4-1 of Rule 2201.

The SSPE2 is compared to the offset thresholds in the following table.

| Offset Determination (lb/year) | | | | | |
|--------------------------------|-----------------|-----------------|------------------|-----------|----------|
| | NO _x | SO _x | PM ₁₀ | CO | VOC |
| SSPE2 | >>20,000 | >>54,750 | >>29,200 | >>200,000 | >>20,000 |
| Offset Thresholds | 20,000 | 54,750 | 29,200 | 200,000 | 20,000 |
| Offsets triggered? | y | y | y | y | y |

2. Quantity of Offsets Required

As seen above, the SSPE2 is greater than the offset thresholds for all pollutants. Therefore offset calculations will be required for this project.

The quantity of offsets in pounds per year is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

Offsets required (lb/year) = $(\Sigma[PE2 - BE] + ICCE) \times DOR$, for all new or modified emissions units in the project,

Where,

PE2 = Post Project Potential to Emit, (lb/year)

BE = Baseline Emissions, (lb/year)

ICCE = Increase in Cargo Carrier Emissions, (lb/year)

DOR = Distance Offset Ratio, determined pursuant to Section 4.8

BE = PE1 for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, Located at a Major Source.

otherwise,

BE = HAE

There are no increases in cargo carrier emissions; therefore offsets can be determined as follows:

$$\text{Offsets Required (lb/year)} = ([\text{PE2} - \text{BE}] + \text{ICCE}) \times \text{DOR}$$

The pre and post-project annual emissions are equivalent for NOx, PM10 and VOC, and the SOx SLC limit is unchanged. Furthermore, as shown above in section VII.C.6, their BE = PE1; therefore, PE2 – BE = zero for PM10 and VOC and SOx. therefore, offsets are not required for PM10 and VOC and SOx.

Pursuant to section 4.6.1 of Rule 2201, increases in CO in attainment areas are exempt from offsetting if the applicant demonstrates to the satisfaction of the APCO, that the Ambient Air Quality Standards are not violated in the areas to be affected and such emissions will be consistent with Reasonable Further Progress and will not cause or contribute to a violation of Ambient Air Quality Standards. As shown below in section VII.F, Ambient Air Quality Standards are not violated; therefore, offsets are not required for CO.

NOx:

As seen above, the SSPE2 is greater than the offset threshold for NOx. Therefore NOx offset calculations will be required for this project.

As shown above in section VII.C.6, the BE for NOx is zero.

Offsets required for each of S-1547-729 and '734 (lb/year) = (9,636 – 0] + ICCE) x DOR, for all new or modified emissions units in the project,

The amount of NOx ERCs that need to be withdrawn for each of S-1547-729 and '734 is:

$$\begin{aligned} \text{Offsets Required (lb/year)} &= ([9,636 - 0] + 0) \times 1.0 \\ &= 9,636 \text{ lb NO}_x/\text{year} \end{aligned}$$

Calculating the appropriate quarterly emissions to be offset is as follows:

$$\begin{aligned} \text{Quarterly offsets required (lb/qtr)} &= (9,636 \text{ lb NO}_x/\text{year}) \div (4 \text{ quarters/year}) \\ &= 2,409 \text{ lb/qtr} \end{aligned}$$

Therefore the appropriate quarterly emissions to be offset for each of S-1547-729-20 and '734-21 is as follows:

| <u>1st Quarter</u> | <u>2nd Quarter</u> | <u>3rd Quarter</u> | <u>4th Quarter</u> |
|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 2,409 | 2,409 | 2,409 | 2,409 |

The applicant has stated that the facility plans to use ERC certificate S-4284-2 to offset the increases in NOx emissions associated with this project. The above certificate has available quarterly NOx credits as follows:

| | <u>1st Quarter</u> | <u>2nd Quarter</u> | <u>3rd Quarter</u> | <u>4th Quarter</u> |
|---------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| ERC #S-4284-2 | 90,667 | 81,037 | 29,972 | 74,455 |

As seen above, the facility has sufficient credits to fully offset the quarterly NO_x emissions increases associated with this project.

Proposed Rule 2201 (offset) Conditions:

- {GC# 4447 - edited} Prior to operating equipment under this Authority to Construct, permittee shall surrender NO_x emission reduction credits for the following quantity of emissions: 1st quarter – 2,409 lb, 2nd quarter - 2,409 lb, 3rd quarter - 2,409 lb, and fourth quarter - 2,409 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 2/18/16) for the ERC specified below. [District Rule 2201]
- ERC Certificate Number S-4284-2 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]

C. Public Notification

1. Applicability

Public noticing is required for:

- a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications,
- b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- c. Any project which results in the offset thresholds being surpassed,
- d. Any project with an SSIPE of greater than 20,000 lb/year for any pollutant, and/or
- e. Any project which results in a Title V significant permit modification

a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications

New Major Sources are new facilities, which are also Major Sources. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.

As demonstrated in Sections VII.C.7 and VII.C.8, this project is an SB 288 Major Modification. Therefore, public noticing for SB 288 Major Modification purposes is required.

b. PE > 100 lb/day

Applications which include a new emissions unit with a PE greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. There are no new emissions units associated with this project. Therefore public noticing is not required for this project for PE > 100 lb/day.

c. Offset Threshold

The SSPE1 and SSPE2 are compared to the offset thresholds in the following table.

| Offset Thresholds | | | | |
|-------------------|------------------|------------------|------------------|-------------------------|
| Pollutant | SSPE1 | SSPE2 | Offset Threshold | Public Notice Required? |
| NO _x | >20,000 lb/year | >20,000 lb/year | 20,000 lb/year | No |
| SO _x | >54,750 lb/year | >54,750 lb/year | 54,750 lb/year | No |
| PM ₁₀ | >29,200 lb/year | >29,200 lb/year | 29,200 lb/year | No |
| CO | >200,000 lb/year | >200,000 lb/year | 200,000 lb/year | No |
| VOC | >20,000 lb/year | >20,000 lb/year | 20,000 lb/year | No |

As detailed above, there were no thresholds surpassed with this project; therefore public noticing is not required for offset purposes.

d. SSIPE > 20,000 lb/year

Public notification is required for any permitting action that results in a SSIPE of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE = SSPE2 – SSPE1. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table.

| SSIPE Public Notice Thresholds | | | |
|--------------------------------|-----------------|-------------------------------|-------------------------|
| Pollutant | SSIPE (lb/year) | SSIPE Public Notice Threshold | Public Notice Required? |
| NO _x | 0 | 20,000 lb/year | No |
| SO _x | 0 | 20,000 lb/year | No |
| PM ₁₀ | 0 | 20,000 lb/year | No |
| CO | 0 | 20,000 lb/year | No |
| VOC | 0 | 20,000 lb/year | No |

As demonstrated above, the SSIPEs for all pollutants were less than 20,000 lb/year; therefore public noticing for SSIPE purposes is not required.

e. Title V Significant Permit Modification

As shown in the Discussion of Rule 2520 below, this project does not constitute a Title V significant modification. Therefore, public noticing for Title V significant modifications is not required for this project.

2. Public Notice Action

As discussed above, public noticing is required for this project for triggering an SB 288 Major Modification. Therefore, public notice documents will be submitted to the California Air Resources Board (CARB) and a public notice will be published in a local newspaper of general circulation prior to the issuance of the ATC for this equipment.

D. Daily Emission Limits (DELs)

DELs and other enforceable conditions are required by Rule 2201 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. The DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT.

Proposed Rule 2201 (DEL) Conditions:

S-1547-729-20 and '734-21:

- Steam generator shall be operated at no greater than 1,466.7 MMBtu hhw/day heat input. [District Rule 2201] Y
- When fired exclusively on natural gas, emissions from this unit shall not exceed 0.002 lb-SOx/MMBtu (as SO₂) [District Rules 2201, 2520, 4201, 4301, 4406, 4801] Y
- Emissions from this unit shall not exceed 0.005 lb-PM₁₀/MMBtu. [District Rules 2201, 4201, and 4301] Y
- Emission rates, except during startup, shutdown, and refractory curing shall not exceed any of the following: VOC: 0.003 lb/MMBtu, NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmv @ 3% O₂, or CO: 0.030 lb/MMBtu or 40 ppmv @ 3% O₂. [District Rules 2201, 2520, 4301, 4305, 4306, 4405, and Kern County Rule 425] Y
- Emission rates during startup, shutdown and refractory curing shall not exceed: particulate matter - 10 pounds per hour, or 0.1 grains/dscf calculated to 12% CO₂; sulfur - 200 pounds of SO₂ per hour, or 2000 ppmv as SO₂, or 0.11 pounds sulfur (as S) per MMBtu on average-wide basis for all units in Rule 4406 plan; NO₂ - 140 pounds per hour or 0.14 pounds per MMBtu. [District Rules 4101, 4102, 4301, 4405, 4406, 4801 and Kern County Rules 424 and 425] Y
- Emission rates shall not exceed any of the following: PM₁₀: 7.3 lb/day, VOC: 4.4 lb/day, NO_x (as NO₂): 52.8 lb/day or 9636 lb/year, or CO: 44.0 lb/day [District Rule 2201] Y
- NOTE: There are no sulfur compounds daily emission limits (DELs) expressed on this permit for incineration of TEOR gas, sulfur compounds emissions are limited by DELs on permit S-1547-359. []

E. Compliance Assurance

1. Source Testing

S-1547-729-20 and '734-21:

- Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months (no more than 30 days before or after the required annual source test date). After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months (no more than 30 days before or after the required 36-month source test date). 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 2201, 4305, 4306, and 4320] Y

2. Monitoring

As required by District Rule 4320, *Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr*, the units are subject to monitoring requirements. Monitoring requirements, in accordance with District Rule 4320, will be discussed in Section VIII, *District Rule 4320*, of this evaluation.

3. Recordkeeping

Recordkeeping is required to demonstrate compliance with the offset, public notification and daily emission limit requirements of Rule 2201. The following condition(s) are listed on the permits to operate:

- All records shall be maintained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 2201, 1070, 4305, 4306, and 4320] Y

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

Rule 2410 Prevention of Significant Deterioration

As shown in Section VII. C. 9. above, this project does not result in a new PSD major source or PSD major modification. No further discussion is required.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. The proposed modification is a Minor Modification to the Title V Permit.

In accordance with Rule 2520, these modifications:

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;
2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions;
3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:
 - a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act; and
 - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
6. Do not seek to consolidate overlapping applicable requirements.

As discussed above, the facility has applied for a Certificate of Conformity (COC). Therefore, the facility must apply to modify their Title V permit with an administrative amendment, prior to operating with the proposed modifications. Continued compliance with this rule is expected. The facility may construct/operate under the ATC upon submittal of the Title V administrative amendment application.

Rule 4001 New Source Performance Standards (NSPS)

40 CFR Part 60 Subpart Dc Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units

This rule incorporates NSPS from Part 60, Chapter 1, Title 40, Code of Federal Regulations (CFR); and applies to all new sources of air pollution and modifications of existing sources of air pollution listed in 40 CFR Part 60. 40 CFR Part 60, Subpart Dc applies to Small Industrial-Commercial-Institutional Steam Generators between 10 MMBtu/hr and 100 MMBtu/hr (post-6/9/89 construction, modification or, reconstruction). Subpart Dc has standards for SO_x and PM₁₀. The 62.5 MMBtu/hr steam generator is subject to Subpart Dc requirements.

60.42c – Standards for Sulfur Dioxide

Since coal is not combusted by the steam generator in this project, the requirements of this section are not applicable.

60.43c – Standards for Particulate Matter

The steam generator does not fired on coal, combust mixtures of coal with other fuels, combust wood, combust mixtures of wood with other fuels, or oil; therefore, it will not be subject to the requirements of this section.

60.44c – Compliance and Performance Tests Methods and Procedures for Sulfur Dioxide.

Since the steam generator in this project is not subject to the sulfur dioxide requirements of this subpart, no testing to show compliance is required. Therefore, the requirements of this section are not applicable to the steam generator in this project.

60.45c – Compliance and Performance Test Methods and Procedures for Particulate Matter

Since the steam generator in this project is not subject to the particulate matter requirements of this subpart, no testing to show compliance is required. Therefore, the requirements of this section are not applicable to the steam generator in this project.

60.46c – Emission Monitoring for Sulfur Dioxide

Since the steam generator in this project is not subject to the sulfur dioxide requirements of this subpart, no monitoring is required. Therefore, the requirements of this section are not applicable to the steam generator in this project.

60.47c – Emission Monitoring for Particulate Matter

Since the steam generator in this project is not subject to the particulate matter requirements of this subpart, no monitoring is required. Therefore, the requirements of this section are not applicable to the steam generator in this project.

60.48c – Reporting and Recordingkeeping Requirements

Section 60.48c (a) states that the owner or operator of each affected facility shall submit notification of the date of construction or reconstruction, anticipated startup, and actual startup, as provided by §60.7 of this part. This notification shall include:

- (1) The design heat input capacity of the affected facility and identification of fuels to be combusted in the affected facility.

The design heat input capacity and type of fuel combusted at the facility will be listed on the unit's equipment description. No conditions are required to show compliance with this requirement.

- (2) If applicable, a copy of any Federally enforceable requirement that limits the annual capacity factor for any fuel mixture of fuels under §60.42c or §40.43c.

This requirement is not applicable since the unit is not subject to §60.42c or §40.43c.

- (3) The annual capacity factor at which the owner or operator anticipates operating the affected facility based on all fuels fired and based on each individual fuel fired.

The facility has not proposed an annual capacity factor; therefore one will not be required.

