



JAN 19 2017

Mr. John Archibald
AltaGas San Joaquin Energy Inc.
14950 W Schulte Rd
Tracy, CA 95377

**Re: Notice of Preliminary Decision – Title V Permit Renewal
District Facility # C-4140
Project # C-1152715**

Dear Mr. Archibald:

Enclosed for your review and comment is the District's analysis of the application to renew the Federally Mandated Operating Permit for AltaGas San Joaquin Energy Inc. at 10596 Idaho Avenue, Hanford, California.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. After addressing all comments made during the 30-day public notice and the 45-day EPA comment periods, the District intends to issue the renewed Federally Mandated Operating Permit. Please submit your written comments on this project within the 30-day public comment period, as specified in the enclosed public notice.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Errol Villegas, Permit Services Manager, at (559) 230-5900.

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

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**SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT**

**Title V Permit Renewal Evaluation
AltaGas San Joaquin Energy Inc.
C-4140**

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TITLE V PERMIT RENEWAL EVALUATION

Power Plant

Engineer: Jonah Aiyabei
Date: January 13, 2017

Facility Number: C-4140
Facility Name: AltaGas San Joaquin Energy Inc.
Mailing Address: 14950 W Schulte Rd
Tracy, CA 95377

Primary Contact Name: John Archibald
Phone: (925) 766-5179

Responsible Official: John Archibald
Title: Plant Manager

Project #: C-1152715
Deemed Complete: October 23, 2015

I. PROPOSAL

The Title V permit for this facility was issued on January 31, 2004, and was most recently renewed on May 17, 2011, in both cases under the name "GWF Energy, LLC." On November 30, 2015, the facility underwent a corporate conversion and became "AltaGas San Joaquin Energy Inc." As required by District Rule 2520, AltaGas San Joaquin Energy Inc. is requesting a permit renewal. The existing Title V permit has been reviewed and modified to reflect all applicable District and federal rules updated, removed, or added since the issuance of the initial Title V permit.

The purpose of this evaluation is to provide the legal and factual basis for all updated applicable requirements and to determine if the facility will comply with these updated requirements. It also specifically identifies all additions, deletions, and/or changes made to permit conditions or equipment descriptions.

II. FACILITY LOCATION

AltaGas San Joaquin Energy Inc. is located at 10596 Idaho Ave in Hanford, Kings County, California.

III. EQUIPMENT LISTING

A detailed report listing all the permitted equipment at the facility is included as Attachment C.

IV. GENERAL PERMIT TEMPLATE USAGE

The applicant has requested to utilize template No. SJV-UM-0-3, Facility-Wide Umbrella General Permit Template. Based on the information submitted in the Template Qualification Form, the applicant qualifies for the use of this template.

V. SCOPE OF EPA AND PUBLIC REVIEW

Certain segments of the proposed Renewed Operating Permit are based on model general permit templates that have been previously subject to EPA and public review. The terms and conditions from the model general permit templates are included in the proposed permit and are not subject to further EPA and public review.

For permit applications utilizing model general permit templates, public and agency comments on the District's proposed actions are limited to the applicant's eligibility for model general permit template, applicable requirements not covered by the model general permit template, and the applicable procedural requirements for issuance of Title V Operating Permits.

The following permit conditions, including their underlying applicable requirements, originate from model general permit templates and are not subject to further EPA or public review:

Conditions 2 through 41 of the requirements for permit unit C-4140-0-2.

VI. FEDERALLY ENFORCEABLE REQUIREMENTS

A. Rules Added, Updated, or Evaluated

- District Rule 2020, Exemptions (amended December 18, 2014)
- District Rule 2201, New and Modified Stationary Source Review Rule (amended April 21, 2011)
- District Rule 2410, Prevention of Significant Deterioration (adopted June 16, 2011)
- District Rule 2520, Federally Mandated Operating Permits (amended June 21, 2001)
- District Rule 4702, Internal Combustion Engines (amended November 14, 2013)

- 40 CFR Part 60, Subpart GG, Standards of Performance for Stationary Gas Turbines (amended February 27, 2014)
- 40 CFR Part 60, Subpart IIII, Standards of Performance for Stationary Compression Ignition Internal Combustion Engines (amended July 7, 2016)
- 40 CFR Part 63, Subpart ZZZZ, National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (amended January 30, 2013)
- 40 CFR Part 64, Compliance Assurance Monitoring (adopted October 22, 1997)
- 40 CFR Part 72, Acid Rain Program Monitoring (amended May 12, 2005)¹
- 40 CFR Part 73, Sulfur Dioxide Allowance System (amended May 12, 2005)
- 40 CFR Part 75, Continuous Emission Monitoring (amended March 28, 2011)
- 40 CFR Part 77, Excess Emissions (amended May 12, 2005)
- 40 CFR Part 82, Subpart B, Servicing of Motor Vehicle Air Conditioners (amended June 25, 2013)
- 40 CFR Part 82, Subpart F, Recycling and Emissions Reduction (amended April 10, 2015)

B. Rules Removed

No rules have been removed since the Title V permit was last renewed.

C. Rules Not Updated or Evaluated

- District Rule 1080, Stack Monitoring (amended December 17, 1992)
- District Rule 1081, Source Sampling (amended December 16, 1993)
- District Rule 4001, New Source Performance Standards (amended April 14, 1999)
- District Rule 4201, Particulate Matter Concentration (amended December 17, 1992)
- District Rule 4703, Stationary Gas Turbines (amended September 20, 2007)
- District Rule 4801, Sulfur Compounds (amended December 17, 1992)
- Kings County Rule 407 (amended January 5, 1988)

¹ Although the turbines at this facility were subject to the requirements of the Acid Rain Program at the time of initial permit issuance, these requirements were incidentally not addressed at that time.

- 40 CFR Part 60, Subpart A, Monitoring Requirements (promulgated October 6, 1975)
- 40 CFR Part 60, Subpart KKKK, Standards of Performance for Stationary Combustion Turbines (amended May 20, 2009)
- 40 CFR Part 63, Subpart YYYY, National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines (amended April 20, 2006)

VII. REQUIREMENTS NOT FEDERALLY ENFORCEABLE

For each Title V source, the District issues a single permit that contains the federally enforceable requirements, as well as the District-only requirements. The District-only requirements are not a part of the Title V operating permit. The terms and conditions that are part of the facility’s Title V permit are designated as “Federally Enforceable Through Title V Permit.”

For this facility, the following requirements are not federally enforceable:

1. District Rule 4102 - Nuisance

This rule prevents the discharge from any source whatsoever such quantities of air contaminants or other materials which cause injury, detriment, nuisance or annoyance to any considerable number of persons or to the public or which endanger the comfort, repose, health or safety of any such person or the public or which cause or have a natural tendency to cause injury or damage to business or property.

The following conditions are based on this rule and are therefore not federally enforceable through Title V:

Permit Unit	Condition #
C-4140-0-2	1
C-4140-1-6	22
C-4140-2-6	22

2. Title 17 CCR, Section 93115 - Airborne Toxic Control Measure for Stationary Compression Ignition (CI) Engines

The Airborne Toxic Control Measure (ATCM) for Stationary Compression Ignition (CI) Engines is a rule under the California Code of Regulations (CCR), which is the official compilation and publication of the regulations adopted, amended or repealed by state agencies. The purpose of this ATCM is to reduce diesel particulate matter (PM) and criteria pollutant emissions from stationary diesel-fired engines.

There are no conditions on the permit that are exclusively based on this

requirement. The following conditions are jointly based on this requirement and other federally enforceable requirements:

Permit Unit	Condition #s
C-4140-4-1	2, 4, 6, 16, 17, and 20

VIII. PERMIT REQUIREMENTS

Since the purpose of this evaluation is to review changes to federally enforceable requirements, this compliance section will only address rules that have been amended or added since the last Title V permit renewal.

1. District Rule 2020 - Exemptions

District Rule 2020 lists equipment which is specifically exempt from obtaining permits and specifies record keeping requirements to verify such exemptions. The amendments to this rule do not have any effect on current permit requirements and will therefore not be addressed in this evaluation.

2. District Rule 2201 - New and Modified Stationary Source Review Rule

District Rule 2201 has been amended since this facility's Title V permit was last renewed. However, the requirements of this rule are only triggered at the time the source undergoes a modification. All applicable requirements from any NSR permit actions have already been incorporated into the current Title V permit.

The following obsolete permit condition has been omitted from the renewed permit. The condition previously listed a jointly-owned facility (C-603) as part of the same stationary source with this facility (C-4140) for permitting purposes. However, since C-603 is no longer an existing facility, the condition linking it to C-4140 is now obsolete.

Permit Unit	Condition #
C-4140-1-4	1
C-4140-2-4	1

3. District Rule 2410 - Prevention of Significant Deterioration

District Rule 2410 has been newly adopted since the Title V permit was last renewed. However, the requirements of this rule are only triggered at the time the source undergoes a modification. Since this source has never been subject to this rule, there are no PSD permit applicable requirements to be included in the Title V permit.

4. District Rule 2520 - Federally Mandated Operating Permits

There are no federally applicable Greenhouse Gas (GHG) requirements for this source. It should be noted that the Mandatory Greenhouse Gas Reporting rule (40 CFR Part 98) is not included in the definition of an applicable requirement within Title V (per 40CFR 71.2). Therefore, there will be no further discussion of GHG in this evaluation.

5. District Rule 4702 – Internal Combustion Engines

The purpose of this rule is to limit the emissions of nitrogen oxides (NO_x), carbon monoxide (CO), volatile organic compounds (VOC), and sulfur oxides (SO_x) from internal combustion engines.

This rule applies to any internal combustion engine rated at 25 brake horsepower or greater.

Pursuant to Section 4.2, except for the requirements of Sections 5.9 and 6.2.3, the requirements of this rule shall not apply to an emergency standby engine or a low-use engine, provided that the engine is operated with an operating nonresettable elapsed time meter.

Pursuant to Section 3.15, an “Emergency Standby Engine” is an internal combustion engine which operates as a temporary replacement for primary mechanical or electrical power during an unscheduled outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the operator. An engine shall be considered to be an emergency standby engine if it is used only for the following purposes: (1) periodic maintenance, periodic readiness testing, or readiness testing during and after repair work; (2) unscheduled outages, or to supply power while maintenance is performed or repairs are made to the primary power supply; and (3) if it is limited to operate 100 hours or less per calendar year for non-emergency purposes. An engine shall not be considered to be an emergency standby engine if it is used: (1) to reduce the demand for electrical power when normal electrical power line service has not failed, or (2) to produce power for the utility electrical distribution system, or (3) in conjunction with a voluntary utility demand reduction program or interruptible power contract.

Pursuant to Section 5.9, the owner of an engine subject to Section 4.2 shall comply with the following requirements:

- 1) Properly operate and maintain the engine as recommended by the engine manufacturer or emission control system supplier.
- 2) Monitor the operational characteristics of the engine as recommended by the engine manufacturer or emission control system supplier.

- 3) Install and operate a nonresettable elapsed operating time meter. In lieu of installing a nonresettable time meter, the owner of an engine may use an alternative device, method, or technique in determining operating time, provided that the alternative is approved by the APCO and is allowed by a Permit-to-Operate or Stationary Equipment Registration condition. The owner of the engine shall properly maintain and operate the time meter or alternative device in accordance with the manufacturer's instructions.

Section 6.2.3 requires that an owner claiming an exemption under Section 4.2 shall maintain annual operating records. This information shall be retained for at least five years, shall be readily available, and submitted to the APCO upon request and at the end of each calendar year in a manner and form approved by the APCO. The records shall include, but are not limited to, the following:

- Total hours of operation,
- The type of fuel used,
- The purpose for operating the engine,
- For emergency standby engines, all hours of non-emergency and emergency operation shall be reported, and
- Other support documentation necessary to demonstrate claim to the exemption.

The following conditions on the draft renewed permit are a mechanism to ensure compliance with the requirements of this section:

Permit Unit	Condition #s
C-4140-4-1	1, 2, 6 through 9, 16, 17, and 20

6. 40 CFR Part 60, Subpart GG - Standards of Performance for Stationary Gas Turbines

This subpart applies to all stationary gas turbines with a heat input greater than 10.7 gigajoules per hour (10.2 MMBtu/hr), that commence construction, modification, or reconstruction after October 3, 1977.

§60.335, Test Methods and Procedures, was most recently amended on February 27, 2014. However, the amendments to this section of the subpart did not have any effect on existing permit requirements.