- (4) Notification if an emerging technology will be used for controlling SO₂ emissions. The Administrator will examine the description of the control device and will determine whether the technology qualifies as an emerging technology. In making this determination, the Administrator may require the owner or operator of the affected facility to submit additional information concerning the control device. The affected facility is subject to the provisions of §60.42c(a) or (b)(1), unless and until this determination is made by the Administrator

This requirement is not applicable since the unit will not be equipped with an emerging technology used to control SO₂ emissions.

District Rule 4001, §3.0 defines the Administrator as the APCO of the District. The following condition ensures compliance:

- Permittee shall submit notification to the District of the date of construction, anticipated startup, and actual startup. Notifications shall be postmarked no later than 30 days after construction and 15 days after actual startup. The notifications shall include the design heat input and identification of fuels for this permit unit. [40 CFR 60.48c (a)]

Section 60.48c (g) states that the owner or operator of each affected facility shall record and maintain records of the amounts of each fuel combusted during each day. The following conditions will be added to the permit to ensure compliance with this section.

- A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of fuel combusted in the unit shall be installed, utilized and maintained. [District Rule 2201 and 40 CFR 60.48c (g)]
- Permittee shall maintain daily records of the type and quantity of fuel combusted by the steam generator. [District Rule 2201 and 40 CFR 60.48c (g)]

Section 60.48c (i) states that all records required under this section shall be maintained by the owner or operator of the affected facility for a period of two years following the date of such record. District Rule 4320 requires that records be kept for five years. Compliance is ensured with the following condition:

- 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, 4306, 4320, and 40 CFR 60.48c (i)]

Therefore, compliance with the requirements of this rule is expected.

Rule 4101 Visible Emissions

Per Section 5.0, no person shall discharge into the atmosphere emissions of any air contaminant aggregating more than 3 minutes in any hour which is as dark as or darker than Ringelmann 1 (or 20% opacity). The following condition will be placed on the permits to ensure compliance with the opacity limit.

- 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]

Rule 4102 Nuisance

Rule 4102 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. Public nuisance conditions are not expected as a result of these operations provided the equipment is well maintained. Therefore, compliance with this rule is expected.

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 – *Risk Management Policy for Permitting New and Modified Sources* specifies that for an increase in emissions associated with a proposed new source or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

An HRA is not required for a project with a total facility prioritization score of less than one. According to the Technical Services Memo for this project (**Appendix C**), the total facility prioritization score including this project was greater than one. Therefore, an HRA was required to determine the short-term acute and long-term chronic exposure from this project.

The cancer risk for this project is shown below:

| RMR Summary | | | | | |
|--------------------------------|-----------------------|-------------------------------------|-------------------------------------|-------------------|--------------------|
| Categories | TEOR (Unit 359-31) | Steam Generator (Unit 729-20) | Steam Generator (Unit 734-21) | Project Totals | Facility Totals |
| Prioritization Score | N/A ¹ | N/A ² | N/A ² | N/A | >1.0 |
| Acute Hazard Index | N/A ¹ | N/A ² | N/A ² | N/A | 0.37 |
| Chronic Hazard Index | N/A ¹ | N/A ² | N/A ² | N/A | 0.14 |
| Maximum Individual Cancer Risk | N/A ¹ | N/A ² | N/A ² | N/A | 1.34E-05 |
| T-BACT Required? | No | No | No | | |
| Special Permit Requirements? | No | Yes | Yes | | |

Discussion of T-BACT

BACT for toxic emission control (T-BACT) is required if the cancer risk exceeds one in one million. As demonstrated above, T-BACT is not required for this project because the HRA indicates that the risk is not above the District’s thresholds for triggering T-BACT requirements; therefore, compliance with the District’s Risk Management Policy is expected.

California Health & Safety Code 42301.6 (School Notice)

Pursuant to California Health and Safety Code 42301.6, since this project will not result in an increase in emissions, a school notice is not required.

Rule 4201 Particulate Matter Concentration

Section 3.1 prohibits discharge of dust, fumes, or total particulate matter into the atmosphere from any single source operation in excess of 0.1 grain per dry standard cubic foot.

The unit currently operates in compliance with the requirement of this rule and the proposed change is not expected to affect compliance. Continued compliance is expected.

Rule 4301 Fuel Burning Equipment

This rule specifies maximum emission rates in lb/hr for SO₂, NO₂, and combustion contaminants. This rule also limits combustion contaminant concentration to ≤ 0.1 gr/scf.

This units currently comply with this requirement. Continued compliance is expected.

Rule 4305 Boilers, Steam Generators and Process Heaters – Phase 2

This rule applies to any gaseous fuel or liquid fuel fired boiler, steam generator, or process heater with a rated heat input greater than 5 million Btu per hour.

The units currently operate in compliance with the requirement of this rule and the proposed change is not expected to affect compliance. Continued compliance is expected.

District Rule 4306 Boilers, Steam Generators and Process Heaters – Phase 3

This rule applies to any gaseous fuel or liquid fuel fired boiler, steam generator, or process heater with a rated heat input greater than 5 million Btu per hour. Since the dormant unit(s) will not be operated, compliance with this rule is expected.

The emission limits, monitoring provisions, and testing requirements of this rule will be satisfied upon recommencing operation of the unit(s). The following conditions will be incorporated into the permit(s) to enforce the dormant emission unit status pursuant to District Policy SSP 1705. The conditions below will be placed ahead of the existing permit conditions:

- This unit may be designated as a dormant emissions unit or an active emissions unit. The permittee shall notify the District's Compliance Division by US mail, email or Fax upon redesignating the unit. [District Rule 1070]
- When designated as a dormant emissions unit the fuel supply line shall be physically disconnected from the emissions unit. [District Rules 4305 and 4306]
- 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 Rules 4305 and 4306]
- A source test to demonstrate compliance with the NO_x and CO emission limits shall be performed within 60 days of recommencing operation of the dormant emissions unit. [District Rules 4305 and 4306]

Rule 4320 – Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr

Section 5.0 Requirements

Section 5.1 of the rule requires compliance with the NO_x and CO emissions limits listed in Table 1 of Section 5.2 or payment of an annual emissions fee to the District as specified in Section 5.3 and compliance with the control requirements specified in Section 5.4; or as stated in Section 5.1.3, comply with the applicable Low-use Unit requirements of Section 5.5.

Section 5.3 Annual Fee Calculations

The units will comply with section 5.3; therefore, the following conditions will be added to the permit.

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] Y

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] Y

Therefore, compliance with Section 5.3 of District Rule 4320 is expected.

Section 5.4 Particulate Matter Control Requirements

Section 5.4 of the rule requires one of four options for control of particulate matter: 1) combustion of PUC-quality natural gas, commercial propane, butane, or liquefied petroleum gas, or a combination of such gases, 2) limit fuel sulfur content to no more than five (5) grains of total sulfur per one hundred (100) standard cubic, 3) install and properly operate an emission control system that reduces SO₂ emissions by at least 95% by weight; or limit exhaust SO₂ to less than or equal to 9 ppmv corrected to 3.0% O₂ or 4) refinery units, which require modification of refinery equipment to reduce sulfur emissions, shall be in compliance with the applicable requirement in Section 5.4.1 no later than July 1, 2013.

The units have a sulfur emission limit of 0.002 lb_{SOx}/MMBtu which equates to is less five (5) grains of total sulfur per one hundred (100) standard cubic; therefore, the units are in compliance with the SO_x/PM₁₀ requirements of Section 5.4.1.2 of the rule which states the following:

Vapor received from TEOR S-1547-359 shall be scrubbed of 95% its sulfur or shall limit exhaust SO₂ to less than or equal to 9 ppmv corrected to 3.0% oxygen. [District Rules 2201 and 4320] Y

When fired exclusively on natural gas, emissions from this unit shall not exceed 0.002 lb-SO_x/MMBtu (as SO₂) [District Rules 2201, 2520, 4201, 4301, 4406, 4801] Y

Compliance with the section is expected.

Section 5.5 Low Use

Section 5.5 requires that units limited to less than or equal to 1.8 billion Btu per calendar year heat input pursuant to a District Permit to Operate Tune the unit at least twice per calendar year, or if the unit does not operate throughout a continuous six-month period within a calendar year, only one tune-up is required for that calendar year. No tune-up is required for any unit that is not operated during that calendar year; this unit may be test fired to verify availability of the unit for its intended use, but once the test firing is completed the unit shall be shutdown; or operate the unit in a manner that maintains exhaust oxygen concentrations at less than or equal to 3.00 percent by volume on a dry basis.

The subject steam generator is not a low use unit; therefore, the requirements of Section 5.5 do not apply.

Section 5.6, Startup and Shutdown Provisions

Applicable emissions limits are not required during startup and shutdown provided the duration of each start-up or each shutdown shall not exceed two hours, the emission control system shall be in operation and emissions shall be minimized insofar as technologically feasible during start-up or shutdown or operator has submitted an application for a Permit to Operate condition to allow more than two hours for each start-up or each shutdown provided the operator meets all of the conditions specified in Sections 5.6.3.1 through 5.6.3.3. Start-up and shutdown provisions have been proposed. The following conditions will be incorporated into the permits in order to ensure compliance with this section.

Emission rates during startup, shutdown and refractory curing shall not exceed: particulate matter - 10 pounds per hour, or 0.1 grains/dscf calculated to 12% CO₂; sulfur - 200 pounds of SO₂ per hour, or 2000 ppmv as SO₂, or 0.11 pounds sulfur (as S) per MMBtu on average-wide basis for all units in Rule 4406 plan; NO₂ - 140 pounds per hour or 0.14 pounds per MMBtu. [District Rules 4101, 4102, 4301, 4405, 4406, 4801 and Kern County Rules 424 and 425] Y

Emission rates shall not exceed any of the following: PM₁₀: 7.3 lb/day, VOC: 4.4 lb/day, NO_x (as NO₂): 52.8 lb/day or 9636 lb/year, or CO: 44.0 lb/day [District Rule 2201] Y

Duration of startup and shutdown (as defined in Rule 4320) shall not exceed 2 hours each per occurrence. Refractory curing period is defined as a maintenance-based reduced-load period of time during which a unit is brought from a shutdown status to staged rates of firing for the sole purpose of curing new refractory lining of the unit, and shall not exceed 30 hours per occurrence. The operator shall maintain records of the duration of start-up, shutdown, and refractory curing periods. [District Rules 4305, 4306, and 4320] Y

Section 5.7, Monitoring Provisions

Section 5.7 requires either use of a APCO approved Continuous Emissions Monitoring System (CEMS) for NO_x, CO, and oxygen, or implementation of an APCO-approved Alternate Monitoring System consisting of:

- 5.7.1.1 Periodic NO_x and CO exhaust emission concentrations,
- 5.7.1.2 Periodic exhaust oxygen concentration,
- 5.7.1.3 Flow rate of reducing agent added to exhaust,
- 5.7.1.4 Catalyst inlet and exhaust temperature,
- 5.7.1.5 Catalyst inlet and exhaust oxygen concentration,
- 5.7.1.6 Periodic flue gas recirculation rate, or
- 5.7.1.7 Other operational characteristics.

In order to satisfy the requirements of District Rule 4320, the applicant has proposed to use pre-approved alternate monitoring scheme A (pursuant to District Policy SSP-1105), which requires that monitoring of NO_x, CO, and O₂ exhaust concentrations shall be conducted at least once per month (in which a source test is not performed) using a portable analyzer. The following conditions will be incorporated into the permits in order to ensure compliance with the requirements of the proposed alternate monitoring plan:

{4063} The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320]

{4064} 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]

{4065} 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]

{4066} The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent by volume and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320]

5.7.6 Monitoring SO_x Emissions

Section 5.7.6.1 Operators complying with Sections 5.4.1.1 or 5.4.1.2 shall provide an annual fuel analysis to the District unless a more frequent sampling and reporting period is included in the Permit To Operate. Sulfur analysis shall be performed in accordance with the test methods in Section 6.2.

Section 5.7.6.2 Operators complying with Section 5.4.1.3 by installing and operating a control device with 95% SO_x reduction shall propose the key system operating parameters and frequency of the monitoring and recording. The monitoring option proposed shall be submitted for approval by the APCO.

Section 5.7.6.3 Operators complying with Section 5.4.1.3 shall perform an annual source test unless a more frequent sampling and reporting period is included in the Permit to Operate. Source tests shall be performed in accordance with the test methods in Section 6.2.

Sulfur Monitoring

The following conditions will be included on the ATCs.

Copies of all fuel invoices showing quantity and delivery points of gas delivered and copies of quality terms of gas delivery contracts 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 Rules 2201 and 4320] Y

When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 2201 and 4320] Y

When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6B; or Method 8; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD performed in the laboratory and EPA Method 19 to calculated emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rules 2201 and 4320] Y

If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, the following test methods (or other approved methods listed in this permit) shall be used; H₂S: ASTM D6228 or grab sample analysis by double GC for H₂S and mercaptans performed in the laboratory; total sulfur: ASTM 1072, D3246, D4084 or D6228. [District Rules 2201 and 4320]

Section 5.8, Compliance Determination

Section 5.8.1 requires that the operator of any unit shall have the option of complying with either the applicable heat input (lb/MMBtu) emission limits or the concentration (ppmv) emission limits specified in Section 5.2. The emission limits selected to demonstrate compliance shall be specified in the source test proposal pursuant to Rule 1081 (Source Sampling) as stated in the following ATC condition:

{2976} The source plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320]

Section 5.8.2 requires that all emissions measurements be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. Unless otherwise 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.

{2972} All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320]

Section 5.8.3 Continuous Emissions Monitoring System (CEMS) emissions measurements shall be averaged over a period of 15 consecutive minutes to demonstrate compliance with the applicable emission limits. Any 15-consecutive-minute block average CEMS

measurement exceeding the applicable emission limits shall constitute a violation. The steam generator is not equipped with CEMs and therefore this section is not applicable.

Section 5.8.4 For emissions monitoring pursuant to Sections 5.7.1, and 6.3.1 using a portable NOx analyzer as part of an APCO approved Alternate Emissions Monitoring System, emission readings 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 readings evenly spaced out over the 15-consecutive-minute period.

{2937} 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]

Section 5.8.5 For emissions source testing performed pursuant to Section 6.3.1 for the purpose of determining compliance with an applicable standard or numerical limitation of this rule, 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.

{2980} 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]

Section 6.1 Recordkeeping

Section 6.1 requires that the records required by Sections 6.1.1 through 6.1.5 shall be maintained for five calendar years and shall be made available to the APCO and EPA upon request. Failure to maintain records or information contained in the records that demonstrate noncompliance with the applicable requirements of this rule shall constitute a violation of this rule.

A permit condition will be listed on the permits as follows:

{2983} 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, 4306, and 4320]

Section 6.1.1 requires that a unit operated under the exemption of Section 4.2 shall monitor and record, for each unit, the cumulative annual hours of operation. The units are not Section 4.2 exempt and therefore these records are not required.

Section 6.1.2 requires the operator of any unit that is subject to the requirements of Section 5.5 shall record the amount of fuel use at least on a monthly basis for each unit. On and after the applicable compliance schedule specified in Section 7.0, in the event that such unit exceeds the applicable annual heat input limit specified in Section 5.5, the unit shall be brought into full compliance with this rule as specified in Section 5.2 Table 1. The units are not low use and therefore these records are not necessary.

Section 6.1.3 The operator of any unit subject to Section 5.5.1 or Section 6.3.1 shall maintain records to verify that the required tune-up and the required monitoring of the operational characteristics of the unit have been performed.

Section 6.1.4 The operator performing start-up or shutdown of a unit shall keep records of the duration of start-up or shutdown.

Section 6.1.5 The operator of any unit firing on liquid fuel during a PUC-quality natural gas curtailment period pursuant to Section 5.4.2 shall record the sulfur content of the fuel, amount of fuel used, and duration of the natural gas curtailment period. The unit is not authorized to combust liquid fuel. Therefore this section is not applicable.

Section 6.2, Test Methods

Section 6.2 identifies the following test methods as District-approved source testing methods for the pollutants listed:

| Pollutant | Units | Test Method Required |
|---|----------|---|
| 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 O ₂ | % | EPA Method 3 or 3A, or ARB Method 100 |
| Stack Gas Velocities | ft/min | EPA Method 2 |
| Stack Gas Moisture Content | % | EPA Method 4 |
| Oxides of sulfur | | EPA Method 6C, EPA Method 8, or ARB Method 100 |
| Total Sulfur as Hydrogen Sulfide (H ₂ S) Content | | EPA Method 11 or EPA Method 15, as appropriate. |
| Sulfur Content of Liquid Fuel | | ASTM D 6920-03 or ASTM D 5453-99 |

The following test method conditions are included on the ATCs:

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 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B or 8 or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D4468, D3246, D4084 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081 and 4305] Y

Section 6.2.8.2. The SOx emission control system efficiency shall be determined using the following:

$$\% \text{ Control Efficiency} = [(C_{\text{SO}_2, \text{inlet}} - C_{\text{SO}_2, \text{outlet}}) / C_{\text{SO}_2, \text{inlet}}] \times 100$$

where:

$C_{\text{SO}_2, \text{inlet}}$ = concentration of SOx (expressed as SO₂) at the inlet side of the SOx emission control system, in lb/dscf

$C_{\text{SO}_2, \text{outlet}}$ = concentration of SOx (expressed as SO₂) at the outlet side of the SOx emission control system, in lb/dscf

The units are not equipped with a SO2 scrubber. Therefore this section is not applicable.

Section 6.3 Compliance Testing

Section 6.3.1 requires that this unit be tested to determine compliance with the applicable requirements of section 5.2 not less than once every 12 months (no more than 30 days before or after the required annual source test date). Upon demonstrating compliance on two consecutive compliance source tests, the following source test may be deferred for up to thirty-six months.

Section 6.3.1.1 Units that demonstrate compliance on two consecutive 12-month source tests may defer the following 12-month source test for up to 36 months (no more than 30 days before or after the required 36-month source test date). During the 36-month source testing interval, the operator shall tune the unit in accordance with the provisions of Section 5.5.1, and shall monitor, on a monthly basis, the unit's operational characteristics recommended by the manufacturer to ensure compliance with the applicable emission limits specified in Section 5.2.

Section 6.3.1.2 Tune-ups required by Sections 5.5.1 and 6.3.1 do not need to be performed for units that operate and maintain an APCO approved CEMS or an APCO approved Alternate Monitoring System where the applicable emission limits are periodically monitored. Applicant has proposed to monitor the emissions of NOx and CO Alternate Monitoring Scheme "A" and therefore tuning is not required.

Section 6.3.1.3 If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits specified in Section 5.2, the source testing frequency shall revert to at least once every 12 months.

The following conditions are included on the ATC:

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. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Y

Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months (no more than 30 days before or after the required annual source test date). After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months (no more than 30 days before or after the required 36-month source test date). 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] Y

Source testing to measure NO_x and CO emissions shall be conducted not less than once every 36 months if compliance is demonstrated on two consecutive annual tests. [District Rules 2201, 4305 and 4320]

If permittee fails any compliance demonstration for NO_x or CO emission limits when testing not less than once every 36 months, compliance with NO_x and CO emission limits shall be demonstrated not less than once every 12 months. [District Rules 2201, 4305 and 4320] Y

{110} The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]

Sections 6.3.2.1 through 6.3.2.7 address the requirements of group testing:

Group testing has not been requested; therefore, this section does not apply.

Section 6.4, Emission Control Plan (ECP)

Section 6.4.1 requires that the operator of any unit shall submit to the APCO for approval an Emissions Control Plan according to the compliance schedule in Section 7.0 of District Rule 4320.

The proposed units will be in compliance with Section 5.3 of this rule by paying an annual fee. Therefore, this current application satisfies the requirements of the Emission Control Plan, as listed in Section 6.4 of District Rule 4320. No further discussion is required.

Section 7.0, Compliance Schedule

Section 7.0 indicates that an operator with multiple units at a stationary source shall comply with this rule in accordance with the schedule specified in Table 1, Section 5.2 of District Rule 4320.

The units will be in compliance with Section 5.3 of this rule. Therefore, requirements of the compliance schedule, as listed in Section 7.1 of District Rule 4306, are satisfied. No further discussion is required.

Conclusion

Conditions are included on the ATCs in order to ensure compliance with each section of this rule, see attached draft permit(s). Therefore, compliance with District Rule 4320 requirements is expected.

Rule 4351 Boilers, Steam Generators, And Process Heaters - Phase 1

This rule applies to boilers, steam generators, and process heaters at NO_x Major Sources that are not located west of Interstate 5 in Fresno, Kings, or Kern counties. The facility is located west of Interstate 5 in Kern County; therefore, this rule does not apply.

Rule 4801 Sulfur Compounds

A person shall not discharge into the atmosphere sulfur compounds, which would exist

as a liquid or gas at standard conditions, exceeding in concentration at the point of discharge: 0.2% by volume calculated as SO₂, on a dry basis averaged over 15 consecutive minutes.

If one of the 62.5 MMBtu/hr steam generators were to exhaust SO₂ at a concentration of 0.2% as allowed under Rule 4801, the amount of sulfur in the fuel is determined as follows.

$$\begin{aligned} \text{Sulfur Rate} &= (0.002 \text{ ft}^3/\text{ft}^3)(8,710 \text{ ft}^3/\text{MMBtu})(\text{lb-mole}/379.5 \text{ ft}^3)(32 \text{ lb}/\text{lb-mole})(62.5 \text{ MMBtu}/\text{hr})(24 \text{ hr}/\text{day}) \\ &= 2,203 \text{ lb-S}/\text{day} \end{aligned}$$

Assuming:

F-Factor for natural gas = 8,710 ft³/MMBtu

Molar Volume = 379.5 ft³/lb-mol

Molecular Weight of Sulfur = 32 lb/lb-mol

Permit S-1547-359 limits the total amount of sulfur incinerated in all of the combustion devices to 336.92 lb/day. Therefore, no more than 336.92 lb/day of sulfur can be sent to any of the combustion units approved to be utilized under S-1547-359 (this project proposes to incinerate vapors from S-1547-359). As calculated above, more than 2,203 lb/day of sulfur would have to be sent to a steam generator to exceed the standard set by Rule 4801. Therefore, compliance with District Rule 4801 is expected.

California Environmental Quality Act (CEQA)

CEQA requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The District adopted its *Environmental Review Guidelines* (ERG) in 2001. The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities;
- Identify the ways that environmental damage can be avoided or significantly reduced;
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible; and
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Greenhouse Gas (GHG) Significance Determination

District is a Responsible Agency

Oil and gas operations in Kern County must comply with the *Kern County Zoning Ordinance – 2015 (C) Focused on Oil and Gas Local Permitting*. In 2015, Kern County revised the Kern County Zoning Ordinance Focused on Oil and Gas Activities (Kern Oil

and Gas Zoning Ordinance) in regards to future oil and gas exploration, and drilling and production of hydrocarbon resource projects occurring within Kern County.

Kern County served as lead agency for the revision to their ordinance under the California Environmental Quality Act (CEQA), and prepared an Environmental Impact Report (EIR) that was certified on November 9, 2015. The EIR evaluated and disclosed to the public the environmental impacts associated with the growth of oil and gas exploration in Kern County, and determined that such growth will result in significant GHG impacts in the San Joaquin Valley. As such, the EIR included mitigation measures for GHG.

The District is a Responsible Agency for the project because of its discretionary approval power over the project via its Permits Rule (Rule 2010) and New Source Review Rule (Rule 2201), (CEQA Guidelines §15381). As a Responsible Agency, the District is limited to mitigating or avoiding impacts for which it has statutory authority. The District does not have statutory authority for regulating GHGs. The District has determined that the applicant is responsible for implementing GHG mitigation measures imposed in the EIR by the Kern County for the Kern County Zoning Ordinance.

District CEQA Findings

The proposed project is located in Kern County and is thus subject to the *Kern County Zoning Ordinance – 2015 (C) Focused on Oil and Gas Local Permitting*. The *Kern County Zoning Ordinance* was developed by the Kern County Planning Agency as a comprehensive set of goals, objectives, policies, and standards to guide development, expansion, and operation of oil and gas exploration within Kern County.

In 2015, Kern County revised their *Kern County Zoning Ordinance* in regards to exploration, drilling and production of hydrocarbon resources projects. Kern County served as lead agency for the revision to their ordinance under the California Environmental Quality Act (CEQA), and prepared an Environmental Impact Report (EIR) that was certified on November 9, 2015. The revised Kern County Zoning Ordinance establishes a written process (Conformity Review permit process or Minor Activity permit) by which oil and gas exploration projects involving site-specific operations can be evaluated to determine whether the environmental effects of the operation were covered in the *Kern County Zoning Ordinance* EIR.

For stationary source emissions that are below the offset threshold, i.e. not required to surrender ERCs, and for non-stationary source emissions, Kern County entered into an Oil and Gas Emission Reduction Agreement (Oil and Gas ERA) with the District pursuant to the EIR. Per the Oil and Gas ERA, the applicant shall fully mitigate project emissions that are not required to be offset by District permit rules and regulations. Such mitigation can be achieved through any of the three options: (1) the applicants pay an air quality mitigation fee with each Oil and Gas Conformity Review permit issued by the Kern County, (2) the applicants may develop and propose to implement their own emission reduction projects instead of paying all or part of the mitigation fee, or (3) the applicants will be allowed to enter into an agreement directly with the District (if approved by Kern County) to develop an alternative fee schedule.

Kern County, as the lead agency, is the agency that will enforce the mitigation measures identified in the EIR, including the mitigation requirements of the Oil and Gas ERA. As a responsible agency the District complies with CEQA by considering the EIR prepared by the Lead Agency, and by reaching its own conclusion on whether and how to approve the project involved (CCR §15096). The District has reviewed the EIR prepared by Kern County, the Lead Agency for the project, and finds it to be adequate. To reduce project related impacts on air quality, the District evaluates emission controls for the project such as Best Available Control Technology (BACT) under District Rule 2201 (New and Modified Stationary Source Review). In addition, the District is requiring the applicant to surrender emission reduction credits (ERC) for stationary source emissions above the offset threshold.

Thus, the District concludes that through a combination of project design elements, permit conditions, and the Oil and Gas ERA, the project will be fully mitigated to result in no net increase in emissions. Pursuant to CCR §15096, prior to project approval and issuance of ATCs the District prepared findings.

Indemnification Agreement/Letter of Credit Determination

According to District Policy APR 2010 (CEQA Implementation Policy), when the District is the Lead or Responsible Agency for CEQA purposes, an indemnification agreement and/or a letter of credit may be required. The decision to require an indemnity agreement and/or a letter of credit is based on a case-by-case analysis of a particular project's potential for litigation risk, which in turn may be based on a project's potential to generate public concern, its potential for significant impacts, and the project proponent's ability to pay for the costs of litigation without a letter of credit, among other factors.