The following conditions on the draft renewed permit are a mechanism to ensure compliance with the requirements of this section:

Permit Unit	Condition #s
C-4140-1-6	4, 6, 9, 13, 14, 20, 28, 29, 33, and 36
C-4140-2-6	4, 6, 9, 13, 14, 20, 28, 29, 33, and 36

7. 40 CFR Part 60, Subpart III – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines

The provisions of this subpart are applicable to owners and operators of stationary compression ignited internal combustion engines that commence construction after July 11, 2005, where the engines are:

- 1) Manufactured after April 1, 2006, and are not fire pump engines, or
- 2) Manufactured as certified National Fire Protection Association (NFPA) fire pump engines after July 1, 2006.

The compression ignition engine at this facility was installed prior to July 11, 2005, and is therefore not subject to the requirements of this subpart.

8. 40 CFR Part 63, Subpart ZZZZ – National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines

Emergency engines are subject to this subpart if they are operated at a major or area source of Hazardous Air Pollutant (HAP) emissions. A major source of HAP emissions is a facility that has the potential to emit any single HAP at a rate of 10 tons/year or greater or any combinations of HAPs at a rate of 25 tons/year or greater. An area source of HAPs is a facility is not a major source of HAPs.

Pursuant to section 63.6603(a), the owner or operator of an existing (constructed prior to June 12, 2006) stationary reciprocating internal combustion engine (RICE) located at an area source of HAP emissions, must comply with the requirements in Table 2d to this subpart. Pursuant to Table 2d row 4, the following requirements are applicable to emergency stationary CI RICE:

- Change oil and filter every 500 hours of operation or annually, whichever comes first
- Inspect air cleaner every 1,000 hours of operation or annually, whichever comes first, and replace as necessary
- Inspect all hoses and belts every 500 hours of operation or annually, whichever comes first, and replace as necessary

Pursuant to Section 63.6625(e)(3), the owner or operator of an emergency stationary RICE must operate and maintain the stationary RICE and after-treatment control device (if any) according to the manufacturer's emission-related written instructions or develop their own maintenance plan which must provide to the extent practicable for the maintenance and operation of the engine in a manner consistent with good air pollution control practice for minimizing emissions.

Pursuant to Section 63.6625(f), the owner or operator of an existing emergency stationary RICE located at an area source of HAP emissions must install a non-resettable hour meter if one is not already installed.

Pursuant to Section 63.6625(h), the owner or operator must minimize the engine's time spent at idle during startup and minimize the engine's startup time to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes.

Pursuant to Section 63.6625(i), the owner or operator of an existing emergency stationary RICE located at an area source of HAP emissions may have the option of utilizing an oil analysis program in order to extend the specified oil change requirement in Tables 2c and 2d of Subpart ZZZZ. The oil analysis must be performed at the same frequency specified for changing the oil in Table 2c or 2d to this subpart. The analysis program must at a minimum analyze the following three parameters: Total Base Number, viscosity, and percent water content. The condemning limits for these parameters are as follows: Total Base Number is less than 30 percent of the Total Base Number of the oil when new; viscosity of the oil has changed by more than 20 percent from the viscosity of the oil when new; or percent water content (by volume) is greater than 0.5. If all of these condemning limits are not exceeded, the engine owner or operator is not required to change the oil. If any of the limits are exceeded, the engine owner or operator must change the oil within 2 days of receiving the results of the analysis; if the engine is not in operation when the results of the analysis are received, the engine owner or operator must change the oil within 2 days or before commencing operation, whichever is later. The owner or operator must keep records of the parameters that are analyzed as part of the program, the results of the analysis, and the oil changes for the engine. The analysis program must be part of the maintenance plan for the engine.

Pursuant to Section 63.6640(a), the owner or operator of an existing emergency stationary RICE located at an area source of HAP emissions may demonstrate on-going compliance with the requirements of this subpart by operating and maintaining the stationary RICE according to the manufacturer's emission-related operation and maintenance instructions; or developing and following their own maintenance plan which must provide to the extent practicable for the maintenance and operation of the engine in a manner consistent with good air pollution control practice for minimizing emissions (Table 6 row 9).

Pursuant to Section 63.6640(f): 1) There is no time limit on the use of emergency stationary RICE in emergency situations; and 2) An emergency stationary RICE may be operated for maintenance checks and readiness testing, emergency demand response, and other non-emergency situations up to a maximum of 100 hours per calendar year.

Pursuant to Section 63.6655(a)(2), the owner or operator must maintain records of the occurrence and duration of each malfunction of operation (i.e. process equipment) or the air pollution control and monitoring equipment.

Pursuant to Section 63.6655(a)(4), the owner or operator must maintain records of all required maintenance performed on the air pollution control and monitoring equipment.

Pursuant to Section 63.6655(a)(5), the owner or operator must maintain records of actions taken during periods of malfunction to minimize emissions, including corrective actions to restore malfunctioning process and air pollution control and monitoring equipment to its normal or usual manner of operation.

Pursuant to Section 63.6660, the owner or operator must maintain records in a form suitable and readily available for expeditious review, and readily accessible in hard copy or electronic form for at least 5 years.

The following conditions on the draft renewed permit are a mechanism to ensure compliance with the requirements of this section:

Permit Unit	Condition #s
C-4140-4-1	1, 2, 6, 11 through 15, and 18 through 20

9. **40 CFR Part 64 - Compliance Assurance Monitoring**

§64.2 – Applicability

This regulation requires compliance assurance monitoring (CAM) for units that meet the following three criteria:

- 1) The unit must have an emission limit for the pollutant;
- 2) The unit must have add-on controls for the pollutant; these are devices such as flue gas recirculation (FGR), baghouses, and catalytic oxidizers; and
- 3) The unit must have a pre-control potential to emit greater than the major source thresholds.

C-4140-1-6 & -2-6 (46.9 MW Natural Gas-Fired Turbines)

- 1) These units have emission limits for NO_x, SO_x, PM₁₀, CO, and VOC.
- 2) The units have no add-on controls for SO_x or PM₁₀ emissions, and are therefore not subject to CAM for SO_x or PM₁₀ emissions. Pursuant to 40 CFR 64.2(b)(1)(vi), NO_x and CO emissions are exempt from CAM since the Part 70 permit already specifies a continuous compliance determination method for both NO_x and CO. The units have add-on

controls (oxidation catalysts) for VOC, and may therefore be subject to CAM for VOC emissions.

- 3) The pre-control PE for VOC emissions is based on the post-control PE of 1.19 lb/hr, operation limit of 8,000 hr/yr, and the catalytic oxidation control efficiency (CE) of 71%.²

$$\begin{aligned} \text{Pre-control PE} &= (\text{Post-control PE}) / (1 - \text{CE}) \\ &= (1.19 \text{ lb/hr} \times 8,000 \text{ hr/yr}) / (1 - 0.71) \\ &= 32,828 \text{ lb/yr} \end{aligned}$$

Since the pre-control PE is greater than the major source threshold for VOC (20,000 lb/yr), these units are subject to CAM for VOC emissions.

In order to determine if a 15-minute monitoring interval is required, the post-control PE is compared to the major source threshold as follows:

$$\text{Emission Limit} = 1.19 \text{ lb/hr}$$

$$\text{Annual operation limit} = 8,000 \text{ hr/yr}$$

$$\begin{aligned} \text{Annual Controlled PE} &= 1.19 \text{ lb/hr} \times 8,000 \text{ hr/yr} \\ &= 9,520 \text{ lb} \end{aligned}$$

Since the post-control PE does not exceed the major source threshold, a once-daily monitoring interval is sufficient to determine compliance with CAM.

§64.3 - Monitoring Design Criteria

This section specifies the design criteria for the CAM system. Paragraph (a) (*General criteria*) requires that the CAM system be designed to obtain data for one or more appropriate indicators of emission control system performance and requires the owner to establish appropriate ranges or designated conditions for the selected indicators such that operation within the ranges provides a reasonable assurance of ongoing compliance with emission limitations or standards for the anticipated range of operating conditions.

Paragraph (b) (*Performance criteria*) requires the owner or operator to establish and maintain the following:

- Specifications to ensure that representative data are collected.
- Verification procedures for startup of new monitoring equipment.
- Quality assurance and control practices to ensure continuing validity of data.
- Data collection frequency and procedures.

² District BACT Guideline 3.4.4.

Paragraph (c) (*Evaluation factors*) requires the owner or operator to take into account site specific factors in the design of the CAM system.

Paragraph (d) (*Special criteria for the use of continuous emission, opacity, or predictive monitoring systems*) requires the owner or operator to use a continuous emission monitoring system (CEMS), continuous opacity monitoring system (COMS), or a predictive emission monitoring system (PEMS) to satisfy CAM requirements, provided that these monitoring systems are required pursuant to other authority under the Clean Air Act or state or local law. This subsection also stipulates the following:

- The use of a CEMS, COMS, or PEMS that satisfies any of the following monitoring requirements shall be deemed to satisfy the general design criteria in paragraphs (a) and (b) of this section, provided that a COMS may be subject to the criteria for establishing indicator ranges under paragraph (a) of this section:
 - (i) Section 51.214 and appendix P of 40 CFR 51;
 - (ii) Section 60.13 and appendix B of 40 CFR 60;
 - (iii) Section 63.8 and any applicable performance specifications required pursuant to the applicable subpart of 40 CFR 63;
 - (iv) 40 CFR 75;
 - (v) Subpart H and appendix IX of 40 CFR 266; or
 - (vi) In the event that the monitoring system is not subject to any of the requirements listed above, comparable requirements and specifications established by the permitting authority.
- The owner or operator shall design the monitoring system subject to this paragraph (d) to:
 - (i) Allow for reporting of exceedances (or excursions if applicable to a COMS used to assure compliance with a particulate matter standard), consistent with any period for reporting of exceedances in an underlying requirement. If an underlying requirement does not contain a provision for establishing an averaging period for the reporting of exceedances or excursions, the criteria used to develop an averaging period specified in the data collection procedures required under paragraph (b) of this section shall apply; and
 - (ii) Provide an indicator range consistent with paragraph (a) of this section for a COMS used to assure compliance with a particulate matter standard. If an opacity standard applies to the pollutant-specific emissions unit, such limit may be used as the appropriate indicator range unless the opacity limit fails to meet the criteria in paragraph (a) of this section after considering the type of control device and other site-specific factors applicable to the pollutant-specific emissions unit.

§64.4 - Submittal Requirements

This section specifies submittal requirements for the owner or operator which ensure the CAM system will comply with the design criteria of §64.3.

§64.5 - Deadlines for Submittals

This section specifies required timing for submittals required under §64.4.

Large pollutant-specific emissions units (those with controlled emissions exceeding major source thresholds) are required to make the submittals as a part of the initial Title V permit application where the application has either not been filed or has not been deemed complete. Where the initial Title V permit has been issued without implementation of 40 CFR 64, the owner or operator must make the required submittals as a part of a subsequent application for any significant permit revision. If the required information is not submitted by either of these deadlines, it must be submitted as a part of the application for the Title V permit renewal.

For *other pollutant-specific emissions units*, the required submittal deadline is the application for Title V permit renewal.

§64.6 - Approval of monitoring

This section stipulates the following:

- A requirement that the permitting authority act to approve the proposed monitoring by confirming that the monitoring submitted complies with the requirements of §64.3
- An allowance for the permitting authority to condition the approval based on collecting additional data on the indicators to be monitored, including performance or compliance testing
- The minimum conditions that must be placed on the permit in the event that the proposed monitoring is approved by the permitting authority including a milestone schedule for completion of any conditional approval actions required by the owner or operator, such as installations, testing, or verification of operational status
- Actions required by the permitting authority in the event that the proposed monitoring is not approved

The CAM submittal requirements and stipulations for approval of such submittals pursuant to §64.4, §64.5, and §64.6 have been completed in conjunction with the application and review process for this renewal of the Title V permit.

§64.7 - Operation of Approved Monitoring

This section stipulates the following:

- Requirements that the owner or operator 1) commence the monitoring upon receipt of a Title V permit that includes such monitoring, 2) properly maintain the monitoring system, and 3) conduct all monitoring in a continuous mode with the exception of outage periods associated with monitor malfunction and repair and with quality assurance and control activities
- Actions required by the owner or operator in response to excursions or exceedances
- A requirement for the owner or operator to document any need for improved monitoring based upon either an identification of a failure of the monitoring system to identify an excursion or exceedance or upon the results of compliance or performance testing that identifies a need to modify the monitoring

§64.8 - Quality Improvement Plan (QIP) Requirements

This section stipulates that the Administrator or the permitting authority may require that the facility develop and implement a QIP in the event of a determination of a need for improved monitoring pursuant to §64.7. §64.8 also identifies the minimum elements required in the QIP, and requires that the facility implement the QIP as expeditiously as possible, with implementation not exceeding 180 days after the date that the need for implementation was identified unless the permitting authority is notified.

§64.9 - Reporting and Recordkeeping Requirements

This section stipulates the minimum reporting and recordkeeping requirements for facilities subject to 40 CFR 64.

§64.10 - Savings Provisions

This section states that the purpose of 40 CFR 64 is to require, as a part of the issuance of a Title V permit, improved or new monitoring at those emissions units where monitoring requirements do not exist or are inadequate to meet the requirements of 40 CFR 64. In addition, §64.10 states that nothing in 40 CFR 64 shall excuse an owner or operator from any other requirements of federal, state or local law or restrict or abrogate the authority of the Administrator or of the permitting authority.

The facility proposes to comply with CAM by monitoring the oxidation catalyst temperatures. The oxidation catalyst temperatures for both units C-4140-1 and unit C-4140-2 are monitored by four thermocouples downstream of the

turbines and tempering air fans. An average of the four measurements will be taken and compared to the manufacturer recommended catalyst operating temperature of 700 degrees Fahrenheit or higher.

The following conditions on the draft renewed permit are a mechanism to ensure compliance with the requirements of this section:

Permit Unit	Condition #s
C-4140-1-6	48 through 54
C-4140-2-6	48 through 54

C-4140-4-1 (Diesel-Fired Emergency IC Engine)

- 1) This unit has emission limits for SO_x and PM₁₀.
- 2) Since the unit has no add-on controls for SO_x or PM₁₀, it is not subject to CAM.

10.40 CFR Part 72 - Acid Rain Program

The purpose of this part is to establish certain general provisions and the operating permit program requirements for affected sources and affected units under the Acid Rain Program.

The following conditions on the draft renewed permit are a mechanism to ensure compliance with the requirements of this section:

Permit Unit	Condition #s
C-3929-1-6	55, 60, 61, 63, 64, 65, and 68
C-3929-2-6	55, 60, 61, 63, 64, 65, and 68

11. 40 CFR Part 73 - Sulfur Dioxide Allowance System

The purpose of this part is to establish the requirements and procedures for the following:

- (a) The allocation of sulfur dioxide emissions allowances;
- (b) The tracking, holding, and transfer of allowances;
- (c) The deduction of allowances for purposes of compliance and for purposes of offsetting excess emissions pursuant to parts 72 and 77;
- (d) The sale of allowances through EPA-sponsored auctions and a direct sale, including the independent power producers written guarantee program; and
- (e) The application for, and distribution of, allowances from the Conservation and Renewable Energy Reserve.

(f) The application for, and distribution of, allowances for desulfurization of fuel by small diesel refineries.

The following conditions on the draft renewed permit are a mechanism to ensure compliance with the requirements of this section:

Permit Unit	Condition #s
C-3929-1-6	58 and 62
C-3929-2-6	58 and 62

12. 40 CFR Part 75 - Continuous Emission Monitoring

The purpose of this part is to establish requirements for the monitoring, recordkeeping, and reporting of sulfur dioxide (SO₂), nitrogen oxides (NO_x), and carbon dioxide (CO₂) emissions, volumetric flow, and opacity data from affected units under the Acid Rain Program.

The following conditions on the draft renewed permit are a mechanism to ensure compliance with the requirements of this section:

Permit Unit	Condition #s
C-3929-1-6	56, 57, 60, 69, and 70
C-3929-2-6	56, 57, 60, 69, and 70

13. 40 CFR Part 77 - Excess Emissions

This part sets forth the excess emissions offset planning and offset penalty requirements under section 411 of the Clean Air Act. These requirements shall apply to the owners and operators and, to the extent applicable, the designated representative of each affected unit and affected source under the Acid Rain Program.

The following conditions on the draft renewed permit are a mechanism to ensure compliance with the requirements of this section:

Permit Unit	Condition #s
C-3929-1-6	59, 66, and 67
C-3929-2-6	59, 66, and 67

14. 40 CFR Part 82, Subpart B - Servicing of Motor Vehicle Air Conditioners

There are requirements from Title VI of the CAA (Stratospheric Ozone) that are applicable to all sources in general. These requirements pertain to air conditioners, chillers and refrigerators located at a Title V source and to disposal of air conditioners or maintenance/recharging/disposal of motor vehicle air conditioners (MVAC).

Condition 29 of permit unit C-4140-0-2 on the draft renewed permit is a mechanism to ensure compliance with the requirements of this subpart.

The amendments to this subpart did not have any effect on existing permit requirements.

15.40 CFR Part 82, Subpart F - Recycling and Emissions Reduction

There are requirements from Title VI of the CAA (Stratospheric Ozone) that are applicable to all sources in general. These requirements pertain to air conditioners, chillers and refrigerators located at a Title V source and to disposal of air conditioners or maintenance/recharging/disposal of motor vehicle air conditioners (MVAC).

Condition 28 of permit unit C-4140-0-2 on the draft renewed permit is a mechanism to ensure compliance with the requirements of this subpart.

The amendments to this subpart did not have any effect on existing permit requirements.

IX. MISCELLANEOUS CHANGES AND/OR CORRECTIONS

As part of the proposed renewal, the following changes/corrections to the existing permit will also be made. These changes/corrections are not based on changes in any underlying requirements, and are thus administrative in nature.

Deletions are shown in strikethrough font and additions are underlined.

1. Conditions 6 and 11 of the Requirements for Permit Units C-4140-1-6 and 2-6

6. The CTG shall be equipped with continuous emission monitors (CEM) for NO_x (before and after SCR system), CO, and O₂. Exhaust gas continuous emission monitors shall meet the requirements of 40 CFR parts 60 and 75 and shall be capable of monitoring emissions during startups and shutdowns as well as normal operating conditions. [District Rules 2201 and 4703; and 40 CFR 60.334(b)] Federally Enforceable Through Title V Permit

11. The exhaust gas continuous NO_x and O₂ monitoring system shall meet the performance specification requirements in 40 CFR 60, Appendix F, 40 CFR 51, Appendix P, and Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rule 1080] Federally Enforceable Through Title V Permit

These corrections are intended to clarify that the listed CEMS requirements are not applicable to the pre-SCR NO_x monitor. The pre-SCR monitor is only

used in association with ammonia slip compliance requirements and is not part of the NSPS or acid rain program requirements.

2. Conditions 7 and 9 of the Requirements for Permit Units C-4140-1-6 and 2-6

7. The facility shall ~~install~~ operate and maintain equipment, facilities, and systems compatible with the District's CEM data polling software system and shall make CEM data available to the District's automated polling system on a daily basis. [District Rule 1080] Federally Enforceable Through Title V Permit
9. The owner or operator shall ~~install~~ operate and maintain in calibration a system which continuously measures and records: emissions control system operating parameters, elapsed time of operation of the turbine, the fuel consumption, and the exhaust gas NOx and O2 concentrations. [40 CFR 60.334(a)] Federally Enforceable Through Title V Permit

Since this permit action is for equipment that has already been installed and is currently in operation, the word 'install' is no longer required.

X. PERMIT SHIELD

A permit shield legally protects a facility from enforcement of the shielded regulations when a source is in compliance with the terms and conditions of the Title V permit. Compliance with the terms and conditions of the Operating Permit is considered compliance with all applicable requirements upon which those conditions are based, including those that have been subsumed.

A. Requirements Addressed by Model General Permit Templates

By using the model general permit template listed in Section IV of this evaluation, the applicant has requested that a permit shield be issued for requirements addressed in the template. The basis for each permit shield is discussed in the Permit Shield section of each template.

B. Requirements not Addressed by Model General Permit Templates

The applicant is not requesting any new permit shields in this Title V renewal project. In addition, the applicant is not requesting any changes to the existing permit shields already included in their Title V operating permit. All of the existing permit shields will therefore be retained, as they are, on the renewed permit.

XI. PERMIT CONDITIONS

See Attachment A - Draft Renewed Title V Operating Permit.

XII. ATTACHMENTS

- A. Draft Renewed Title V Operating Permit
- B. Previous Title V Operating Permit
- C. Detailed Facility List

ATTACHMENT A

Draft Renewed Title V Operating Permit

San Joaquin Valley Air Pollution Control District

FACILITY: C-4140-0-2

EXPIRATION DATE: 04/30/2016

FACILITY-WIDE REQUIREMENTS

1. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. {4362} The owner or operator shall notify the District of any breakdown condition as soon as reasonably possible, but no later than one hour after its detection, unless the owner or operator demonstrates to the District's satisfaction that the longer reporting period was necessary. [District Rule 1100, 6.1; County Rules 110 (Fresno, Stanislaus, San Joaquin); 109 (Merced); 113 (Madera); and 111 (Kern, Tulare, Kings)] Federally Enforceable Through Title V Permit
3. {4363} The District shall be notified in writing within ten days following the correction of any breakdown condition. The breakdown notification shall include a description of the equipment malfunction or failure, the date and cause of the initial failure, the estimated emissions in excess of those allowed, and the methods utilized to restore normal operations. [District Rule 1100, 7.0; County Rules 110 (Fresno, Stanislaus, San Joaquin); 109 (Merced); 113 (Madera); and 111 (Kern, Tulare, Kings)] Federally Enforceable Through Title V Permit
4. {4364} The owner or operator of any stationary source operation that emits more than 25 tons per year of nitrogen oxides or reactive organic compounds, shall provide the District annually with a written statement in such form and at such time as the District prescribes, showing actual emissions of nitrogen oxides and reactive organic compounds from that source. [District Rule 1160, 5.0] Federally Enforceable Through Title V Permit
5. {4365} Any person building, altering or replacing any operation, article, machine, equipment, or other contrivance, the use of which may cause the issuance of air contaminants or the use of which may eliminate, reduce, or control the issuance of air contaminants, shall first obtain an Authority to Construct (ATC) from the District unless exempted by District Rule 2020 (12/20/07). [District Rule 2010, 3.0 and 4.0; and 2020] Federally Enforceable Through Title V Permit
6. {4366} The permittee must comply with all conditions of the permit including permit revisions originated by the District. All terms and conditions of a permit that are required pursuant to the Clean Air Act (CAA), including provisions to limit potential to emit, are enforceable by the EPA and Citizens under the CAA. Any permit noncompliance constitutes a violation of the CAA and the District Rules and Regulations, and is grounds for enforcement action, for permit termination, revocation, reopening and reissuance, or modification; or for denial of a permit renewal application. [District Rules 2070, 7.0; 2080; and 2520, 9.9.1 and 9.13.1] Federally Enforceable Through Title V Permit
7. {4367} A Permit to Operate or an Authority to Construct shall not be transferred unless a new application is filed with and approved by the District. [District Rule 2031] Federally Enforceable Through Title V Permit
8. {4368} Every application for a permit required under Rule 2010 (12/17/92) shall be filed in a manner and form prescribed by the District. [District Rule 2040] Federally Enforceable Through Title V Permit
9. {4369} The operator shall maintain records of required monitoring that include: 1) the date, place, and time of sampling or measurement; 2) the date(s) analyses were performed; 3) the company or entity that performed the analysis; 4) the analytical techniques or methods used; 5) the results of such analysis; and 6) the operating conditions at the time of sampling or measurement. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate. Any amendments to these Facility-wide Requirements that affect specific Permit Units may constitute modification of those Permit Units.

Facility Name: ALTAGAS SAN JOAQUIN ENERGY INC.