The revision to the *Kern County Zoning Ordinance* went through an extensive public process that included a Notice of Preparation, a preparation of an EIR, scoping meetings, and public hearings. The process led to the certification of the final EIR and approval of the revised *Kern County Zoning Ordinance* in November 2015 by the Kern County Board of Supervisors. As mentioned above, the proposed project will be fully mitigated and will result in no net increase in emissions. In addition, the proposed project is not located at a facility of concern; therefore, an Indemnification Agreement and/or a Letter of Credit will not be required for this project in the absence of expressed public concern.

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Pending a successful noticing period, issue ATCs S-1547-359-31, '729-20 and '734-21 subject to the permit conditions on the attached draft ATCs in **Appendix D**.

X. Billing Information

| Annual Permit Fees | | | |
|---------------------------|---------------------|------------------------|-------------------|
| Permit Number | Fee Schedule | Fee Description | Annual Fee |
| S-1547-359-31 | 3020-02 H | 62.5 MMBtu/hr | \$1080 |
| S-1547-729-20 | 3020-02 H | 62.5 MMBtu/hr | \$1080 |
| S-1547-734-21 | 3020-02 H | 62.5 MMBtu/hr | \$1080 |

Appendixes

- A: Current PTOs
- B: BACT Guideline and BACT Analysis
- C: HRA
- B: Draft ATCs

Appendix A
Current PTOs

APPENDIX B
BACT Guideline and BACT Analysis

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1547-359-30

EXPIRATION DATE: 05/31/2016

SECTION: 33 **TOWNSHIP:** 28S **RANGE:** 21E

EQUIPMENT DESCRIPTION:

VAPOR COLLECTION AND CONTROL SYSTEM SERVING 1657 THERMALLY ENHANCED WELLS IN SECTIONS 1, 2, 3, 4, 10, 11, 12 OF T29S, R21E, SECTIONS 33, 34, 35 OF T28S, R21E

PERMIT UNIT REQUIREMENTS

1. Vapor collection and control system can receive vapors from tank vapor control system S-1547-888, TEOR system S-1547-1079, free water knockout vessel S-1547-1104, and degassing operation S-1547-1141. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Vapor collection system shall include 2 sulfur scrubbing systems using District approved scrubbing agents. Scrubber(s) may be by-passed only when incinerating vapors in scrubbed steam generator S-1547-47 or when routing gas directly to Sec. 32 Belridge gas plant (S-1543-4). [District Rule 2201] Federally Enforceable Through Title V Permit
3. Scrubbed gases shall be incinerated in steam generators S-1547-726, '-733, '-735 through '-738, '-742 through '-749, '-760, '-761, '-762, '-803, '-834, '-835, and '-837 or shall be routed to the Sec. 32 Belridge gas plant (S-1543-4). Alternatively, the wells can be operated with the casing vents closed. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Scrubbed or unscrubbed vapor may be routed to the Sec. 32 Belridge gas plant (S-1543-4) via the Del Sur gas gathering system (compressors S-1578-433, '-434, '-435 and emergency flare S-1548-134). [District Rule 2201] Federally Enforceable Through Title V Permit
5. Vapor collection system shall be equipped with heat exchangers, gas/liquid separators with vane-type mist eliminators, gas compressors, compressor discharge knock-outs, and liquid pumps. [District Rule 2201] Federally Enforceable Through Title V Permit
6. All produced fluids from any well served by vapor collection system which has had the casing vent closed shall be handled only in closed production equipment served by a 99% effective vapor control system. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Water/VOCs condensate from all liquid knockout drums shall be pumped to production manifold, recycled to production wells for disposal, or pumped to vapor controlled storage tanks. [District Rule 2201] Federally Enforceable Through Title V Permit
8. The regeneration vessel air vent at each sulfur scrubbing system may be vented to atmosphere provided daily emissions from each vent shall not exceed 2.0 lbs VOC/day. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Permittee shall determine VOC content of the exhaust at each regeneration vessel air vent semi-annually. If a semi-annual VOC content analysis fails to show compliance, the regeneration vessel air vents shall be tested once per week. If compliance with the VOC content limit has been demonstrated for eight consecutive weeks, then the VOC content testing frequency shall revert to semi-annually. Gas analysis shall be performed using ASTM D-3588. [District Rule 2201] Federally Enforceable Through Title V Permit

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

10. Total mass flowrate of sulfur compounds in gas leaving sulfur removal systems shall not exceed 336.92 lb/day as sulfur. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Emissions of Volatile Organic Compounds (VOC) shall not exceed 1,888.1 lb/day (including regeneration vessel air vents). [District Rule 2201] Federally Enforceable Through Title V Permit
12. Permittee shall maintain accurate records of sulfur content and daily vapor flow rate of all uncondensed vapors sent to approved incineration devices(S-1547-726, '-733, '-735 through '-738, '-742 through '-749, '-760, '-761, '-762, '-803, '-834, '-835, and '-837) for disposal. Such records shall be maintained readily available for District inspection upon request for a period of five years. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Permittee shall maintain with the permit a listing (updated each calendar year) of all steam-enhanced wells connected to the casing vent control system and such listing shall be made available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
14. The requirements of SJVUAPCD Rule 4407 (Adopted May 19, 1994) do not apply to this permit unit. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. During the time any steam-enhanced crude oil production well is undergoing service or repair while the well is not producing, it shall be exempt from the emission control requirements of District Rule 4401. [District Rule 4401, 4.1] Federally Enforceable Through Title V Permit
16. The inspection requirements of Section 5.4.1 through Section 5.4.7 of Rule 4401 shall not apply to components exclusively handling gas/vapor or liquid with a VOC content of ten percent by weight (10%) or less, as determined by the test methods in Section 6.3.4 of Rule 4401. [District Rule 4401, 4.7] Federally Enforceable Through Title V Permit
17. Gas and liquid leaks are as defined in Section 3.20 of Rule 4401. [District Rule 4401, 3.20] Federally Enforceable Through Title V Permit
18. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of any combination of components with minor liquid leaks, minor gas leaks, or a gas leaks greater than 10,000 ppmv up to 50,000 ppmv that totals more than number of leaks allowed by Table 2 of Rule 4401. [District Rule 4401, 5.2.2] Federally Enforceable Through Title V Permit
19. An operator shall not use any component with a leak as defined in Section 3.0 of Rule 4401, or that is found to be in violation of the provisions of Section 5.2.2 of Rule 4401. However, components that were found leaking may be used provided such leaking components have been identified with a tag for repair, are repaired, or awaiting re-inspection after being repaired within the applicable time frame specified in Section 5.5 of Rule 4401. [District Rule 4401, 5.3.1] Federally Enforceable Through Title V Permit
20. Each hatch shall be closed at all times except during sampling or adding of process material through the hatch, or during attended repair, replacement, or maintenance operations, provided such activities are done as expeditiously as possible with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4401, 5.3.2] Federally Enforceable Through Title V Permit
21. An operator shall comply with the requirements of Section 6.7 of Rule 4401 if there is any change in the description of major components or critical components. [District Rule 4401, 5.3.3] Federally Enforceable Through Title V Permit
22. Except for pipes and unsafe-to-monitor components, an operator shall inspect all other components pursuant to the requirements of Section 6.3.3 of Rule 4401 at least once every year. [District Rule 4401, 5.4.1] Federally Enforceable Through Title V Permit
23. An operator shall visually inspect all pipes at least once every year. Any visual inspection of pipes that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected within 24 hours after detecting the leak. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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24. In addition to the inspections required by Section 5.4.1 of Rule 4401, an operator shall inspect for leaks all accessible operating pumps, compressors, and PRDs in service as follows: An operator shall audio-visually (by hearing and by sight) inspect for leaks all accessible operating pumps, compressors, and PRDs in service at least once each calendar week. Any audio-visual inspection of an accessible operating pump, compressor, and PRD performed by an operator that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected not later than 24 hours after conducting the audio-visual inspection. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4.3] Federally Enforceable Through Title V Permit
25. In addition to the inspections required by Sections 5.4.1, 5.4.2 and 5.4.3 of Rule 4401, operator shall perform the following: initially inspect a PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the discovery of the release, re-inspect the PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the initial inspection, inspect all new, replaced, or repaired fittings, flanges, and threaded connections within 72 hours of placing the component in service. Except for PRDs subject to the requirements of Section 5.4.4.1 of Rule 4401, an operator shall inspect a component that has been repaired or replaced not later than 15 calendar days after the component was repaired or replaced. [District Rule 4401, 5.4.4] Federally Enforceable Through Title V Permit
26. An operator shall inspect all unsafe-to-monitor components during each turnaround. [District Rule 4401, 5.4.7] Federally Enforceable Through Title V Permit
27. District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. [District Rule 4401, 5.4.8] Federally Enforceable Through Title V Permit
28. An operator shall affix a readily visible weatherproof tag to a leaking component upon detection of the leak and shall include the following information on the tag: date and time of leak detection, date and time of leak measurement, for a gaseous leak, the leak concentration in ppmv, for a liquid leak, whether it is a major liquid leak or a minor liquid leak, whether the component is an essential component, an unsafe-to monitor component, or a critical component. [District Rule 4401, 5.5.1] Federally Enforceable Through Title V Permit
29. An operator shall keep the tag affixed to the component until an operator has met all of the following conditions: repaired or replaced the leaking component, re-inspected the component using the test method in Section 6.3.3, and the component is found to be in compliance with the requirements of this rule. [District Rule 4401 5.5.2] Federally Enforceable Through Title V Permit
30. An operator shall minimize a component leak in order to stop or reduce leakage to the atmosphere immediately to the extent possible, but not later than one (1) hour after detection of the leak. [District Rule 4401, 5.5.3] Federally Enforceable Through Title V Permit
31. Except for leaking critical components or leaking essential components subject to the requirements of Section 5.5.7 of Rule 4401, if an operator has minimized a leak but the leak still exceeds the applicable leak limits as defined in Section 3.0 of Rule 4401, an operator shall comply with at least one of the following requirements as soon as practicable but not later than the time period specified in Table 3 of Rule 4401: Repair or replace the leaking component; or vent the leaking component to a VOC collection and control system as defined in Section 3.0 of Rule 4401, or remove the leaking component from operation. [District Rule 4401, 5.5.4] Federally Enforceable Through Title V Permit
32. The repair period in calendar days shall not exceed 14 days for minor gas leaks, 5 days for major gas leaks less than or equal to 50,000 ppmv, 2 days for gas leak greater than 50,000 ppmv, 3 days for minor liquid leaks, 2 days for major liquid leaks. [District Rule 4401, 5.5.4] Federally Enforceable Through Title V Permit
33. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5.5] Federally Enforceable Through Title V Permit
34. The time of the initial leak detection shall be the start of the repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5.6] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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35. If the leaking component is an essential component or a critical component that cannot be immediately shut down for repairs, and if the leak has been minimized but the leak still exceeds the applicable leak standard of this rule, the operator shall repair or replace the essential component or critical component 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, whichever comes earlier. [District Rule 4401, 5.5.7] Federally Enforceable Through Title V Permit
36. The operator of any steam-enhanced crude oil production well shall maintain records of the date and well identification where steam injection or well stimulation occurs. [District Rule 4401, 6.1.1] Federally Enforceable Through Title V Permit
37. An operator of any steam-enhanced crude oil production well shall keep source test records which demonstrate compliance with the control efficiency requirements of the VOC collection and control system as defined in Section 3.0 of Rule 4401. [District Rule 4401, 6.1.3] Federally Enforceable Through Title V Permit
38. Operator of any steam-enhanced crude oil production well shall keep an inspection log maintained pursuant to Section 6.4 of Rule 4401. [District Rule 4401, 6.1.4] Federally Enforceable Through Title V Permit
39. Records of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components, including a copy of current calibration gas certification from the vendor of said calibration gas cylinder, the date of calibration, concentration of calibration gas, instrument reading of calibration gas before adjustment, instrument reading of calibration gas after adjustment, calibration gas expiration date, and calibration gas cylinder pressure at the time of calibration shall be maintained. [District Rule 4401, 6.1.5] Federally Enforceable Through Title V Permit
40. An operator shall maintain copies at the facility of the training records of the training program operated pursuant to Section 6.5 of Rule 4401. [District Rule 4401, 6.1.6] Federally Enforceable Through Title V Permit
41. Operator shall keep a copy of the APCO-approved Operator Management Plan at the facility. [District Rule 4401, 6.1.7] Federally Enforceable Through Title V Permit
42. Operator shall keep a list of all gauge tanks, as defined in Section 3.0 of Rule 4401. The list shall contain the size, identification number, the location of each gauge tank and specify whether the gauge tank is upstream of all front line production equipment. [District Rule 4401, 6.1.8] Federally Enforceable Through Title V Permit
43. The results of gauge tank TVP testing conducted pursuant to Section 6.2.3 shall be submitted to the APCO within 60 days after the completion of the testing. [District Rule 4401, 6.1.9] Federally Enforceable Through Title V Permit
44. An operator that discovers that a PRD has released shall record the date that the release was discovered, and the identity and location of the PRD that released. An operator shall submit such information recorded during the calendar year to the APCO no later than 60 days after the end of the calendar year. [District Rule 4401, 6.1.10] Federally Enforceable Through Title V Permit
45. An operator shall source test annually all vapor collection and control systems used to control emissions from steam-enhanced crude oil production well vents to determine the control efficiency of the device(s) used for destruction or removal of VOC. Compliance testing shall be performed annually by source testers certified by ARB. Testing shall be performed during June, July, August, or September of each year if the system's control efficiency is dependent upon ambient air temperature. A process system as defined in Section 3.30 of Rule 4401 is not subject to compliance source testing requirements. [District Rule 4401, 6.2.1] Federally Enforceable Through Title V Permit
46. If approved by EPA, ARB, and the APCO, an operator need not comply with the annual testing requirement of Section 6.2.1 if all uncondensed VOC emissions collected by a vapor collection are controlled by an internal combustion engine subject to Rule 4702, a combustion device subject to Rule 4320, 4307 or 4308, a flare subject to Rule 4311. [District Rule 4401, 6.2.2] Federally Enforceable Through Title V Permit
47. An operator shall comply with the following requirements for each gauge tank, as defined in Section 3.0 of Rule 4401: Conduct periodic TVP testing of each gauge tank at least once every 24 months during summer (July - September), and whenever there is a change in the source or type of produced fluid in the gauge tank. The TVP testing shall be conducted at the actual storage temperature of the produced fluid in the gauge tank using the applicable TVP test method specified in Section 6.4 of Rule 4623 (Storage of Organic Liquids). The operator shall submit the TVP testing results to the APCO as specified in Section 6.1.9 of Rule 4401. [District Rule 4401, 6.2.3] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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48. The control efficiency of any VOC control device, measured and calculated as carbon, shall be determined by EPA Method 25, except when the outlet concentration must be below 50 ppm in order to meet the standard, in which case EPA Method 25a may be used. EPA Method 18 may be used in lieu of EPA Method 25 or EPA Method 25a provided the identity and approximate concentrations of the analytes/compounds in the sample gas stream are known before analysis with the gas chromatograph and the gas chromatograph is calibrated for each of those known analyte/compound to ensure that the VOC concentrations are neither under- or over-reported. [District Rule 4401, 6.3.1] Federally Enforceable Through Title V Permit
49. VOC content shall be analyzed by using the latest revision of ASTM Method E168, E169, or E260 as applicable. Analysis of halogenated exempt compounds shall be performed by using ARB Method 432. [District Rule 4401, 6.3.2] Federally Enforceable Through Title V Permit
50. Leak inspection, other than audio-visual, and measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface. [District Rule 4401, 6.3.3] Federally Enforceable Through Title V Permit
51. The VOC content by weight percent (wt.%) shall be determined using American Society of Testing and Materials (ASTM) D1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 or the latest revision of ASTM Method E168, E169 or E260 for liquids. [District Rule 4401, 6.3.4] Federally Enforceable Through Title V Permit
52. Operator shall maintain an inspection log in which an operator records, at a minimum, all of the following information for each inspection performed: The total number of components inspected, total number and percentage of leaking components found by component type, location, type, and name or description of each leaking component and description of any unit where the leaking component is found, date of leak detection and the method of leak detection. For gaseous leaks, the leak concentration in ppmv, and for liquid leaks record whether the leak is a major liquid leak or a minor liquid leak. the date of repair, replacement, or removal from operation of leaking components, identify and location of essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, methods used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, the date of re-inspection and the leak concentration in ppmv after the component is repaired or is replaced, the inspector's name, business mailing address, and business telephone number, date and signature of the facility operator responsible for the inspection and repair program certifying the accuracy of the information recorded in the log. [District Rule 4401, 6.4] Federally Enforceable Through Title V Permit
53. All records shall be maintained and made readily available for District inspection upon request for a period of five years. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