Location: 10596 IDAHO AVENUE, HANFORD ENERGY PARK PEAKER PLANT, HANFORD, CA 93230

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10. {4370} The operator shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, or report. Support information includes copies of all reports required by the permit and, for continuous monitoring instrumentation, all calibration and maintenance records and all original strip-chart recordings. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
11. {4371} The operator shall submit reports of any required monitoring at least every six months unless a different frequency is required by an applicable requirement. All instances of deviations from permit requirements must be clearly identified in such reports. [District Rule 2520, 9.5.1] Federally Enforceable Through Title V Permit
12. {4372} Deviations from permit conditions must be promptly reported, including deviations attributable to upset conditions, as defined in the permit. For the purpose of this condition, promptly means as soon as reasonably possible, but no later than 10 days after detection. The report shall include the probable cause of such deviations, and any corrective actions or preventive measures taken. All required reports must be certified by a responsible official consistent with section 10.0 of District Rule 2520 (6/21/01). [District Rules 2520, 9.5.2 and 1100, 7.0] Federally Enforceable Through Title V Permit
13. {4373} If for any reason a permit requirement or condition is being challenged for its constitutionality or validity by a court of competent jurisdiction, the outcome of such challenge shall not affect or invalidate the remainder of the conditions or requirements in that permit. [District Rule 2520, 9.7] Federally Enforceable Through Title V Permit
14. {4374} It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit. [District Rule 2520, 9.8.2] Federally Enforceable Through Title V Permit
15. {4375} The permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition. [District Rule 2520, 9.8.3] Federally Enforceable Through Title V Permit
16. {4376} The permit does not convey any property rights of any sort, or any exclusive privilege. [District Rule 2520, 9.8.4] Federally Enforceable Through Title V Permit
17. {4377} The Permittee shall furnish to the District, within a reasonable time, any information that the District may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the District copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee may furnish such records directly to EPA along with a claim of confidentiality. [District Rule 2520, 9.8.5] Federally Enforceable Through Title V Permit
18. {4378} The permittee shall pay annual permit fees and other applicable fees as prescribed in Regulation III of the District Rules and Regulations. [District Rule 2520, 9.9] Federally Enforceable Through Title V Permit
19. {4379} Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 2520, 9.13.2.1] Federally Enforceable Through Title V Permit
20. {4380} Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 2520, 9.13.2.2] Federally Enforceable Through Title V Permit
21. {4381} Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to inspect at reasonable times any facilities, equipment, practices, or operations regulated or required under the permit. [District Rule 2520, 9.13.2.3] Federally Enforceable Through Title V Permit
22. {4382} Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or applicable requirements. [District Rule 2520, 9.13.2.4] Federally Enforceable Through Title V Permit

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

23. {4383} No air contaminants shall be discharged into the atmosphere for a period or periods aggregating more than 3 minutes in any one hour which is as dark or darker than Ringelmann #1 or equivalent to 20% opacity and greater, unless specifically exempted by District Rule 4101 (02/17/05). If the equipment or operation is subject to a more stringent visible emission standard as prescribed in a permit condition, the more stringent visible emission limit shall supersede this condition. [District Rule 4101, and County Rules 401 (in all eight counties in the San Joaquin Valley)] Federally Enforceable Through Title V Permit
24. {4384} No person shall manufacture, blend, repackage, supply, sell, solicit or apply any architectural coating with a VOC content in excess of the corresponding limit specified in Table of Standards 1 effective until 12/30/10 or Table of Standards 2 effective on and after 1/1/11 of District Rule 4601 (12/17/09) for use or sale within the District. [District Rule 4601, 5.1] Federally Enforceable Through Title V Permit
25. {4385} All VOC-containing materials subject to Rule 4601 (12/17/09) shall be stored in closed containers when not in use. [District Rule 4601, 5.4] Federally Enforceable Through Title V Permit
26. {4386} The permittee shall comply with all the Labeling and Test Methods requirements outlined in Rule 4601 sections 6.1 and 6.3 (12/17/09). [District Rule 4601, 6.1 and 6.3] Federally Enforceable Through Title V Permit
27. {4387} With each report or document submitted under a permit requirement or a request for information by the District or EPA, the permittee shall include a certification of truth, accuracy, and completeness by a responsible official. [District Rule 2520, 9.13.1 and 10.0] Federally Enforceable Through Title V Permit
28. {4388} If the permittee performs maintenance on, or services, repairs, or disposes of appliances, the permittee shall comply with the standards for Recycling and Emissions Reduction pursuant to 40 CFR Part 82, Subpart F. [40 CFR 82 Subpart F] Federally Enforceable Through Title V Permit
29. {4389} If the permittee performs service on motor vehicles when this service involves the ozone-depleting refrigerant in the motor vehicle air conditioner (MVAC), the permittee shall comply with the standards for Servicing of Motor Vehicle Air Conditioners pursuant to all the applicable requirements as specified in 40 CFR Part 82, Subpart B. [40 CFR Part 82, Subpart B] Federally Enforceable Through Title V Permit
30. {4390} Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8021 and 8011] Federally Enforceable Through Title V Permit
31. {4391} Outdoor handling, storage and transport of any bulk material which emits dust shall comply with the requirements of District Rule 8031, unless specifically exempted under Section 4.0 of Rule 8031 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8031 and 8011] Federally Enforceable Through Title V Permit
32. {4392} An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8041 and 8011] Federally Enforceable Through Title V Permit
33. {4393} Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8051 and 8011] Federally Enforceable Through Title V Permit
34. {4394} Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8061 and 8011] Federally Enforceable Through Title V Permit

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

35. {4395} Any unpaved vehicle/equipment area that anticipates more than 50 Average annual daily Trips (AADT) shall comply with the requirements of Section 5.1.1 of District Rule 8071. Any unpaved vehicle/equipment area that anticipates more than 150 vehicle trips per day (VDT) shall comply with the requirements of Section 5.1.2 of District Rule 8071. On each day that 25 or more VDT with 3 or more axles will occur on an unpaved vehicle/equipment traffic area, the owner/operator shall comply with the requirements of Section 5.1.3 of District Rule 8071. On each day when a special event will result in 1,000 or more vehicles that will travel/park on an unpaved area, the owner/operator shall comply with the requirements of Section 5.1.4 of District Rule 8071. All sources shall comply with the requirements of Section 5.0 of District Rule 8071 unless specifically exempted under Section 4.0 of Rule 8071 (9/16/2004) or Rule 8011 (8/19/2004). [District Rules 8071 and 8011] Federally Enforceable Through Title V Permit
36. {4396} Any owner or operator of a demolition or renovation activity, as defined in 40 CFR 61.141, shall comply with the applicable inspection, notification, removal, and disposal procedures for asbestos containing materials as specified in 40 CFR 61.145 (Standard for Demolition and Renovation). [40 CFR 61 Subpart M] Federally Enforceable Through Title V Permit
37. {4397} The permittee shall submit certifications of compliance with the terms and standards contained in Title V permits, including emission limits, standards and work practices, to the District and the EPA annually (or more frequently as specified in an applicable requirement or as specified by the District). The certification shall include the identification of each permit term or condition, the compliance status, whether compliance was continuous or intermittent, the methods used for determining the compliance status, and any other facts required by the District to determine the compliance status of the source. [District Rule 2520, 9.16] Federally Enforceable Through Title V Permit
38. {4398} The permittee shall submit an application for Title V permit renewal to the District at least six months, but not greater than 18 months, prior to the permit expiration date. [District Rule 2520, 5.2] Federally Enforceable Through Title V Permit
39. {4399} When a term is not defined in a Title V permit condition, the definition in the rule cited as the origin and authority for the condition in a Title V permits shall apply. [District Rule 2520, 9.1.1] Federally Enforceable Through Title V Permit
40. {4400} Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following outdated SIP requirements: Rule 401 (Madera, Fresno, Kern, Kings, San Joaquin, Stanislaus, Tulare and Merced), Rule 110 (Fresno, Stanislaus, San Joaquin), Rule 109 (Merced), Rule 113 (Madera), Rule 111 (Kern, Tulare, Kings), and Rule 202 (Fresno, Kern, Tulare, Kings, Madera, Stanislaus, Merced, San Joaquin). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
41. {4401} Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following applicable requirements: SJVUAPCD Rules 1100, sections 6.1 and 7.0 (12/17/92); 2010, sections 3.0 and 4.0 (12/17/92); 2031 (12/17/92); 2040 (12/17/92); 2070, section 7.0 (12/17/92); 2080 (12/17/92); 4101 (2/17/05); 4601 (12/17/09); 8021 (8/19/2004); 8031 (8/19/2004); 8041 (8/19/2004); 8051 (8/19/2004); 8061 (8/19/2004); and 8071 (9/16/2004). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
42. The reporting periods for the Report of Required Monitoring and the Compliance Certification Report begin January 1 of every year, unless alternative dates are approved by the District Compliance Division. These reports are due within 30 days after the end of the reporting period. [District Rule 2520] 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: C-4140-1-6

EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:

47.5 MW NOMINALLY RATED SIMPLE-CYCLE PEAK-DEMAND POWER GENERATING SYSTEM #1 CONSISTING OF A GENERAL ELECTRIC MODEL LM6000 NATURAL GAS-FIRED COMBUSTION TURBINE GENERATOR WITH WATER SPRAY PREMIXED COMBUSTION SYSTEMS, SERVED BY A SELECTIVE CATALYTIC REDUCTION (SCR) SYSTEM WITH AMMONIA INJECTION AND AN OXIDATION CATALYST

PERMIT UNIT REQUIREMENTS

1. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Selective catalytic reduction (SCR) system and oxidation catalyst shall serve the gas turbine engine. Exhaust ducting shall be equipped with a fresh air inlet and blower to be used to lower the exhaust temperature prior to inlet of the SCR system catalyst. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Combustion turbine generator (CTG) and generator lube oil vents shall be equipped with mist eliminators. Visible emissions from lube oil vents shall not exhibit opacity of 5% or greater, except for up to three minutes in any hour. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The CTG shall be equipped with a continuous monitoring system to measure and record hours of operation, and fuel consumption. [District Rules 2201 and 40 CFR 60.334(a)] Federally Enforceable Through Title V Permit
5. Operation of the turbine shall not exceed 8,000 hours per calendar year. [District Rule 2201] Federally Enforceable Through Title V Permit
6. The CTG shall be equipped with continuous emission monitors (CEM) for NO_x (before and after SCR system), CO, and O₂. Exhaust gas continuous emission monitors shall meet the requirements of 40 CFR parts 60 and 75 and shall be capable of monitoring emissions during startups and shutdowns as well as normal operating conditions. [District Rules 2201 and 4703; and 40 CFR 60.334(b)] Federally Enforceable Through Title V Permit
7. The facility shall operate and maintain equipment, facilities, and systems compatible with the District's CEM data polling software system and shall make CEM data available to the District's automated polling system on a daily basis. [District Rule 1080] Federally Enforceable Through Title V Permit
8. The exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods and shall be equipped with safe permanent provisions to sample stack gases with a portable NO_x, CO, and O₂ analyzer during District inspections. [District Rule 1081] Federally Enforceable Through Title V Permit
9. The owner or operator shall operate and maintain in calibration a system which continuously measures and records: emissions control system operating parameters, elapsed time of operation of the turbine, the fuel consumption, and the exhaust gas NO_x and O₂ concentrations. [40 CFR 60.334(a)] Federally Enforceable Through Title V Permit
10. CEM cycling times shall be those specified in 40 CFR Part 51, Appendix P, Sections 3.4, 3.4.1 and 3.4.2, or shall meet equivalent specifications established by mutual agreement of the District, the ARB and the EPA. [District Rule 1080] 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.

Facility Name: ALTAGAS SAN JOAQUIN ENERGY INC.

Location: 10596 IDAHO AVENUE, HANFORD ENERGY PARK PEAKER PLANT, HANFORD, CA 93230

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11. The exhaust gas continuous NO_x and O₂ monitoring system shall meet the performance specification requirements in 40 CFR 60, Appendix F, 40 CFR 51, Appendix P, and Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rule 1080] Federally Enforceable Through Title V Permit
12. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
13. Sulfur compound emissions shall not exceed 0.2% by volume, 2,000 ppmv, on a dry basis averaged over 15 consecutive minutes. [Kings County Rule 407 and 40 CFR 60.333(a)] Federally Enforceable Through Title V Permit
14. The CTG shall be fired exclusively on PUC-regulated natural gas with a sulfur content no greater than 0.25 grain of sulfur compounds (as S) per 100 dry scf of natural gas. [District Rule 2201, Kings County Rule 407, and 40 CFR 60.333(b)] Federally Enforceable Through Title V Permit
15. If this unit is fired on PUC-regulated natural gas, then maintain on file copies of natural gas bills. [District Rule 2520] Federally Enforceable Through Title V Permit
16. During startup or shutdown of any gas turbine engine, combined emissions from the two gas turbine engines (Unit #1 and Unit #2) shall not exceed either of the following limits: NO_x - 15.4 lb or CO - 15.4 lb per event. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Startup shall be defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operations, and the unit meets the lb/hr and ppmvd emission limits specified within this permit. Shutdown shall be defined as the period of time during which a unit is taken from an operational to a non-operational status as the fuel supply to the unit is completely turned off. [District Rule 4703] Federally Enforceable Through Title V Permit
18. Startup and shutdown durations shall not exceed a time period of one hour each per occurrence. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
19. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rule 4703] Federally Enforceable Through Title V Permit
20. Emission rates from this unit, excluding startup and shutdown, shall not exceed any of the following limits: PM₁₀: 3.03 lb/hr, SO_x (as SO₂): 0.33 lb/hr, NO_x (as NO₂): 3.7 ppmvd @ 15% O₂ and 6.3 lb/hr, VOC (as methane): 2.0 ppmvd @ 15% O₂ and 1.19 lb/hr, or CO: 6.0 ppmvd @ 15% O₂ and 6.2 lb/hr. All emission limits, except ammonia, are three hour rolling averages. [District Rules 2201 and 4703; and 40 CFR 60.332(a)] Federally Enforceable Through Title V Permit
21. The ammonia (NH₃) emissions shall not exceed 10 ppmvd @ 15% O₂ over a 24 hour rolling average. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Compliance with ammonia slip limit shall be demonstrated utilizing the following calculation procedure: ammonia slip ppmvd @ 15% O₂ = ((a - (b x c/1,000,000)) x (1,000,000 / b) x d, where a = ammonia injection rate (lb/hr) / (17 lb/lb mol), b = dry exhaust flow rate (lb/hr) / (29 lb/lb mol), c = change in measured NO_x concentration ppmvd @ 15% O₂ across the catalyst and d = correction factor. The correction factor shall be derived annually during compliance testing by comparing the measured and calculated ammonia slip. Alternatively, the permittee may utilize a continuous in-stack ammonia monitor, acceptable to the District to monitor compliance. At least 60 days prior to using a NH₃ CEM, the permittee shall submit a monitoring plan for District review and approval. [District Rule 4102]
23. Maximum daily emissions from this unit shall not exceed any of the following limits: PM₁₀ - 72.8 lb/day; SO_x (as SO₂) - 7.8 lb/day; NO_x (as NO₂) - 151.5 lb/day; VOC - 28.7 lb/day; or CO - 150.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Maximum annual emissions from this unit shall not exceed any of the following limits: NO_x (as NO₂) - 52,314 lb/year; VOC - 9,764 lb/year; CO - 51,947 lb/year; PM₁₀ - 25,176 lb/year; or SO_x (as SO₂) - 2,710 lb/year. [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.

25. {2255} The owner or operator shall be required to conform to the compliance testing and sampling procedures described in District Rule 1081 (as amended 12/16/93). [District Rule 1081] Federally Enforceable Through Title V Permit
26. Compliance testing to demonstrate compliance with PM10, NOx (as NO2), VOC, CO, ammonia emission rates, and fuel gas sulfur content shall be conducted at least once every twelve months. [District Rule 1081] Federally Enforceable Through Title V Permit
27. Compliance demonstration (source testing) shall be District witnessed or authorized, and samples shall be collected by a California Air Resources Board certified testing laboratory. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. 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
28. The following test methods shall be used PM10: EPA Method 5 (front half and back half), NOx: EPA Method 7E or 20, CO: EPA Method 10 or 10B, O2: EPA Method 3, 3A, or 20, VOC: EPA Method 18 or 25, ammonia: BAAQMD ST-1B, and fuel gas sulfur content: ASTM D3246. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. [District Rules 1081 and 4703; and 40 CFR 60.335(a) & (b)(10)] Federally Enforceable Through Title V Permit
29. The owner or operator shall provide source test information annually regarding the exhaust gas NOx and CO concentration corrected to 15% O2 (dry). EPA Methods 7E or 20 shall be used for NOx emissions. EPA Methods 10 or 10B shall be used for CO emissions. EPA Methods 3, 3A, or 20 shall be used for Oxygen content of the exhaust gas. [District Rule 4703, 40 CFR 60.8(a), and 40 CFR 60.335(a)] Federally Enforceable Through Title V Permit
30. {2270} All continuous monitoring systems and monitoring devices shall be installed and operational prior to conducting performance tests. Verification of operational status shall, as a minimum, include completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the device. [40 CFR 60.13(b)] Federally Enforceable Through Title V Permit
31. Results of the CEM system shall be averaged over a three hour period, using consecutive 15-minute sampling periods in accordance with either EPA Method 7E or EPA Method 20 for NOx, EPA Test Methods 10 or 10B for CO, or EPA Methods 3, 3A, or 20 for O2, or, if continuous emission monitors are used, all applicable requirements of CFR 60.13. [District Rule 4703 and 40 CFR 60.13] Federally Enforceable Through Title V Permit
32. The owner or operator shall not operate the gas turbine under load conditions, except as allowed by the transitional operation period, which results in the measured CO emissions concentration exceeding 200 ppmv @ 15% O2. [District Rule 4703] Federally Enforceable Through Title V Permit
33. The HHV and LHV of the fuel combusted shall be determined using ASTM D3588, ASTM 1826, or ASTM 1945. [District Rule 4703 and 40 CFR 60.332(a) & (b)] Federally Enforceable Through Title V Permit
34. The permittee shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080] Federally Enforceable Through Title V Permit
35. The owner or operator shall, upon written notice from the APCO, provide a summary of the data obtained from the CEM systems. This summary of data shall be in the form and the manner prescribed by the APCO. [District Rule 1080] Federally Enforceable Through Title V Permit
36. Operators of CEM systems installed at the direction of the APCO shall submit a written report for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: Time intervals, data and magnitude of excess emissions, nature and cause of excess (if known), corrective actions taken and preventive measures adopted; Averaging period used for data reporting corresponding to the averaging period specified in the emission test period used to determine compliance with an emission standard; Applicable time and date of each period during which the CEM was inoperative, except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. [District Rule 1080 and 40 CFR 60.334(j)] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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37. Upon notice by the District that the facility's CEM system is not providing polling data, the facility may continue to operate without providing automated data for a maximum of 30 days per calendar year provided the CEM data is sent to the District by a District-approved alternative method. [District Rule 1080] Federally Enforceable Through Title V Permit
38. Results of continuous emissions monitoring shall be reduced according to the procedure established in 40 CFR Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. [District Rule 1080] Federally Enforceable Through Title V Permit
39. Audits of continuous emission monitors shall be conducted quarterly, except during quarters in which relative accuracy and total accuracy testing is performed, in accordance with EPA guidelines. The District shall be notified prior to completion of the audits. Audit reports shall be submitted along with quarterly compliance reports to the District. [District Rule 1080] Federally Enforceable Through Title V Permit
40. APCO or an authorized representative shall be allowed to inspect, as he or she determines to be necessary, the monitoring devices required by this rule to ensure that such devices are functioning properly. [District Rule 1080] Federally Enforceable Through Title V Permit
41. The owner or operator shall maintain records that contain the following: the occurrence and duration of any start-up, shutdown or malfunction, performance testing, evaluations, calibrations, checks, adjustments, any periods during which a continuous monitoring system or monitoring device is inoperative, maintenance of any CEM system that has been installed pursuant to District Rule 1080 (as amended 12/17/92), and emission measurements. [District Rule 1080 and 40 CFR 60.8(d)] Federally Enforceable Through Title V Permit
42. The permittee shall maintain the following records: hours of operation, fuel consumption (scf/hr and scf/rolling twelve month period), continuous emission monitor measurements, calculated ammonia slip, and calculated NOx mass emission rates (lb/hr and lb/twelve month rolling period). [District Rule 2201] Federally Enforceable Through Title V Permit
43. The owner or operator shall maintain a stationary gas turbine system operating log that includes, on a daily basis, the actual local start-up and stop time, length and reason for reduced load periods, total hours of operation, type and quantity of fuel used. [District Rule 4703] Federally Enforceable Through Title V Permit
44. The operator performing start-up or shutdown of this unit shall keep records of the duration of start-up or shutdown. [District Rule 4703] Federally Enforceable Through Title V Permit
45. The operator of this unit shall keep records of the date, time and duration of each bypass transition period and each primary re-ignition period. [District Rule 4703] Federally Enforceable Through Title V Permit
46. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirement: Kings County Rule 407 as of the date of permit issuance. A permit shield is granted from this requirement. [District Rule 2520] Federally Enforceable Through Title V Permit
47. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: 40 CFR 60.7(b), 60.8, 60.8(d), 60.13, and 60.13(b); District Rules 1080 (as amended 12/17/92), Sections 6.3, 6.4, 6.5, 7.0, 7.1, 7.2, 7.3, 8.0, 9.0, 10.0, and 11.0; and 1081 (as amended 12/16/93) as of the date of permit issuance. A permit shield is granted from these requirements. [District Rule 2520] Federally Enforceable Through Title V Permit
48. This unit shall be equipped with temperature measurement devices that continuously measure the oxidation catalyst inlet temperatures. [40 CFR 64] Federally Enforceable Through Title V Permit
49. Except during periods of startup, shutdown, or when conducting combustor tuning activities, the average oxidation catalyst inlet temperature shall not be lower than 700 degrees Fahrenheit. [40 CFR 64] Federally Enforceable Through Title V Permit
50. Upon detecting any excursion from the acceptable oxidation catalyst average inlet temperature range, the permittee shall investigate the excursion and take corrective action to minimize excessive emissions and prevent the recurrence of the excursion as expeditiously as possible. [40 CFR 64] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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51. The permittee shall maintain records of the oxidation catalyst average inlet temperatures and any maintenance/repairs performed on the temperature measurement devices. [40 CFR 64] Federally Enforceable Through Title V Permit
52. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR part 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
53. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR part 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
54. If the District or EPA determine that a Quality Improvement Plan is required under 40 CFR 64.7(d)(2), the permittee shall develop and implement the Quality Improvement Plan in accordance with 40 CFR part 64.8. [40 CFR 64] Federally Enforceable Through Title V Permit
55. The owners and operators of each affected source and each affected unit at the source shall: (i) Operate the unit in compliance with a complete Acid Rain permit application or a superceding Acid Rain permit issued by the permitting authority; and (ii) Have an Acid Rain permit. [40 CFR 72] Federally Enforceable Through Title V Permit
56. The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75. [40 CFR 75] Federally Enforceable Through Title V Permit
57. The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit
58. The owners and operators of each source and each affected unit at the source shall: (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide. [40 CFR 73] Federally Enforceable Through Title V Permit
59. Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act. [40 CFR 77] Federally Enforceable Through Title V Permit
60. An affected unit shall be subject to the sulfur dioxide requirements starting on the later of January 1, 2000, or the deadline for monitoring certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3) that is not a substitution or compensating unit. [40 CFR 72 and 40 CFR 75] Federally Enforceable Through Title V Permit
61. Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program. [40 CFR 72] Federally Enforceable Through Title V Permit
62. An allowance shall not be deducted in order to comply with the requirements under 40 CFR part 73, prior to the calendar year for which the allowance was allocated. [40 CFR 73] Federally Enforceable Through Title V Permit
63. An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization. [40 CFR 72] Federally Enforceable Through Title V Permit
64. An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right. [40 CFR 72] Federally Enforceable Through Title V Permit
65. The owners and operators of each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides. [40 CFR 72] Federally Enforceable Through Title V Permit
66. The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77. [40 CFR 77] Federally Enforceable Through Title V Permit
67. The owners and operators of an affected unit that has excess emissions in any calendar year shall: (i) Pay without demand the penalty required, and pay up on demand the interest on that penalty; and (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77. [40 CFR 77] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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68. The owners and operators of the each affected unit at the source shall keep on site the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Administrator or permitting authority: (i) The certificate of representation for the designated representative for the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site beyond such five-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative. [40 CFR 72] Federally Enforceable Through Title V Permit
69. The owners and operators of each affected unit at the source shall keep on site each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Administrator or permitting authority; (ii) All emissions monitoring information, in accordance with 40 CFR part 75; (iii) Copies of all reports, compliance certifications and other submissions and all records made or required under the Acid Rain Program; (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission that demonstrates compliance with the requirements of the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit
70. The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 75 Subpart I. [40 CFR 75] Federally Enforceable Through Title V Permit

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DRAFT

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: C-4140-2-6

EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:

47.5 MW NOMINALLY RATED SIMPLE-CYCLE PEAK-DEMAND POWER GENERATING SYSTEM #2 CONSISTING OF A GENERAL ELECTRIC MODEL LM6000 NATURAL GAS-FIRED COMBUSTION TURBINE GENERATOR WITH WATER SPRAY PREMIXED COMBUSTION SYSTEMS, SERVED BY A SELECTIVE CATALYTIC REDUCTION (SCR) SYSTEM WITH AMMONIA INJECTION AND AN OXIDATION CATALYST

PERMIT UNIT REQUIREMENTS

1. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Selective catalytic reduction (SCR) system and oxidation catalyst shall serve the gas turbine engine. Exhaust ducting shall be equipped with a fresh air inlet and blower to be used to lower the exhaust temperature prior to inlet of the SCR system catalyst. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Combustion turbine generator (CTG) and generator lube oil vents shall be equipped with mist eliminators. Visible emissions from lube oil vents shall not exhibit opacity of 5% or greater, except for up to three minutes in any hour. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The CTG shall be equipped with a continuous monitoring system to measure and record hours of operation, and fuel consumption. [District Rules 2201 and 40 CFR 60.334(a)] Federally Enforceable Through Title V Permit
5. Operation of the turbine shall not exceed 8,000 hours per calendar year. [District Rule 2201] Federally Enforceable Through Title V Permit
6. The CTG shall be equipped with continuous emission monitors (CEM) for NO_x (before and after SCR system), CO, and O₂. Exhaust gas continuous emission monitors shall meet the requirements of 40 CFR parts 60 and 75 and shall be capable of monitoring emissions during startups and shutdowns as well as normal operating conditions. [District Rules 2201 and 4703; and 40 CFR 60.334(b)] Federally Enforceable Through Title V Permit
7. The facility shall operate and maintain equipment, facilities, and systems compatible with the District's CEM data polling software system and shall make CEM data available to the District's automated polling system on a daily basis. [District Rule 1080] Federally Enforceable Through Title V Permit
8. The exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods and shall be equipped with safe permanent provisions to sample stack gases with a portable NO_x, CO, and O₂ analyzer during District inspections. [District Rule 1081] Federally Enforceable Through Title V Permit
9. The owner or operator shall operate and maintain in calibration a system which continuously measures and records: emissions control system operating parameters, elapsed time of operation of the turbine, the fuel consumption, and the exhaust gas NO_x and O₂ concentrations. [40 CFR 60.334(a)] Federally Enforceable Through Title V Permit
10. CEM cycling times shall be those specified in 40 CFR Part 51, Appendix P, Sections 3.4, 3.4.1 and 3.4.2, or shall meet equivalent specifications established by mutual agreement of the District, the ARB and the EPA. [District Rule 1080] 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.