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San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1547-729-19

EXPIRATION DATE: 05/31/2016

SECTION: NE03 **TOWNSHIP:** 29S **RANGE:** 21E

EQUIPMENT DESCRIPTION:

DORMANT 62.5 MMBTU/HR STRUTHERS GAS FIRED STEAM GENERATOR, WITH A COEN MODEL ULN LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2K, DIS #5406-74) (BELRIDGE)

PERMIT UNIT REQUIREMENTS

1. 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
2. The fuel supply line shall be physically disconnected from this unit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
3. This equipment shall not be operated for any reason until fees have been paid pursuant to sections 5.1.2, 5.2.5, and 5.3, and/or an Authority to Construct permit is issued approving all necessary retrofits required to comply with the applicable requirements of District Rule 4320 and all other applicable District regulations. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
4. Operator shall notify the District at least seven (7) calendar days prior to recommencing operation of this dormant emissions unit, at which time this permit will be administratively modified to remove DEU references. [District Rules 4305, 4306, and 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 Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
6. A source test to demonstrate compliance with the indicated emission limits shall be performed within 60 days of recommencing operation of this unit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
7. 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
8. Copies of all fuel invoices showing quantity and delivery points of gas delivered and copies of quality terms of gas delivery contracts shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
9. 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
10. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 2520, 9.4.2 and 4320] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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11. When complying with SOx emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6; or EPA Method 6B; or EPA Method 8; or ARB Methods 8 or 100; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by double GC for H2S and mercaptans performed in the laboratory and EPA Method 19 to calculate emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rules 2520, 9.4.2 and 4320] Federally Enforceable Through Title V Permit
12. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, the following test methods (or other approved methods listed in this permit) shall be used; H2S: ASTM D6228 or grab sample analysis by double GC for H2S and mercaptans performed in the laboratory; total sulfur: ASTM 1072, D3246, D4084 or D6228; and methane content: ASTM D1945. [District Rules 2520, 9.3.2 and 4320] 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 D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.4.2; 4305, 6.2.1; 4306, 6.2.1; 4320, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
14. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), 110 (Madera) 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements of SJVUAPCD Rules 4201 (Amended December 17, 1992), 4301 (Amended December 17, 1992), 4406 (Amended December 17, 1992, and Rule 4801 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of 40 CFR 60, Subpart Dc (except 60.44c(g) and (h) and 60.48c). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) 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
18. Steam generator shall be operated at no greater than 1,466.7 MMBtu hhw/day heat input. [District Rule 2201] Federally Enforceable Through Title V Permit
19. The total fuel burned in this unit shall be less than 50% by volume PUC quality natural gas determined on a calendar month basis. PUC quality natural gas is any gaseous fuel where the sulfur content is no more than one-fourth (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet, no more than five (5) grains of total sulfur per one hundred (100) standard cubic feet, and at least 80% methane by volume. [District Rule 4320] Federally Enforceable Through Title V Permit
20. Permittee shall maintain records of daily quantity, higher heating value and sulfur content of natural gas burned in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Emission rates shall not exceed either of the following: PM10: 0.005 lb/MMBtu or SOx (as SO2): 0.002 lb/MMBtu. [District Rules 2201, 2520, 4201, 4301, 4320, 4406, 4801, and Kern County Rule 424] Federally Enforceable Through Title V Permit
22. Emission rates, except during startup, shutdown, and refractory curing shall not exceed any of the following: VOC: 0.003 lb/MMBtu, NOx (as NO2): 0.018 lb/MMBtu or 15 ppmv @ 3% O2, or CO: 0.030 lb/MMBtu or 40 ppmv @ 3% O2. [District Rules 2201, 2520, 4301, 4305, 4306, 4405, and Kern County Rule 425] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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23. Emission rates during startup, shutdown and refractory curing shall not exceed: particulate matter - 10 pounds per hour, or 0.1 grains/dscf calculated to 12% CO₂; sulfur - 200 pounds of SO₂ per hour, or 2000 ppmv as SO₂, or 0.11 pounds sulfur (as S) per MMBtu on average-wide basis for all units in Rule 4406 plan; NO₂ - 140 pounds per hour or 0.14 pounds per MMBtu. [District Rules 4101, 4102, 4301, 4405, 4406, 4801 and Kern County Rules 424 and 425] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM₁₀: 7.3 lb/day, SO_x (as SO₂): 2.9 lb/day, VOC: 4.4 lb/day, NO_x (as NO₂): 52.8 lb/day or 9636 lb/year, or CO: 44.0 lb/day [District Rule 2201] Federally Enforceable Through Title V Permit
25. Duration of startup and shutdown (as defined in Rule 4320) shall not exceed 2 hours each per occurrence. Refractory curing period is defined as a maintenance-based reduced-load period of time during which a unit is brought from a shutdown status to staged rates of firing for the sole purpose of curing new refractory lining of the unit, and shall not exceed 30 hours per occurrence. The operator shall maintain records of the duration of start-up, shutdown, and refractory curing periods. [District Rules 4305, 4306, and 4320] 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, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] 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 (amended December 17, 1992), the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] Federally Enforceable Through Title V Permit
28. 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
29. 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, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] Federally Enforceable Through Title V Permit
30. 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. Unless otherwise 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. For the purposes of permittee-performed alternate monitoring, emissions measurements may be performed at any time after the unit reaches conditions representative of normal operation. [District Rules 4305, 5.5.2, 4306, 5.5.2, and 4320, 5.8.2] Federally Enforceable Through Title V Permit

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

31. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rule 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 (no more than 30 days before or after the required annual source test date). After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months (no more than 30 days before or after the required 36-month source test date). 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. 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. 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
35. 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 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SOx (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B or 8 or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D4468, D3246, D3246, D4084 or double GC for H2S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rule 1081, 4305, 6.2, 4306, and 4320] Federally Enforceable Through Title V Permit
36. 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
37. 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
38. Formerly S-1511-58
39. 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] Federally Enforceable Through Title V Permit
40. 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] Federally Enforceable Through Title V Permit

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

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1547-734-20

EXPIRATION DATE: 05/31/2016

SECTION: NE03 TOWNSHIP: 29S RANGE: 21E

EQUIPMENT DESCRIPTION:

62.5 MMBTU/HR C.E. NATCO GAS-FIRED STEAM GENERATOR, WITH A COEN QLN-ULN LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2L) (BELRIDGE)

PERMIT UNIT REQUIREMENTS

1. The permittee shall notify the District at least seven calendar days prior to the designation of this permit unit as a dormant emissions unit or an active emissions unit. [District Rule 1070]
2. When designated as a dormant emissions unit the fuel supply line shall be physically disconnected from the emissions unit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
3. 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 Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
4. A source test to demonstrate compliance with the NO_x and CO emission limits shall be performed within 60 days of recommencing operation of the dormant emissions unit. [District Rules 4305, 4306, and 4320] 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 showing quantity and delivery points of gas delivered and copies of quality terms of gas delivery contracts shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
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. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 2520, 9.4.2 and 4320] Federally Enforceable Through Title V Permit
9. When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6; or EPA Method 6B; or EPA Method 8; or ARB Methods 8 or 100; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by double GC for H₂S and mercaptans performed in the laboratory and EPA Method 19 to calculate emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rules 2520, 9.4.2 and 4320] Federally Enforceable Through Title V Permit

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

10. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, the following test methods (or other approved methods listed in this permit) shall be used; H2S: ASTM D6228 or grab sample analysis by double GC for H2S and mercaptans performed in the laboratory; total sulfur: ASTM 1072, D3246, D4084 or D6228; and methane content: ASTM D1945. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
11. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.4.2; 4305, 6.2.1; 4306, 6.2.1; 4320, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
12. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), 110 (Madera) 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements of SJVUAPCD Rules 4201 (Amended December 17, 1992), 4301 (Amended December 17, 1992), 4406 (Amended December 17, 1992, and Rule 4801 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of 40 CFR 60, Subpart Dc (except 60.44c(g) and (h) and 60.48c). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. Steam generator shall be operated at no greater than 1,466.7 MMBtu hhv/day heat input. [District Rule 2201] Federally Enforceable Through Title V Permit
17. The total fuel burned in this unit shall be less than 50% by volume PUC quality natural gas determined on a calendar month basis. PUC quality natural gas is any gaseous fuel where the sulfur content is no more than one-fourth (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet, no more than five (5) grains of total sulfur per one hundred (100) standard cubic feet, and at least 80% methane by volume. [District Rule 4320] Federally Enforceable Through Title V Permit
18. Permittee shall maintain records of higher heating value and daily quantity of natural gas and vapor recovery gas burned in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Emission rates shall not exceed either of the following: PM10: 0.005 lb/MMBtu or SOx (as SO2): 0.002 lb/MMBtu. [District Rules 2201, 2520, 4201, 4301, 4320, 4406, 4801, and Kern County Rule 424] Federally Enforceable Through Title V Permit
20. Emission rates, except during startup, shutdown, and refractory curing shall not exceed any of the following: VOC: 0.003 lb/MMBtu, NOx (as NO2): 0.018 lb/MMBtu or 15 ppmv @ 3% O2, or CO: 0.030 lb/MMBtu or 40 ppmv @ 3% O2. [District Rules 2201, 2520, 4301, 4305, 4306, 4405, and Kern County Rule 425] Federally Enforceable Through Title V Permit
21. Emission rates during startup, shutdown and refractory curing shall not exceed: particulate matter - 10 pounds per hour, or 0.1 grains/dscf calculated to 12% CO2; sulfur - 200 pounds of SO2 per hour, or 2000 ppmv as SO2, or 0.11 pounds sulfur (as S) per MMBtu on average-wide basis for all units in Rule 4406 plan; NO2 - 140 pounds per hour or 0.14 pounds per MMBtu. [District Rules 4101, 4102, 4301, 4405, 4406, 4801 and Kern County Rules 424 and 425] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