Facility Name: ALTAGAS SAN JOAQUIN ENERGY INC.

Location: 10596 IDAHO AVENUE, HANFORD ENERGY PARK PEAKER PLANT, HANFORD, CA 93230

C-4140-2-6 - Dec 20 2016 3:17PM - AYABEIJ

11. The exhaust gas continuous NOx and O2 monitoring system shall meet the performance specification requirements in 40 CFR 60, Appendix F, 40 CFR 51, Appendix P, and Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rule 1080] Federally Enforceable Through Title V Permit
12. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
13. Sulfur compound emissions shall not exceed 0.2% by volume, 2,000 ppmv, on a dry basis averaged over 15 consecutive minutes. [Kings County Rule 407 and 40 CFR 60.333(a)] Federally Enforceable Through Title V Permit
14. The CTG shall be fired exclusively on PUC-regulated natural gas with a sulfur content no greater than 0.25 grain of sulfur compounds (as S) per 100 dry scf of natural gas. [District Rule 2201, Kings County Rule 407, and 40 CFR 60.333(b)] Federally Enforceable Through Title V Permit
15. If this unit is fired on PUC-regulated natural gas, then maintain on file copies of natural gas bills. [District Rule 2520] Federally Enforceable Through Title V Permit
16. During startup or shutdown of any gas turbine engine, combined emissions from the two gas turbine engines (Unit #1 and Unit #2) shall not exceed either of the following limits: NOx - 15.4 lb or CO - 15.4 lb per event. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Startup shall be defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operations, and the unit meets the lb/hr and ppmvd emission limits specified within this permit. Shutdown shall be defined as the period of time during which a unit is taken from an operational to a non-operational status as the fuel supply to the unit is completely turned off. [District Rule 4703] Federally Enforceable Through Title V Permit
18. Startup and shutdown durations shall not exceed a time period of one hour each per occurrence. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
19. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rule 4703] Federally Enforceable Through Title V Permit
20. Emission rates from this unit, excluding startup and shutdown, shall not exceed any of the following limits: PM10: 3.03 lb/hr, SOx (as SO2): 0.33 lb/hr, NOx (as NO2): 3.7 ppmvd @ 15% O2 and 6.3 lb/hr, VOC (as methane): 2.0 ppmvd @ 15% O2 and 1.19 lb/hr, or CO: 6.0 ppmvd @ 15% O2 and 6.2 lb/hr. All emission limits, except ammonia, are three hour rolling averages. [District Rules 2201 and 4703; and 40 CFR 60.332(a)] Federally Enforceable Through Title V Permit
21. The ammonia (NH3) emissions shall not exceed 10 ppmvd @ 15% O2 over a 24 hour rolling average. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Compliance with ammonia slip limit shall be demonstrated utilizing the following calculation procedure: ammonia slip ppmvd @ 15% O2 = ((a - (b x c/1,000,000)) x (1,000,000 / b) x d, where a = ammonia injection rate (lb/hr) / (17 lb/lb mol), b = dry exhaust flow rate (lb/hr) / (29 lb/lb mol), c = change in measured NOx concentration ppmvd @ 15% O2 across the catalyst and d = correction factor. The correction factor shall be derived annually during compliance testing by comparing the measured and calculated ammonia slip. Alternatively, the permittee may utilize a continuous in-stack ammonia monitor, acceptable to the District to monitor compliance. At least 60 days prior to using a NH3 CEM, the permittee shall submit a monitoring plan for District review and approval. [District Rule 4102]
23. Maximum daily emissions from this unit shall not exceed any of the following limits: PM10 - 72.8 lb/day; SOx (as SO2) - 7.8 lb/day; NOx (as NO2) - 151.5 lb/day; VOC - 28.7 lb/day; or CO - 150.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Maximum annual emissions from this unit shall not exceed any of the following limits: NOx (as NO2) - 52,314 lb/year; VOC - 9,764 lb/year; CO - 51,947 lb/year; PM10 - 25,176 lb/year; or SOx (as SO2) - 2,710 lb/year. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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25. {2255} The owner or operator shall be required to conform to the compliance testing and sampling procedures described in District Rule 1081 (as amended 12/16/93). [District Rule 1081] Federally Enforceable Through Title V Permit
26. Compliance testing to demonstrate compliance with PM10, NOx (as NO2), VOC, CO, ammonia emission rates, and fuel gas sulfur content shall be conducted at least once every twelve months. [District Rule 1081] Federally Enforceable Through Title V Permit
27. Compliance demonstration (source testing) shall be District witnessed or authorized, and samples shall be collected by a California Air Resources Board certified testing laboratory. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. 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
28. The following test methods shall be used PM10: EPA Method 5 (front half and back half), NOx: EPA Method 7E or 20, CO: EPA Method 10 or 10B, O2: EPA Method 3, 3A, or 20, VOC: EPA Method 18 or 25, ammonia: BAAQMD ST-1B, and fuel gas sulfur content: ASTM D3246. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. [District Rules 1081 and 4703; and 40 CFR 60.335(a) & (b)(10)] Federally Enforceable Through Title V Permit
29. The owner or operator shall provide source test information annually regarding the exhaust gas NOx and CO concentration corrected to 15% O2 (dry). EPA Methods 7E or 20 shall be used for NOx emissions. EPA Methods 10 or 10B shall be used for CO emissions. EPA Methods 3, 3A, or 20 shall be used for Oxygen content of the exhaust gas. [District Rule 4703, 40 CFR 60.8(a), and 40 CFR 60.335(a)] Federally Enforceable Through Title V Permit
30. {2270} All continuous monitoring systems and monitoring devices shall be installed and operational prior to conducting performance tests. Verification of operational status shall, as a minimum, include completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the device. [40 CFR 60.13(b)] Federally Enforceable Through Title V Permit
31. Results of the CEM system shall be averaged over a three hour period, using consecutive 15-minute sampling periods in accordance with either EPA Method 7E or EPA Method 20 for NOx, EPA Test Methods 10 or 10B for CO, or EPA Methods 3, 3A, or 20 for O2, or, if continuous emission monitors are used, all applicable requirements of CFR 60.13. [District Rule 4703 and 40 CFR 60.13] Federally Enforceable Through Title V Permit
32. The owner or operator shall not operate the gas turbine under load conditions, except as allowed by the transitional operation period, which results in the measured CO emissions concentration exceeding 200 ppmv @ 15% O2. [District Rule 4703] Federally Enforceable Through Title V Permit
33. The HHV and LHV of the fuel combusted shall be determined using ASTM D3588, ASTM 1826, or ASTM 1945. [District Rule 4703 and 40 CFR 60.332(a) & (b)] Federally Enforceable Through Title V Permit
34. The permittee shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080] Federally Enforceable Through Title V Permit
35. The owner or operator shall, upon written notice from the APCO, provide a summary of the data obtained from the CEM systems. This summary of data shall be in the form and the manner prescribed by the APCO. [District Rule 1080] Federally Enforceable Through Title V Permit
36. Operators of CEM systems installed at the direction of the APCO shall submit a written report for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: Time intervals, data and magnitude of excess emissions, nature and cause of excess (if known), corrective actions taken and preventive measures adopted; Averaging period used for data reporting corresponding to the averaging period specified in the emission test period used to determine compliance with an emission standard; Applicable time and date of each period during which the CEM was inoperative, except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. [District Rule 1080 and 40 CFR 60.334(j)] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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37. Upon notice by the District that the facility's CEM system is not providing polling data, the facility may continue to operate without providing automated data for a maximum of 30 days per calendar year provided the CEM data is sent to the District by a District-approved alternative method. [District Rule 1080] Federally Enforceable Through Title V Permit
38. Results of continuous emissions monitoring shall be reduced according to the procedure established in 40 CFR Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. [District Rule 1080] Federally Enforceable Through Title V Permit
39. Audits of continuous emission monitors shall be conducted quarterly, except during quarters in which relative accuracy and total accuracy testing is performed, in accordance with EPA guidelines. The District shall be notified prior to completion of the audits. Audit reports shall be submitted along with quarterly compliance reports to the District. [District Rule 1080] Federally Enforceable Through Title V Permit
40. APCO or an authorized representative shall be allowed to inspect, as he or she determines to be necessary, the monitoring devices required by this rule to ensure that such devices are functioning properly. [District Rule 1080] Federally Enforceable Through Title V Permit
41. The owner or operator shall maintain records that contain the following: the occurrence and duration of any start-up, shutdown or malfunction, performance testing, evaluations, calibrations, checks, adjustments, any periods during which a continuous monitoring system or monitoring device is inoperative, maintenance of any CEM system that has been installed pursuant to District Rule 1080 (as amended 12/17/92), and emission measurements. [District Rule 1080 and 40 CFR 60.8(d)] Federally Enforceable Through Title V Permit
42. The permittee shall maintain the following records: hours of operation, fuel consumption (scf/hr and scf/rolling twelve month period), continuous emission monitor measurements, calculated ammonia slip, and calculated NOx mass emission rates (lb/hr and lb/twelve month rolling period). [District Rule 2201] Federally Enforceable Through Title V Permit
43. The owner or operator shall maintain a stationary gas turbine system operating log that includes, on a daily basis, the actual local start-up and stop time, length and reason for reduced load periods, total hours of operation, type and quantity of fuel used. [District Rule 4703] Federally Enforceable Through Title V Permit
44. The operator performing start-up or shutdown of this unit shall keep records of the duration of start-up or shutdown. [District Rule 4703] Federally Enforceable Through Title V Permit
45. The operator of this unit shall keep records of the date, time and duration of each bypass transition period and each primary re-ignition period. [District Rule 4703] Federally Enforceable Through Title V Permit
46. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirement: Kings County Rule 407 as of the date of permit issuance. A permit shield is granted from this requirement. [District Rule 2520] Federally Enforceable Through Title V Permit
47. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: 40 CFR 60.7(b), 60.8, 60.8(d), 60.13, and 60.13(b); District Rules 1080 (as amended 12/17/92), Sections 6.3, 6.4, 6.5, 7.0, 7.1, 7.2, 7.3, 8.0, 9.0, 10.0, and 11.0; and 1081 (as amended 12/16/93) as of the date of permit issuance. A permit shield is granted from these requirements. [District Rule 2520] Federally Enforceable Through Title V Permit
48. This unit shall be equipped with temperature measurement devices that continuously measure the oxidation catalyst inlet temperatures. [40 CFR 64] Federally Enforceable Through Title V Permit
49. Except during periods of startup, shutdown, or when conducting combustor tuning activities, the average oxidation catalyst inlet temperature shall not be lower than 700 degrees Fahrenheit. [40 CFR 64] Federally Enforceable Through Title V Permit
50. Upon detecting any excursion from the acceptable oxidation catalyst average inlet temperature range, the permittee shall investigate the excursion and take corrective action to minimize excessive emissions and prevent the recurrence of the excursion as expeditiously as possible. [40 CFR 64] 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.

51. The permittee shall maintain records of the oxidation catalyst average inlet temperatures and any maintenance/repairs performed on the temperature measurement devices. [40 CFR 64] Federally Enforceable Through Title V Permit
52. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR part 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
53. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR part 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
54. If the District or EPA determine that a Quality Improvement Plan is required under 40 CFR 64.7(d)(2), the permittee shall develop and implement the Quality Improvement Plan in accordance with 40 CFR part 64.8. [40 CFR 64] Federally Enforceable Through Title V Permit
55. The owners and operators of each affected source and each affected unit at the source shall: (i) Operate the unit in compliance with a complete Acid Rain permit application or a superceding Acid Rain permit issued by the permitting authority; and (ii) Have an Acid Rain permit. [40 CFR 72] Federally Enforceable Through Title V Permit
56. The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75. [40 CFR 75] Federally Enforceable Through Title V Permit
57. The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit
58. The owners and operators of each source and each affected unit at the source shall: (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide. [40 CFR 73] Federally Enforceable Through Title V Permit
59. Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act. [40 CFR 77] Federally Enforceable Through Title V Permit
60. An affected unit shall be subject to the sulfur dioxide requirements starting on the later of January 1, 2000, or the deadline for monitoring certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3) that is not a substitution or compensating unit. [40 CFR 72 and 40 CFR 75] Federally Enforceable Through Title V Permit
61. Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program. [40 CFR 72] Federally Enforceable Through Title V Permit
62. An allowance shall not be deducted in order to comply with the requirements under 40 CFR part 73, prior to the calendar year for which the allowance was allocated. [40 CFR 73] Federally Enforceable Through Title V Permit
63. An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization. [40 CFR 72] Federally Enforceable Through Title V Permit
64. An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right. [40 CFR 72] Federally Enforceable Through Title V Permit
65. The owners and operators of each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides. [40 CFR 72] Federally Enforceable Through Title V Permit
66. The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77. [40 CFR 77] Federally Enforceable Through Title V Permit
67. The owners and operators of an affected unit that has excess emissions in any calendar year shall: (i) Pay without demand the penalty required, and pay up on demand the interest on that penalty; and (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77. [40 CFR 77] 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.

68. The owners and operators of the each affected unit at the source shall keep on site the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Administrator or permitting authority: (i) The certificate of representation for the designated representative for the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site beyond such five-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative. [40 CFR 72] Federally Enforceable Through Title V Permit
69. The owners and operators of each affected unit at the source shall keep on site each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Administrator or permitting authority; (ii) All emissions monitoring information, in accordance with 40 CFR part 75; (iii) Copies of all reports, compliance certifications and other submissions and all records made or required under the Acid Rain Program; (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission that demonstrates compliance with the requirements of the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit
70. The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 75 Subpart I. [40 CFR 75] 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: C-4140-4-1

EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:

724 BHP CATERPILLAR MODEL 3412 DIESEL-FIRED EMERGENCY STANDBY IC ENGINE POWERING A 475 KW ELECTRICAL GENERATOR

PERMIT UNIT REQUIREMENTS

1. This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702 and 40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
2. This engine shall be equipped with a non-resettable hour meter with a minimum display capability of 9,999 hours, unless the District determines that a non-resettable hour meter with a different minimum display capability is appropriate in consideration of the historical use of the engine and the owner or operator's compliance history. [District Rules 2201 and 4702; 17 CCR 93115, and 40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
3. Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [Kings County Rule 407] Federally Enforceable Through Title V Permit
4. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801; and 17 CCR 93115] Federally Enforceable Through Title V Permit
5. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
6. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 20 hours per calendar year. [District Rule 4702, 17 CCR 93115, and 40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
7. During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702] Federally Enforceable Through Title V Permit
8. An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702] Federally Enforceable Through Title V Permit
9. This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702] Federally Enforceable Through Title V Permit
10. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirements: Kings County Rule 407. A permit shield is granted from these requirements. [District Rule 2520] 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.

11. The permittee must minimize the engine's time spent at idle during startup and minimize the engine's startup time to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes. [40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
12. The engine's oil and filter shall be changed every 500 hours of operation or every 12 months, whichever comes first. [40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
13. The engine's air filter shall be inspected every 1,000 hours of operation or every 12 months, whichever comes first, and replaced as necessary. [40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
14. The engine's hoses and belts shall be inspected every 500 hours of operation or every 12 months, whichever comes first, and replaced as necessary. [40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
15. The permittee has the option of utilizing an oil analysis program in order to extend the specified oil change requirement in Tables 2c and 2d of Subpart ZZZZ. The oil analysis must be performed at the same frequency specified for changing the oil in Table 2c or 2d to this subpart. The analysis program must at a minimum analyze the following three parameters: Total Base Number, viscosity, and percent water content. The condemning limits for these parameters are as follows: Total Base Number is less than 30 percent of the Total Base Number of the oil when new; viscosity of the oil has changed by more than 20 percent from the viscosity of the oil when new; or percent water content (by volume) is greater than 0.5. If all of these condemning limits are not exceeded, the engine owner or operator is not required to change the oil. If any of the limits are exceeded, the engine owner or operator must change the oil within 2 days of receiving the results of the analysis; if the engine is not in operation when the results of the analysis are received, the engine owner or operator must change the oil within 2 days or before commencing operation, whichever is later. The owner or operator must keep records of the parameters that are analyzed as part of the program, the results of the analysis, and the oil changes for the engine. The analysis program must be part of the maintenance plan for the engine. [40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
16. The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rules 2520 and 4702; and 17 CCR 93115] Federally Enforceable Through Title V Permit
17. The permittee shall maintain monthly records of the type of fuel purchased. [District Rule 4702 and 17 CCR 93115] Federally Enforceable Through Title V Permit
18. The permittee shall maintain monthly records of the occurrence and duration of each malfunction of operation (i.e., process equipment) or the air pollution control and monitoring equipment. The permittee shall also maintain monthly records of action taken during periods of malfunction to minimize emissions, including corrective actions to restore malfunctioning process and air pollution control and monitoring equipment to its normal or usual manner of operation. [40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
19. The permittee must maintain records of all required maintenance performed on the air pollution control and monitoring equipment. [40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit
20. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 4702, 17 CCR 93115, and 40 CFR 63 Subpart ZZZZ] Federally Enforceable Through Title V Permit

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

ATTACHMENT B

Previous Title V Operating Permit

Permit to Operate

FACILITY: C-4140 **EXPIRATION DATE:** 04/30/2016

LEGAL OWNER OR OPERATOR: ALTAGAS SAN JOAQUIN ENERGY INC.
MAILING ADDRESS: 14950 W SCHULTE RD
TRACY, CA 95377

FACILITY LOCATION: 10596 IDAHO AVENUE
HANFORD ENERGY PARK PEAKER PLANT
HANFORD, CA 93230

FACILITY DESCRIPTION: POWER GENERATION

The Facility's Permit to Operate may include Facility-wide Requirements as well as requirements that apply to specific permit units.

This Permit to Operate remains valid through the permit expiration date listed above, subject to payment of annual permit fees and compliance with permit conditions and all applicable local, state, and federal regulations. This permit is valid only at the location specified above, and becomes void upon any transfer of ownership or location. Any modification of the equipment or operation, as defined in District Rule 2201, will require prior District approval. This permit shall be posted as prescribed in District Rule 2010.

Seyed Sadredin
Executive Director / APCO

Arnaud Marjollet
Director of Permit Services

San Joaquin Valley Air Pollution Control District

FACILITY: C-4140-0-1

EXPIRATION DATE: 04/30/2016

FACILITY-WIDE REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. The owner or operator shall notify the District of any breakdown condition as soon as reasonably possible, but no later than one hour after its detection, unless the owner or operator demonstrates to the District's satisfaction that the longer reporting period was necessary. [District Rule 1100, 6.1; County Rules 110 (Fresno, Stanislaus, San Joaquin); 109 (Merced); 113 (Madera); and 111 (Kern, Tulare, Kings)] Federally Enforceable Through Title V Permit
3. The District shall be notified in writing within ten days following the correction of any breakdown condition. The breakdown notification shall include a description of the equipment malfunction or failure, the date and cause of the initial failure, the estimated emissions in excess of those allowed, and the methods utilized to restore normal operations. [District Rule 1100, 7.0; County Rules 110 (Fresno, Stanislaus, San Joaquin); 109 (Merced); 113 (Madera); and 111 (Kern, Tulare, Kings)] Federally Enforceable Through Title V Permit
4. The owner or operator of any stationary source operation that emits more than 25 tons per year of nitrogen oxides or reactive organic compounds, shall provide the District annually with a written statement in such form and at such time as the District prescribes, showing actual emissions of nitrogen oxides and reactive organic compounds from that source. [District Rule 1160, 5.0] Federally Enforceable Through Title V Permit
5. Any person building, altering or replacing any operation, article, machine, equipment, or other contrivance, the use of which may cause the issuance of air contaminants or the use of which may eliminate, reduce, or control the issuance of air contaminants, shall first obtain an Authority to Construct (ATC) from the District unless exempted by District Rule 2020 (12/20/07). [District Rule 2010, 3.0 and 4.0; and 2020] Federally Enforceable Through Title V Permit
6. The permittee must comply with all conditions of the permit including permit revisions originated by the District. All terms and conditions of a permit that are required pursuant to the Clean Air Act (CAA), including provisions to limit potential to emit, are enforceable by the EPA and Citizens under the CAA. Any permit noncompliance constitutes a violation of the CAA and the District Rules and Regulations, and is grounds for enforcement action, for permit termination, revocation, reopening and reissuance, or modification; or for denial of a permit renewal application. [District Rules 2070, 7.0; 2080; and 2520, 9.9.1 and 9.13.1] Federally Enforceable Through Title V Permit
7. A Permit to Operate or an Authority to Construct shall not be transferred unless a new application is filed with and approved by the District. [District Rule 2031] Federally Enforceable Through Title V Permit
8. Every application for a permit required under Rule 2010 (12/17/92) shall be filed in a manner and form prescribed by the District. [District Rule 2040] Federally Enforceable Through Title V Permit
9. The operator shall maintain records of required monitoring that include: 1) the date, place, and time of sampling or measurement; 2) the date(s) analyses were performed; 3) the company or entity that performed the analysis; 4) the analytical techniques or methods used; 5) the results of such analysis; and 6) the operating conditions at the time of sampling or measurement. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
10. The operator shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, or report. Support information includes copies of all reports required by the permit and, for continuous monitoring instrumentation, all calibration and maintenance records and all original strip-chart recordings. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate. Any amendments to these Facility-wide Requirements that affect specific Permit Units may constitute modification of those Permit Units.

Facility Name: ALTAGAS SAN JOAQUIN ENERGY INC.

Location: 10596 IDAHO AVENUE, HANFORD ENERGY PARK PEAKER PLANT, HANFORD, CA 93230

C-4140-0-1 : Nov 29 2016 8:30AM - AIYABEIJ

11. The operator shall submit reports of any required monitoring at least every six months unless a different frequency is required by an applicable requirement. All instances of deviations from permit requirements must be clearly identified in such reports. [District Rule 2520, 9.5.1] Federally Enforceable Through Title V Permit
12. Deviations from permit conditions must be promptly reported, including deviations attributable to upset conditions, as defined in the permit. For the purpose of this condition, promptly means as soon as reasonably possible, but no later than 10 days after detection. The report shall include the probable cause of such deviations, and any corrective actions or preventive measures taken. All required reports must be certified by a responsible official consistent with section 10.0 of District Rule 2520 (6/21/01). [District Rules 2520, 9.5.2 and 1100, 7.0] Federally Enforceable Through Title V Permit
13. If for any reason a permit requirement or condition is being challenged for its constitutionality or validity by a court of competent jurisdiction, the outcome of such challenge shall not affect or invalidate the remainder of the conditions or requirements in that permit. [District Rule 2520, 9.7] Federally Enforceable Through Title V Permit
14. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit. [District Rule 2520, 9.8.2] Federally Enforceable Through Title V Permit
15. The permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition. [District Rule 2520, 9.8.3] Federally Enforceable Through Title V Permit
16. The permit does not convey any property rights of any sort, or any exclusive privilege. [District Rule 2520, 9.8.4] Federally Enforceable Through Title V Permit
17. The Permittee shall furnish to the District, within a reasonable time, any information that the District may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the District copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee may furnish such records directly to EPA along with a claim of confidentiality. [District Rule 2520, 9.8.5] Federally Enforceable Through Title V Permit
18. The permittee shall pay annual permit fees and other applicable fees as prescribed in Regulation III of the District Rules and Regulations. [District Rule 2520, 9.9] Federally Enforceable Through Title V Permit
19. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 2520, 9.13.2.1] Federally Enforceable Through Title V Permit
20. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 2520, 9.13.2.2] Federally Enforceable Through Title V Permit
21. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to inspect at reasonable times any facilities, equipment, practices, or operations regulated or required under the permit. [District Rule 2520, 9.13.2.3] Federally Enforceable Through Title V Permit
22. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or applicable requirements. [District Rule 2520, 9.13.2.4] Federally Enforceable Through Title V Permit
23. No air contaminants shall be discharged into the atmosphere for a period or periods aggregating more than 3 minutes in any one hour which is as dark or darker than Ringelmann #1 or equivalent to 20% opacity and greater, unless specifically exempted by District Rule 4101 (02/17/05). If the equipment or operation is subject to a more stringent visible emission standard as prescribed in a permit condition, the more stringent visible emission limit shall supersede this condition. [District Rule 4101, and County Rules 401 (in all eight counties in the San Joaquin Valley)] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