22. Emission rates shall not exceed any of the following: PM10: 7.3 lb/day, SOx (as SO2): 2.9 lb/day, VOC: 4.4 lb/day, NOx (as NO2): 52.8 lb/day or 9636 lb/year, or CO: 44.0 lb/day [District Rule 2201] Federally Enforceable Through Title V Permit
23. Duration of startup and shutdown (as defined in Rule 4320) shall not exceed 2 hours each per occurrence. Refractory curing period is defined as a maintenance-based reduced-load period of time during which a unit is brought from a shutdown status to staged rates of firing for the sole purpose of curing new refractory lining of the unit, and shall not exceed 30 hours per occurrence. The operator shall maintain records of the duration of start-up, shutdown, and refractory curing periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
24. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable 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, 5.4.2, 4306, 5.4, and 4320] Federally Enforceable Through Title V Permit
25. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100 (amended December 17, 1992), the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] Federally Enforceable Through Title V Permit
26. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. 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, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] Federally Enforceable Through Title V Permit
28. 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. Unless otherwise 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. For the purposes of permittee-performed alternate monitoring, emissions measurements may be performed at any time after the unit reaches conditions representative of normal operation. [District Rules 4305, 5.5.2, 4306, 5.5.2, and 4320, 5.8.2] Federally Enforceable Through Title V Permit
29. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rule 4320] Federally Enforceable Through Title V Permit

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

30. 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 (no more than 30 days before or after the required annual source test date). After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months (no more than 30 days before or after the required 36-month source test date). 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
31. 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
32. 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. 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
33. 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 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B or 8 or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D4468, D3246, D3246, D4084 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rule 1081, 4305, 6.2, 4306, and 4320] Federally Enforceable Through Title V Permit
34. 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
35. All records shall be maintained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. Formerly S-1511-66

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

Best Available Control Technology (BACT) Guideline 1.2.1
Last Update: 3/24/2014

Oilfield Steam Generator (> or =20 MMBtu/hr)

| Pollutant | Achieved in Practice or in the SIP | Technologically Feasible | Alternate Basic Equipment |
|------------------|---|---------------------------------|----------------------------------|
| CO | 25 ppmvd @ 3% O2 | | |
| NOx | <ul style="list-style-type: none"> • Units rated 85 MMBtu/hr and fired solely on PUC quality natural gas: 6 ppmvd @ 3% O2; or • Units firing on > or = 50% PUC quality natural gas; commercial propane; and/or LPG: 7 ppmvd @ 3% O2, | 5 ppmvd @ 3% O2 | |
| PM10 | <ul style="list-style-type: none"> • Units firing on <50% PUC quality natural gas; commercial propane; and/or LPG: 9 ppmvd @ 3% O2 <p>Fired on PUC quality natural gas, commercial propane, and/or commercial LPG; or gaseous fuel treated to remove 95% by weight of sulfur compounds; or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf; or use of a continuously operating SO2 scrubber and either achieve 95% by weight control of sulfur</p> | | |

| Pollutant | Achieved in Practice or in the SIP | Technologically Feasible | Alternate Basic Equipment |
|-----------|--|-----------------------------|------------------------------|
| SOx | <p>compounds or achieve an emission rate of 9 ppmvd SO₂ @ 3% O₂</p> <p>Fired on PUC quality natural gas, commercial propane, and/or commercial LPG; or gaseous fuel treated to remove 95% by weight of sulfur compounds; or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf; or use of a continuously operating SO₂ scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO₂ @ 3% O₂</p> | | |
| VOC | Gaseous fuel | | |

BACT is the most stringent control technique for the emissions unit and class of source. Control techniques that are not achieved in practice or contained in a state implementation plan must be cost effective as well as feasible. Economic analysis to demonstrate cost effectiveness is required for all determinations that are not achieved in practice or contained in an EPA approved State Implementation Plan.

This is a Summary Page for this Class of Source. For background information, see Permit Specific BACT Determinations on Details Page.

Top-down BACT Analysis for SOx Emissions (Screen)

Step 1 - Identify All Possible Control Technologies

- Fired on PUC quality natural gas, commercial propane, and/or commercial LPG (Achieved in Practice);
- or gaseous fuel treated to remove 95% by weight of sulfur compounds(Achieved in Practice);
- or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf (Achieved in Practice);
- or use of a continuously operating SO₂ scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO₂ @ 3% O₂Option (Achieved in Practice)

Step 2 - Eliminate Technologically Infeasible Options

There is no technologically infeasible option listed.

Step 3 - Rank Remaining Control Technologies by Control Effectiveness

- Fired on PUC quality natural gas, commercial propane, and/or commercial LPG (Achieved in Practice);
- or gaseous fuel treated to remove 95% by weight of sulfur compounds(Achieved in Practice);
- or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf (Achieved in Practice);
- or use of a continuously operating SO₂ scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO₂ @ 3% O₂Option (Achieved in Practice)

Step 4 - Cost Effectiveness Analysis

The fuel will be treated to remove 95% by weight of sulfur compounds; therefore, a cost effectiveness analysis is not required.

Step 5 - Select BACT

Fuel treated to remove 95% by weight of sulfur compounds

Appendix C
HRA

San Joaquin Valley Air Pollution Control District Risk Management Review

To: David Torrii – Permit Services
 From: Marissa Williams – Technical Services
 Date: August 24, 2016
 Facility Name: Aera Energy, LLC
 Location: Belridge Oilfield, 29S.21E.03
 Application #(s): S-1547-359-31, 729-20, 734-21
 Project #: S-1160356

A. RMR SUMMARY

| RMR Summary | | | | | |
|--------------------------------|-----------------------|-------------------------------------|-------------------------------------|-------------------|--------------------|
| Categories | TEOR (Unit 359-31) | Steam Generator (Unit 729-20) | Steam Generator (Unit 734-21) | Project Totals | Facility Totals |
| Prioritization Score | N/A ¹ | N/A ² | N/A ² | N/A | >1.0 |
| Acute Hazard Index | N/A ¹ | N/A ² | N/A ² | N/A | 0.37 |
| Chronic Hazard Index | N/A ¹ | N/A ² | N/A ² | N/A | 0.14 |
| Maximum Individual Cancer Risk | N/A ¹ | N/A ² | N/A ² | N/A | 1.34E-05 |
| T-BACT Required? | No | No | No | | |
| Special Permit Requirements? | No | Yes | Yes | | |

¹ Since there is no change in emissions or SLC of Unit 359, no further health risk assessment is required for this unit.

² There is no increase in fuel consumption by the steam generators; therefore, no further health risk assessment is required for the modification to Units 729-20 and 734-21.

Proposed Permit Requirements

To ensure that human health risks will not exceed District allowable levels; the following shall be included as requirements for:

Units 729-20 and 734-21

1. 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.

B. RMR REPORT

I. Project Description

Technical Services received a request on August 16, 2016, to perform an Ambient Air Quality Analysis and a Risk Management Review for the modification of an existing TEOR S-1547-359 to include incineration of vapors in steam generators 729-20 and 734-21 and to include 729-20 and 734-21 in 359's sulfur/SO_x SLC. When fired on gas from S-1547-359, each of S-1547-729 and '734 will have the potential to emit up to the sulfur compound total mass flowrate of S-1547-359's SLC limit. Even though this project results in a SO_x emission increase for steam generator S-1547-729 and '734, the facility IPE is zero because the SO_x emissions are already authorized by S-1547-359 to be emitted by other steam generators which can incinerate S-1547-359' vapors. Additionally, there is no increase in fuel consumption by the steam generators; therefore, no further health risk assessment is required for the modification to units 729-20 and 734-21. Since there is no change to the SLC of unit 359, no further health risk assessment is required for this unit, either.

II. Analysis

For the AAQA, AERMOD was used with the parameters outlined below and meteorological data for 2004-2008 from Missouri Triangle to determine the dispersion factors (i.e., the predicted concentration or X divided by the normalized source strength or Q) for a fence line receptor grid.

The following parameters were used for the review:

| Analysis Parameters Unit 729-20 (62.5 MMBtu Steam Generator) | | | |
|---|--------|-----------------------------|----------|
| Source Type | Point | Location Type | Rural |
| Stack Height (m) | 9.92 | Closest Receptor (m) | 1,385 |
| Stack Diameter. (m) | 1.06 | Type of Receptor | Business |
| Stack Exit Velocity (m/s) | 3.69 | Max Hours per Year | 8,760 |
| Stack Exit Temp. (°K) | 588.56 | | |

| Analysis Parameters Unit 734-21 (62.5 MMBtu Steam Generator) | | | |
|---|--------|-----------------------------|----------|
| Source Type | Point | Location Type | Rural |
| Stack Height (m) | 9.85 | Closest Receptor (m) | 1,385 |
| Stack Diameter. (m) | 1.08 | Type of Receptor | Business |
| Stack Exit Velocity (m/s) | 3.63 | Max Hours per Year | 8,760 |
| Stack Exit Temp. (°K) | 588.56 | | |

Technical Services performed modeling for criteria pollutant SO_x with the emission rates below:

| Unit 729-20 & 734-21 (each) | NO _x (Lbs.) | | SO _x (Lbs.) | | CO (Lbs.) | | PM ₁₀ (Lbs.) | |
|-----------------------------|------------------------|-----|------------------------|---------|-----------|-----|-------------------------|-----|
| | Hr. | Yr. | Hr. | Yr. | Hr. | Yr. | Hr. | Yr. |
| Steam Generators | N/A | N/A | 28.0 | 344,866 | N/A | N/A | N/A | N/A |

The results from the Criteria Pollutant Modeling are as follows:

Criteria Pollutant Modeling Results*

| VOC Destruction Devices | 1 Hour | 3 Hours | 8 Hours | 24 Hours | Annual |
|-------------------------|--------|---------|---------|----------|--------|
| CO | X | X | X | X | X |
| NO _x | X | X | X | X | X |
| SO _x | Pass | Pass | X | Pass | Pass |
| PM ₁₀ | X | X | X | X | X |
| PM _{2.5} | X | X | X | X | X |

*Results were taken from the attached PSD spreadsheet.

III. Conclusion

Prioritization was not required or performed for this project and no further analysis was necessary. **In accordance with the District's Risk Management Policy, the project is approved without Toxic Best Available Control Technology (T-BACT).**

To ensure that human health risks will not exceed District allowable levels; the permit requirements listed on Page 1 of this report must be included for these proposed units.

These conclusions are based on the data provided by the applicant and the project engineer. Therefore, this analysis is valid only as long as the proposed data and parameters do not change.

The emissions from the proposed equipment will not cause or contribute significantly to a violation of the State and National AAQS.

Appendix D
Draft ATCs

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
DRAFT

PERMIT NO: S-1547-359-31

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: 33 TOWNSHIP: 28S RANGE: 21E

EQUIPMENT DESCRIPTION:

MODIFICATION OF VAPOR COLLECTION AND CONTROL SYSTEM SERVING 1657 THERMALLY ENHANCED WELLS IN SECTIONS 1, 2, 3, 4, 10, 11, 12 OF T29S, R21E, SECTIONS 33, 34, 35 OF T28S, R21E: ADD VAPOR PIPING TO STEAM GENERATORS S-1547-729 & '-734 AND INCLUDE '729 AND '734 IN THIS PERMIT'S SULFUR/SOX SPECIFIC LIMITING CONDITION (SLC) PLAN

CONDITIONS

1. {1829} The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. Vapor collection and control system can receive vapors from tank vapor control system S-1547-888, TEOR system S-1547-1079, free water knockout vessel S-1547-1104, and degassing operation S-1547-1141. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Vapor collection system shall include 2 sulfur scrubbing systems using District approved scrubbing agents. Scrubber(s) may be by-passed only when incinerating vapors in scrubbed steam generator S-1547-47 or when routing gas directly to Sec. 32 Belridge gas plant (S-1543-4). [District Rule 2201] Federally Enforceable Through Title V Permit
4. Scrubbed gases shall be incinerated in steam generators S-1547-726, '-729, '-733 through '-738, '-742 through '-749, '-760, '-761, '-762, '-803, '-834, '-835, and '-837 or shall be routed to the Sec. 32 Belridge gas plant (S-1543-4). Alternatively, the wells can be operated with the casing vents closed. [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

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Arnaud Marjollet, Director of Permit Services

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5. Scrubbed or unscrubbed vapor may be routed to the Sec. 32 Belridge gas plant (S-1543-4) via the Del Sur gas gathering system (compressors S-1578-433, '-434, '-435 and emergency flare S-1548-134). [District Rule 2201] Federally Enforceable Through Title V Permit
6. Vapor collection system shall be equipped with heat exchangers, gas/liquid separators with vane-type mist eliminators, gas compressors, compressor discharge knock-outs, and liquid pumps. [District Rule 2201] Federally Enforceable Through Title V Permit
7. All produced fluids from any well served by vapor collection system which has had the casing vent closed shall be handled only in closed production equipment served by a 99% effective vapor control system. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Water/VOCs condensate from all liquid knockout drums shall be pumped to production manifold, recycled to production wells for disposal, or pumped to vapor controlled storage tanks. [District Rule 2201] Federally Enforceable Through Title V Permit
9. The regeneration vessel air vent at each sulfur scrubbing system may be vented to atmosphere provided daily emissions from each vent shall not exceed 2.0 lbs VOC/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Permittee shall determine VOC content of the exhaust at each regeneration vessel air vent semi-annually. If a semi-annual VOC content analysis fails to show compliance, the regeneration vessel air vents shall be tested once per week. If compliance with the VOC content limit has been demonstrated for eight consecutive weeks, then the VOC content testing frequency shall revert to semi-annually. Gas analysis shall be performed using ASTM D-3588. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Total mass flowrate of sulfur compounds in gas leaving sulfur removal systems shall not exceed 336.92 lb/day as sulfur. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Emissions of Volatile Organic Compounds (VOC) shall not exceed 1,888.1 lb/day (including regeneration vessel air vents). [District Rule 2201] Federally Enforceable Through Title V Permit
13. Permittee shall maintain accurate records of sulfur content and daily vapor flow rate of all uncondensed vapors sent to approved incineration devices(S-1547-726, '-729, '-733 through '-738, '-742 through '-749, '-760, '-761, '-762, '-803, '-834, '-835, and '-837) for disposal. Such records shall be maintained readily available for District inspection upon request for a period of five years. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Permittee shall maintain with the permit a listing (updated each calendar year) of all steam-enhanced wells connected to the casing vent control system and such listing shall be made available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
15. The requirements of SJVUAPCD Rule 4407 (Adopted May 19, 1994) do not apply to this permit unit. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. During the time any steam-enhanced crude oil production well is undergoing service or repair while the well is not producing, it shall be exempt from the emission control requirements of District Rule 4401. [District Rule 4401, 4.1] Federally Enforceable Through Title V Permit
17. The inspection requirements of Section 5.4.1 through Section 5.4.7 of Rule 4401 shall not apply to components exclusively handling gas/vapor or liquid with a VOC content of ten percent by weight (10%) or less, as determined by the test methods in Section 6.3.4 of Rule 4401. [District Rule 4401, 4.7] Federally Enforceable Through Title V Permit
18. Gas and liquid leaks are as defined in Section 3.20 of Rule 4401. [District Rule 4401, 3.20] Federally Enforceable Through Title V Permit
19. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of any combination of components with minor liquid leaks, minor gas leaks, or a gas leaks greater than 10,000 ppmv up to 50,000 ppmv that totals more than number of leaks allowed by Table 2 of Rule 4401. [District Rule 4401, 5.2.2] Federally Enforceable Through Title V Permit

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20. An operator shall not use any component with a leak as defined in Section 3.0 of Rule 4401, or that is found to be in violation of the provisions of Section 5.2.2 of Rule 4401. However, components that were found leaking may be used provided such leaking components have been identified with a tag for repair, are repaired, or awaiting re-inspection after being repaired within the applicable time frame specified in Section 5.5 of Rule 4401. [District Rule 4401, 5.3.1] Federally Enforceable Through Title V Permit
21. Each hatch shall be closed at all times except during sampling or adding of process material through the hatch, or during attended repair, replacement, or maintenance operations, provided such activities are done as expeditiously as possible with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4401, 5.3.2] Federally Enforceable Through Title V Permit
22. An operator shall comply with the requirements of Section 6.7 of Rule 4401 if there is any change in the description of major components or critical components. [District Rule 4401, 5.3.3] Federally Enforceable Through Title V Permit
23. Except for pipes and unsafe-to-monitor components, an operator shall inspect all other components pursuant to the requirements of Section 6.3.3 of Rule 4401 at least once every year. [District Rule 4401, 5.4.1] Federally Enforceable Through Title V Permit
24. An operator shall visually inspect all pipes at least once every year. Any visual inspection of pipes that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected within 24 hours after detecting the leak. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4.2] Federally Enforceable Through Title V Permit
25. In addition to the inspections required by Section 5.4.1 of Rule 4401, an operator shall inspect for leaks all accessible operating pumps, compressors, and PRDs in service as follows: An operator shall audio-visually (by hearing and by sight) inspect for leaks all accessible operating pumps, compressors, and PRDs in service at least once each calendar week. Any audio-visual inspection of an accessible operating pump, compressor, and PRD performed by an operator that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected not later than 24 hours after conducting the audio-visual inspection. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4.3] Federally Enforceable Through Title V Permit
26. In addition to the inspections required by Sections 5.4.1, 5.4.2 and 5.4.3 of Rule 4401, operator shall perform the following: initially inspect a PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the discovery of the release, re-inspect the PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the initial inspection, inspect all new, replaced, or repaired fittings, flanges, and threaded connections within 72 hours of placing the component in service. Except for PRDs subject to the requirements of Section 5.4.4.1 of Rule 4401, an operator shall inspect a component that has been repaired or replaced not later than 15 calendar days after the component was repaired or replaced. [District Rule 4401, 5.4.4] Federally Enforceable Through Title V Permit
27. An operator shall inspect all unsafe-to-monitor components during each turnaround. [District Rule 4401, 5.4.7] Federally Enforceable Through Title V Permit
28. District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. [District Rule 4401, 5.4.8] Federally Enforceable Through Title V Permit
29. An operator shall affix a readily visible weatherproof tag to a leaking component upon detection of the leak and shall include the following information on the tag: date and time of leak detection, date and time of leak measurement, for a gaseous leak, the leak concentration in ppmv, for a liquid leak, whether it is a major liquid leak or a minor liquid leak, whether the component is an essential component, an unsafe-to monitor component, or a critical component. [District Rule 4401, 5.5.1] Federally Enforceable Through Title V Permit
30. An operator shall keep the tag affixed to the component until an operator has met all of the following conditions: repaired or replaced the leaking component, re-inspected the component using the test method in Section 6.3.3, and the component is found to be in compliance with the requirements of this rule. [District Rule 4401 5.5.2] Federally Enforceable Through Title V Permit

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31. An operator shall minimize a component leak in order to stop or reduce leakage to the atmosphere immediately to the extent possible, but not later than one (1) hour after detection of the leak. [District Rule 4401, 5.5.3] Federally Enforceable Through Title V Permit
32. Except for leaking critical components or leaking essential components subject to the requirements of Section 5.5.7 of Rule 4401, if an operator has minimized a leak but the leak still exceeds the applicable leak limits as defined in Section 3.0 of Rule 4401, an operator shall comply with at least one of the following requirements as soon as practicable but not later than the time period specified in Table 3 of Rule 4401: Repair or replace the leaking component; or vent the leaking component to a VOC collection and control system as defined in Section 3.0 of Rule 4401, or remove the leaking component from operation. [District Rule 4401, 5.5.4] Federally Enforceable Through Title V Permit
33. The repair period in calendar days shall not exceed 14 days for minor gas leaks, 5 days for major gas leaks less than or equal to 50,000 ppmv, 2 days for gas leak greater than 50,000 ppmv, 3 days for minor liquid leaks, 2 days for major liquid leaks. [District Rule 4401, 5.5.4] Federally Enforceable Through Title V Permit
34. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5.5] Federally Enforceable Through Title V Permit
35. The time of the initial leak detection shall be the start of the repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5.6] Federally Enforceable Through Title V Permit
36. If the leaking component is an essential component or a critical component that cannot be immediately shut down for repairs, and if the leak has been minimized but the leak still exceeds the applicable leak standard of this rule, the operator shall repair or replace the essential component or critical component 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, whichever comes earlier. [District Rule 4401, 5.5.7] Federally Enforceable Through Title V Permit
37. The operator of any steam-enhanced crude oil production well shall maintain records of the date and well identification where steam injection or well stimulation occurs. [District Rule 4401, 6.1.1] Federally Enforceable Through Title V Permit
38. An operator of any steam-enhanced crude oil production well shall keep source test records which demonstrate compliance with the control efficiency requirements of the VOC collection and control system as defined in Section 3.0 of Rule 4401. [District Rule 4401, 6.1.3] Federally Enforceable Through Title V Permit
39. Operator of any steam-enhanced crude oil production well shall keep an inspection log maintained pursuant to Section 6.4 of Rule 4401. [District Rule 4401, 6.1.4] Federally Enforceable Through Title V Permit
40. Records of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components, including a copy of current calibration gas certification from the vendor of said calibration gas cylinder, the date of calibration, concentration of calibration gas, instrument reading of calibration gas before adjustment, instrument reading of calibration gas after adjustment, calibration gas expiration date, and calibration gas cylinder pressure at the time of calibration shall be maintained. [District Rule 4401, 6.1.5] Federally Enforceable Through Title V Permit
41. An operator shall maintain copies at the facility of the training records of the training program operated pursuant to Section 6.5 of Rule 4401. [District Rule 4401, 6.1.6] Federally Enforceable Through Title V Permit
42. Operator shall keep a copy of the APCO-approved Operator Management Plan at the facility. [District Rule 4401, 6.1.7] Federally Enforceable Through Title V Permit
43. Operator shall keep a list of all gauge tanks, as defined in Section 3.0 of Rule 4401. The list shall contain the size, identification number, the location of each gauge tank and specify whether the gauge tank is upstream of all front line production equipment. [District Rule 4401, 6.1.8] Federally Enforceable Through Title V Permit
44. The results of gauge tank TVP testing conducted pursuant to Section 6.2.3 shall be submitted to the APCO within 60 days after the completion of the testing. [District Rule 4401, 6.1.9] Federally Enforceable Through Title V Permit
45. An operator that discovers that a PRD has released shall record the date that the release was discovered, and the identity and location of the PRD that released. An operator shall submit such information recorded during the calendar year to the APCO no later than 60 days after the end of the calendar year. [District Rule 4401, 6.1.10] Federally Enforceable Through Title V Permit

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46. An operator shall source test annually all vapor collection and control systems used to control emissions from steam-enhanced crude oil production well vents to determine the control efficiency of the device(s) used for destruction or removal of VOC. Compliance testing shall be performed annually by source testers certified by ARB. Testing shall be performed during June, July, August, or September of each year if the system's control efficiency is dependent upon ambient air temperature. A process system as defined in Section 3.30 of Rule 4401 is not subject to compliance source testing requirements. [District Rule 4401, 6.2.1] Federally Enforceable Through Title V Permit
47. If approved by EPA, ARB, and the APCO, an operator need not comply with the annual testing requirement of Section 6.2.1 if all uncondensed VOC emissions collected by a vapor collection are controlled by an internal combustion engine subject to Rule 4702, a combustion device subject to Rule 4320, 4307 or 4308, a flare subject to Rule 4311. [District Rule 4401, 6.2.2] Federally Enforceable Through Title V Permit
48. An operator shall comply with the following requirements for each gauge tank, as defined in Section 3.0 of Rule 4401: Conduct periodic TVP testing of each gauge tank at least once every 24 months during summer (July - September), and whenever there is a change in the source or type of produced fluid in the gauge tank. The TVP testing shall be conducted at the actual storage temperature of the produced fluid in the gauge tank using the applicable TVP test method specified in Section 6.4 of Rule 4623 (Storage of Organic Liquids). The operator shall submit the TVP testing results to the APCO as specified in Section 6.1.9 of Rule 4401. [District Rule 4401, 6.2.3] Federally Enforceable Through Title V Permit
49. The control efficiency of any VOC control device, measured and calculated as carbon, shall be determined by EPA Method 25, except when the outlet concentration must be below 50 ppm in order to meet the standard, in which case EPA Method 25a may be used. EPA Method 18 may be used in lieu of EPA Method 25 or EPA Method 25a provided the identity and approximate concentrations of the analytes/compounds in the sample gas stream are known before analysis with the gas chromatograph and the gas chromatograph is calibrated for each of those known analyte/compound to ensure that the VOC concentrations are neither under- or over-reported. [District Rule 4401, 6.3.1] Federally Enforceable Through Title V Permit
50. VOC content shall be analyzed by using the latest revision of ASTM Method E168, E169, or E260 as applicable. Analysis of halogenated exempt compounds shall be performed by using ARB Method 432. [District Rule 4401, 6.3.2] Federally Enforceable Through Title V Permit
51. Leak inspection, other than audio-visual, and measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface. [District Rule 4401, 6.3.3] Federally Enforceable Through Title V Permit
52. The VOC content by weight percent (wt.%) shall be determined using American Society of Testing and Materials (ASTM) D1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 or the latest revision of ASTM Method E168, E169 or E260 for liquids. [District Rule 4401, 6.3.4] Federally Enforceable Through Title V Permit

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53. Operator shall maintain an inspection log in which an operator records, at a minimum, all of the following information for each inspection performed: The total number of components inspected, total number and percentage of leaking components found by component type, location, type, and name or description of each leaking component and description of any unit where the leaking component is found, date of leak detection and the method of leak detection. For gaseous leaks, the leak concentration in ppmv, and for liquid leaks record whether the leak is a major liquid leak or a minor liquid leak. the date of repair, replacement, or removal from operation of leaking components, identify and location of essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, methods used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, the date of re-inspection and the leak concentration in ppmv after the component is repaired or is replaced, the inspector's name, business mailing address, and business telephone number, date and signature of the facility operator responsible for the inspection and repair program certifying the accuracy of the information recorded in the log. [District Rule 4401, 6.4] Federally Enforceable Through Title V Permit
54. All records shall be maintained and made readily available for District inspection upon request for a period of five years. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

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San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
DRAFT

PERMIT NO: S-1547-729-20

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: NE03 TOWNSHIP: 29S RANGE: 21E

EQUIPMENT DESCRIPTION:

MODIFICATION OF DORMANT 62.5 MMBTU/HR STRUTHERS GAS FIRED STEAM GENERATOR, WITH A COEN MODEL ULN LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2K, DIS #5406-74) (BELRIDGE): CHANGE STATUS TO COMPLIANT DORMANT, REPLACE BURNER (IF NEEDED) WITH A COEN ULN (OR EQUIVALENT) TO MEET 15 PPM-NOX, ADD FEE PAY OPTION FOR RULE 4320 COMPLIANCE, ADD VAPOR PIPING TO TEOR S-1547-359 AND INCLUDE IN '359'S SULFUR/SOX SLC PLAN

CONDITIONS

1. {1829} The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 2,409 lb, 2nd quarter - 2,409 lb, 3rd quarter - 2,409 lb, and fourth quarter - 2,409 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 2/18/16) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
3. ERC Certificate Number S-4284-2 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit

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

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Arnaud Marjolle, Director of Permit Services

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4. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
7. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
8. This unit may be designated as a dormant emissions unit or an active emissions unit. The permittee shall notify the District's Compliance Division by US mail, email or Fax upon redesignating the unit. [District Rule 1070]
9. When designated as a dormant emissions unit the fuel supply line shall be physically disconnected from the emissions unit. [District Rules 4305 and 4306]
10. 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 Rules 4305 and 4306]
11. A source test to demonstrate compliance with the NOx and CO emission limits shall be performed within 60 days of recommencing operation of the dormant emissions unit. [District Rules 4305 and 4306]
12. 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
13. Copies of all fuel invoices showing quantity and delivery points of gas delivered and copies of quality terms of gas delivery contracts shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
14. Vapor received from TEOR S-1547-359 shall be scrubbed of 95% its sulfur or shall limit exhaust SO2 to less than or equal to 9 ppmv corrected to 3.0% oxygen. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
15. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of fuel combusted in the unit shall be installed, utilized and maintained. [District Rule 2201 and 40 CFR 60.48c (g)] Federally Enforceable Through Title V Permit
16. 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]
17. {520} 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
18. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 2520, 9.4.2 and 4320] Federally Enforceable Through Title V Permit

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19. When complying with SOx emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6; or EPA Method 6B; or EPA Method 8; or ARB Methods 8 or 100; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by double GC for H₂S and mercaptans performed in the laboratory and EPA Method 19 to calculate emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rules 2520, 9.4.2 and 4320] Federally Enforceable Through Title V Permit
20. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, the following test methods (or other approved methods listed in this permit) shall be used; H₂S: ASTM D6228 or grab sample analysis by double GC for H₂S and mercaptans performed in the laboratory; total sulfur: ASTM 1072, D3246, D4084 or D6228; and methane content: ASTM D1945. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
21. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.4.2; 4305, 6.2.1; 4306, 6.2.1; 4320, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
22. {563} Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), 110 (Madera) 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
23. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements of SJVUAPCD Rules 4201 (Amended December 17, 1992), 4301 (Amended December 17, 1992), 4406 (Amended December 17, 1992, and Rule 4801 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
24. {565} Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of 40 CFR 60, Subpart Dc (except 60.44c(g) and (h) and 60.48c). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
25. {1682} This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) 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
26. Steam generator shall be operated at no greater than 1,466.7 MMBtu hhw/day heat input. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Only natural gas or a combination of natural gas and scrubbed non-condensable gas from sulfur scrubbing system(s) S-1547-359 shall be used as fuel in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
28. The total fuel burned in this unit shall be less than 50% by volume PUC quality natural gas determined on a calendar month basis. PUC quality natural gas is any gaseous fuel where the sulfur content is no more than one-fourth (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet, no more than five (5) grains of total sulfur per one hundred (100) standard cubic feet, and at least 80% methane by volume. [District Rule 4320] Federally Enforceable Through Title V Permit
29. Permittee shall maintain records of daily quantity, higher heating value and sulfur content of natural gas burned in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
30. When fired exclusively on natural gas, emissions from this unit shall not exceed 0.002 lb-SO_x/MMBtu (as SO₂) [District Rules 2201, 2520, 4201, 4301, 4406, 4801] Federally Enforceable Through Title V Permit
31. Emissions from this unit shall not exceed 0.005 lb-PM₁₀/MMBtu. [District Rules 2201, 4201, and 4301] Federally Enforceable Through Title V Permit

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32. Emission rates, except during startup, shutdown, and refractory curing shall not exceed any of the following: VOC: 0.003 lb/MMBtu, NOx (as NO₂): 0.018 lb/MMBtu or 15 ppmv @ 3% O₂, or CO: 0.030 lb/MMBtu or 40 ppmv @ 3% O₂. [District Rules 2201, 2520, 4301, 4305, 4306, 4405, and Kern County Rule 425] Federally Enforceable Through Title V Permit
33. Emission rates during startup, shutdown and refractory curing shall not exceed: particulate matter - 10 pounds per hour, or 0.1 grains/dscf calculated to 12% CO₂; sulfur - 200 pounds of SO₂ per hour, or 2000 ppmv as SO₂, or 0.11 pounds sulfur (as S) per MMBtu on average-wide basis for all units in Rule 4406 plan; NO₂ - 140 pounds per hour or 0.14 pounds per MMBtu. [District Rules 4101, 4102, 4301, 4405, 4406, 4801 and Kern County Rules 424 and 425] Federally Enforceable Through Title V Permit
34. Emission rates shall not exceed any of the following: PM₁₀: 7.3 lb/day, VOC: 4.4 lb/day, NOx (as NO₂): 52.8 lb/day or 9636 lb/year, or CO: 44.0 lb/day [District Rule 2201] Federally Enforceable Through Title V Permit
35. Duration of startup and shutdown (as defined in Rule 4320) shall not exceed 2 hours each per occurrence. Refractory curing period is defined as a maintenance-based reduced-load period of time during which a unit is brought from a shutdown status to staged rates of firing for the sole purpose of curing new refractory lining of the unit, and shall not exceed 30 hours per occurrence. The operator shall maintain records of the duration of start-up, shutdown, and refractory curing periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. 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, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] Federally Enforceable Through Title V Permit
37. 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 (amended December 17, 1992), the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] Federally Enforceable Through Title V Permit
38. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. The permittee shall maintain records of: (1) the date and time of 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, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] 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. Unless otherwise 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. For the purposes of permittee-performed alternate monitoring, emissions measurements may be performed at any time after the unit reaches conditions representative of normal operation. [District Rules 4305, 5.5.2, 4306, 5.5.2, and 4320, 5.8.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

41. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rule 4320] Federally Enforceable Through Title V Permit
42. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months (no more than 30 days before or after the required annual source test date). After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months (no more than 30 days before or after the required 36-month source test date). 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 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. 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
44. 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. 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
45. 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 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SOx (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B or 8 or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D4468, D3246, D3246, D4084 or double GC for H2S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rule 1081, 4305, 6.2, 4306, and 4320] Federally Enforceable Through Title V Permit
46. 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
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 2201, 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
48. NOTE: There are no sulfur compounds daily emission limits (DELs) expressed on this permit for incineration of TEOR gas, sulfur compounds emissions are limited by DELs on permit S-1547-359.
49. Formerly S-1511-58
50. 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] Federally Enforceable Through Title V Permit
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] Federally Enforceable Through Title V Permit

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San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
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PERMIT NO: S-1547-734-21

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: NE03 TOWNSHIP: 29S RANGE: 21E.

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR C.E. NATCO GAS-FIRED STEAM GENERATOR, WITH A COEN QLN-ULN LOW-NOX BURNER, FLUE GAS RECIRCULATION AND OXYGEN ANALYZER/CONTROLLER. (#3-2L) (BELRIDGE): CHANGE STATUS TO COMPLIANT DORMANT, REPLACE BURNER (IF NEEDED) WITH A COEN ULN (OR EQUIVALENT) TO MEET 15 PPM-NOX, ADD FEE PAY OPTION FOR RULE 4320 COMPLIANCE, ADD VAPOR PIPING TO TEOR S-1547-359 AND INCLUDE IN '359'S SULFUR/SOX SLC PLAN

CONDITIONS

1. {1829} The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 2,409 lb, 2nd quarter - 2,409 lb, 3rd quarter - 2,409 lb, and fourth quarter - 2,409 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 2/18/16) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
3. ERC Certificate Number S-4284-2 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit

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

Arnaud Marjolle, Director of Permit Services

S-1547-734-21 : Oct 7 2016 3:33PM - TORID : Joint Inspection NOT Required

4. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
7. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
8. This unit may be designated as a dormant emissions unit or an active emissions unit. The permittee shall notify the District's Compliance Division by US mail, email or Fax upon redesignating the unit. [District Rule 1070]
9. When designated as a dormant emissions unit the fuel supply line shall be physically disconnected from the emissions unit. [District Rules 4305 and 4306]
10. 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 Rules 4305 and 4306]
11. A source test to demonstrate compliance with the NO_x and CO emission limits shall be performed within 60 days of recommencing operation of the dormant emissions unit. [District Rules 4305 and 4306]
12. 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
13. Copies of all fuel invoices showing quantity and delivery points of gas delivered and copies of quality terms of gas delivery contracts shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
14. Vapor received from TEOR S-1547-359 shall be scrubbed of 95% its sulfur, or exhaust SO₂ shall be limit to less than or equal to 9 ppmv corrected to 3.0% oxygen. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
15. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of fuel combusted in the unit shall be installed, utilized and maintained. [District Rule 2201 and 40 CFR 60.48c (g)] Federally Enforceable Through Title V Permit
16. 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]
17. {S20} 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
18. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 2520, 9.4.2 and 4320] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

19. When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6; or EPA Method 6B; or EPA Method 8; or ARB Methods 8 or 100; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by double GC for H₂S and mercaptans performed in the laboratory and EPA Method 19 to calculate emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rules 2520, 9.4.2 and 4320] Federally Enforceable Through Title V Permit
20. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, the following test methods (or other approved methods listed in this permit) shall be used; H₂S: ASTM D6228 or grab sample analysis by double GC for H₂S and mercaptans performed in the laboratory; total sulfur: ASTM 1072, D3246, D4084 or D6228; and methane content: ASTM D1945. [District Rules 2520, 9.3.2 and 4320] Federally Enforceable Through Title V Permit
21. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.4.2; 4305, 6.2.1; 4306, 6.2.1; 4320, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
22. {563} Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), 110 (Madera) 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
23. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements of SJVUAPCD Rules 4201 (Amended December 17, 1992), 4301 (Amended December 17, 1992), 4406 (Amended December 17, 1992, and Rule 4801 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
24. {565} Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of 40 CFR 60, Subpart Dc (except 60.44c(g) and (h) and 60.48c). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
25. {1682} This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) 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
26. Steam generator shall be operated at no greater than 1,466.7 MMBtu h_hv/day heat input. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Only natural gas or a combination of natural gas and scrubbed non-condensable gas from sulfur scrubbing system(s) S-1547-359 shall be used as fuel in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
28. The total fuel burned in this unit shall be less than 50% by volume PUC quality natural gas determined on a calendar month basis. PUC quality natural gas is any gaseous fuel where the sulfur content is no more than one-fourth (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet, no more than five (5) grains of total sulfur per one hundred (100) standard cubic feet, and at least 80% methane by volume. [District Rule 4320] Federally Enforceable Through Title V Permit
29. Permittee shall maintain records of higher heating value and daily quantity of natural gas and vapor recovery gas burned in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
30. When fired exclusively on natural gas, emissions from this unit shall not exceed 0.002 lb-SO_x/MMBtu (as SO₂) [District Rules 2201, 2520, 4201, 4301, 4406, 4801] Federally Enforceable Through Title V Permit
31. Emissions from this unit shall not exceed 0.005 lb-PM₁₀/MMBtu. [District Rules 2201, 4201, and 4301] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

32. Emission rates, except during startup, shutdown, and refractory curing shall not exceed any of the following: VOC: 0.003 lb/MMBtu, NOx (as NO₂): 0.018 lb/MMBtu or 15 ppmv @ 3% O₂, or CO: 0.030 lb/MMBtu or 40 ppmv @ 3% O₂. [District Rules 2201, 2520, 4301, 4305, 4306, 4405, and Kern County Rule 425] Federally Enforceable Through Title V Permit
33. Emission rates during startup, shutdown and refractory curing shall not exceed: particulate matter - 10 pounds per hour, or 0.1 grains/dscf calculated to 12% CO₂; sulfur - 200 pounds of SO₂ per hour, or 2000 ppmv as SO₂, or 0.11 pounds sulfur (as S) per MMBtu on average-wide basis for all units in Rule 4406 plan; NO₂ - 140 pounds per hour or 0.14 pounds per MMBtu. [District Rules 4101, 4102, 4301, 4405, 4406, 4801 and Kern County Rules 424 and 425] Federally Enforceable Through Title V Permit
34. Emission rates shall not exceed any of the following: PM₁₀: 7.3 lb/day, VOC: 4.4 lb/day, NOx (as NO₂): 52.8 lb/day or 9636 lb/year, or CO: 44.0 lb/day [District Rule 2201] Federally Enforceable Through Title V Permit
35. Duration of startup and shutdown (as defined in Rule 4320) shall not exceed 2 hours each per occurrence. Refractory curing period is defined as a maintenance-based reduced-load period of time during which a unit is brought from a shutdown status to staged rates of firing for the sole purpose of curing new refractory lining of the unit, and shall not exceed 30 hours per occurrence. The operator shall maintain records of the duration of start-up, shutdown, and refractory curing periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. 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, 5.4.2, 4306, 5.4, and 4320] Federally Enforceable Through Title V Permit
37. 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 (amended December 17, 1992), the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] Federally Enforceable Through Title V Permit
38. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. The permittee shall maintain records of: (1) the date and time of 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, 5.4.2; 4306, 5.4.2; and 4320, 5.7.1] 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. Unless otherwise 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. For the purposes of permittee-performed alternate monitoring, emissions measurements may be performed at any time after the unit reaches conditions representative of normal operation. [District Rules 4305, 5.5.2, 4306, 5.5.2, and 4320, 5.8.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

41. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rule 4320] Federally Enforceable Through Title V Permit
42. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months (no more than 30 days before or after the required annual source test date). After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months (no more than 30 days before or after the required 36-month source test date). 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 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. 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
44. 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. 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
45. 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 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B or 8 or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D4468, D3246, D3246, D4084 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rule 1081, 4305, 6.2, 4306, and 4320] Federally Enforceable Through Title V Permit
46. 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
47. 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] Federally Enforceable Through Title V Permit
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] Federally Enforceable Through Title V Permit
49. All records shall be maintained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 2201, 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
50. Formerly S-1511-66

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