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

24. No person shall manufacture, blend, repackage, supply, sell, solicit or apply any architectural coating with a VOC content in excess of the corresponding limit specified in Table of Standards 1 effective until 12/30/10 or Table of Standards 2 effective on and after 1/1/11 of District Rule 4601 (12/17/09) for use or sale within the District. [District Rule 4601, 5.1] Federally Enforceable Through Title V Permit
25. All VOC-containing materials subject to Rule 4601 (12/17/09) shall be stored in closed containers when not in use. [District Rule 4601, 5.4] Federally Enforceable Through Title V Permit
26. The permittee shall comply with all the Labeling and Test Methods requirements outlined in Rule 4601 sections 6.1 and 6.3 (12/17/09). [District Rule 4601, 6.1 and 6.3] Federally Enforceable Through Title V Permit
27. With each report or document submitted under a permit requirement or a request for information by the District or EPA, the permittee shall include a certification of truth, accuracy, and completeness by a responsible official. [District Rule 2520, 9.13.1 and 10.0] Federally Enforceable Through Title V Permit
28. If the permittee performs maintenance on, or services, repairs, or disposes of appliances, the permittee shall comply with the standards for Recycling and Emissions Reduction pursuant to 40 CFR Part 82, Subpart F. [40 CFR 82 Subpart F] Federally Enforceable Through Title V Permit
29. If the permittee performs service on motor vehicles when this service involves the ozone-depleting refrigerant in the motor vehicle air conditioner (MVAC), the permittee shall comply with the standards for Servicing of Motor Vehicle Air Conditioners pursuant to all the applicable requirements as specified in 40 CFR Part 82, Subpart B. [40 CFR Part 82, Subpart B] Federally Enforceable Through Title V Permit
30. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8021 and 8011] Federally Enforceable Through Title V Permit
31. Outdoor handling, storage and transport of any bulk material which emits dust shall comply with the requirements of District Rule 8031, unless specifically exempted under Section 4.0 of Rule 8031 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8031 and 8011] Federally Enforceable Through Title V Permit
32. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8041 and 8011] Federally Enforceable Through Title V Permit
33. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8051 and 8011] Federally Enforceable Through Title V Permit
34. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 (8/19/2004) or Rule 8011 (8/19/2004). [District Rules 8061 and 8011] Federally Enforceable Through Title V Permit
35. Any unpaved vehicle/equipment area that anticipates more than 50 Average annual daily Trips (AADT) shall comply with the requirements of Section 5.1.1 of District Rule 8071. Any unpaved vehicle/equipment area that anticipates more than 150 vehicle trips per day (VDT) shall comply with the requirements of Section 5.1.2 of District Rule 8071. On each day that 25 or more VDT with 3 or more axles will occur on an unpaved vehicle/equipment traffic area, the owner/operator shall comply with the requirements of Section 5.1.3 of District Rule 8071. On each day when a special event will result in 1,000 or more vehicles that will travel/park on an unpaved area, the owner/operator shall comply with the requirements of Section 5.1.4 of District Rule 8071. All sources shall comply with the requirements of Section 5.0 of District Rule 8071 unless specifically exempted under Section 4.0 of Rule 8071 (9/16/2004) or Rule 8011 (8/19/2004). [District Rules 8071 and 8011] Federally Enforceable Through Title V Permit
36. Any owner or operator of a demolition or renovation activity, as defined in 40 CFR 61.141, shall comply with the applicable inspection, notification, removal, and disposal procedures for asbestos containing materials as specified in 40 CFR 61.145 (Standard for Demolition and Renovation). [40 CFR 61 Subpart M] Federally Enforceable Through Title V Permit

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

37. The permittee shall submit certifications of compliance with the terms and standards contained in Title V permits, including emission limits, standards and work practices, to the District and the EPA annually (or more frequently as specified in an applicable requirement or as specified by the District). The certification shall include the identification of each permit term or condition, the compliance status, whether compliance was continuous or intermittent, the methods used for determining the compliance status, and any other facts required by the District to determine the compliance status of the source. [District Rule 2520, 9.16] Federally Enforceable Through Title V Permit
38. The permittee shall submit an application for Title V permit renewal to the District at least six months, but not greater than 18 months, prior to the permit expiration date. [District Rule 2520, 5.2] Federally Enforceable Through Title V Permit
39. When a term is not defined in a Title V permit condition, the definition in the rule cited as the origin and authority for the condition in a Title V permits shall apply. [District Rule 2520, 9.1.1] Federally Enforceable Through Title V Permit
40. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following outdated SIP requirements: Rule 401 (Madera, Fresno, Kern, Kings, San Joaquin, Stanislaus, Tulare and Merced), Rule 110 (Fresno, Stanislaus, San Joaquin), Rule 109 (Merced), Rule 113 (Madera), Rule 111 (Kern, Tulare, Kings), and Rule 202 (Fresno, Kern, Tulare, Kings, Madera, Stanislaus, Merced, San Joaquin). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
41. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following applicable requirements: SJVUAPCD Rules 1100, sections 6.1 and 7.0 (12/17/92); 2010, sections 3.0 and 4.0 (12/17/92); 2031 (12/17/92); 2040 (12/17/92); 2070, section 7.0 (12/17/92); 2080 (12/17/92); 4101 (2/17/05); 4601 (12/17/09); 8021 (8/19/2004); 8031 (8/19/2004); 8041 (8/19/2004); 8051 (8/19/2004); 8061 (8/19/2004); and 8071 (9/16/2004). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
42. The reporting periods for the Report of Required Monitoring and the Compliance Certification Report begin January 1 of every year, unless alternative dates are approved by the District Compliance Division. These reports are due within 30 days after the end of the reporting period. [District Rule 2520] 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: C-4140-1-4

EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:

47.5 MW NOMINALLY RATED SIMPLE-CYCLE PEAK-DEMAND POWER GENERATING SYSTEM #1 CONSISTING OF A GENERAL ELECTRIC MODEL LM6000 NATURAL GAS-FIRED COMBUSTION TURBINE GENERATOR WITH WATER SPRAY PREMIXED COMBUSTION SYSTEMS, SERVED BY A SELECTIVE CATALYTIC REDUCTION (SCR) SYSTEM WITH AMMONIA INJECTION AND AN OXIDATION CATALYST

PERMIT UNIT REQUIREMENTS

1. Facilities C-603 and C-4140 are the same stationary source for SJVAPCD permitting purposes. [District Rule 2201] Federally Enforceable Through Title V Permit
2. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
3. Selective catalytic reduction (SCR) system and oxidation catalyst shall serve the gas turbine engine. Exhaust ducting shall be equipped with a fresh air inlet and blower to be used to lower the exhaust temperature prior to inlet of the SCR system catalyst. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Combustion turbine generator (CTG) and generator lube oil vents shall be equipped with mist eliminators. Visible emissions from lube oil vents shall not exhibit opacity of 5% or greater, except for up to three minutes in any hour. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The CTG shall be equipped with a continuous monitoring system to measure and record hours of operation, and fuel consumption. [District Rules 2201 and 4001] Federally Enforceable Through Title V Permit
6. Operation of the turbine shall not exceed 8,000 hours per calendar year. [District Rule 2201] Federally Enforceable Through Title V Permit
7. The CTG shall be equipped with continuous emission monitor (CEM) for NO_x (before and after SCR system), CO, and O₂. Continuous emission monitor shall meet the requirements of 40 CFR parts 60 and 75 and shall be capable of monitoring emissions during startups and shutdowns as well as normal operating conditions. [District Rules 2201, 4001, and 4703, 6.2.1] Federally Enforceable Through Title V Permit
8. The facility shall install and maintain equipment, facilities, and systems compatible with the District's CEM data polling software system and shall make CEM data available to the District's automated polling system on a daily basis. [District Rule 1080] Federally Enforceable Through Title V Permit
9. The exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods and shall be equipped with safe permanent provisions to sample stack gases with a portable NO_x, CO, and O₂ analyzer during District inspections. [District Rule 1081] Federally Enforceable Through Title V Permit
10. The owner or operator shall install, operate and maintain in calibration a system which continuously measures and records: emissions control system operating parameters, elapsed time of operation of the turbine, the fuel consumption, and the exhaust gas NO_x and O₂ concentrations. [40 CFR 60.334(b)] Federally Enforceable Through Title V Permit
11. CEM cycling times shall be those specified in 40 CFR, Part 51, Appendix P, Sections 3.4, 3.4.1 and 3.4.2, or shall meet equivalent specifications established by mutual agreement of the District, the ARB and the EPA. [District Rule 1080, 6.4] 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.

Facility Name: ALTAGAS SAN JOAQUIN ENERGY INC.

Location: 10596 IDAHO AVENUE, HANFORD ENERGY PARK PEAKER PLANT, HANFORD, CA 93230

C-4140-1-4 : Nov 29 2016 8:30AM - AIYABEJ

12. The continuous NOx and O2 monitoring system shall meet the performance specification requirements in 40 CFR 60, Appendix F, 40 CFR 51, Appendix P, and Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rule 1080, 6.3, 6.5, 6.6 and 7.2] Federally Enforceable Through Title V Permit
13. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201, 3.1] Federally Enforceable Through Title V Permit
14. Sulfur compound emissions shall not exceed 0.2% by volume, 2,000 ppmv, on a dry basis averaged over 15 consecutive minutes. [40 CFR 60.333(a); Kings County Rule 407] Federally Enforceable Through Title V Permit
15. The CTG shall be fired exclusively on PUC-regulated natural gas with a sulfur content no greater than 0.25 grain of sulfur compounds (as S) per 100 dry scf of natural gas. [District Rule 2201; 40 CFR 60.333(a) and Kings County Rule 407] Federally Enforceable Through Title V Permit
16. If this unit is fired on PUC-regulated natural gas, then maintain on file copies of natural gas bills. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. During startup or shutdown of any gas turbine engine, combined emissions from the two gas turbine engines (Unit #1 and Unit #2) shall not exceed either of the following limits: NOx - 15.4 lb or CO - 15.4 lb per event. [District Rule 2201] Federally Enforceable Through Title V Permit
18. Startup shall be defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operations, and the unit meets the lb/hr and ppmvd emission limits specified within this permit. Shutdown shall be defined as the period of time during which a unit is taken from an operational to a non-operational status as the fuel supply to the unit is completely turned off. [District Rule 4703, 3.26, 3.29 and 5.3] Federally Enforceable Through Title V Permit
19. Startup and shutdown durations shall not exceed a time period of one hour each per occurrence. [District Rules 2201 & 4703, 5.3.1.1] Federally Enforceable Through Title V Permit
20. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rule 4703, 5.3.2] Federally Enforceable Through Title V Permit
21. Emission rates from this unit, excluding startup and shutdown, shall not exceed any of the following limits: PM10: 3.03 lb/hr, SOx (as SO2): 0.33 lb/hr, NOx (as NO2): 3.7 ppmvd @ 15% O2 and 6.3 lb/hr, VOC (as methane): 2.0 ppmvd @ 15% O2 and 1.19 lb/hr, or CO: 6.0 ppmvd @ 15% O2 and 6.2 lb/hr. All emission limits, except ammonia, are three hour rolling averages. [District Rules 2201, 4001, and 4703, 5.1.2 & 5.2] Federally Enforceable Through Title V Permit
22. The ammonia (NH3) emissions shall not exceed 10 ppmvd @ 15% O2 over a 24 hour rolling average. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Compliance with ammonia slip limit shall be demonstrated utilizing the following calculation procedure: ammonia slip ppmvd @ 15% O2 = ((a - (b x c/1,000,000)) x (1,000,000 / b) x d, where a = ammonia injection rate (lb/hr) / (17 lb/lb mol), b = dry exhaust flow rate (lb/hr) / (29 lb/lb mol), c = change in measured NOx concentration ppmvd @ 15% O2 across the catalyst and d = correction factor. The correction factor shall be derived annually during compliance testing by comparing the measured and calculated ammonia slip. Alternatively, the permittee may utilize a continuous in-stack ammonia monitor, acceptable to the District to monitor compliance. At least 60 days prior to using a NH3 CEM, the permittee shall submit a monitoring plan for District review and approval. [District Rule 4102]
24. Maximum daily emissions from this unit shall not exceed any of the following limits: PM10 - 72.8 lb/day; SOx (as SO2) - 7.8 lb/day; NOx (as NO2) - 151.5 lb/day; VOC - 28.7 lb/day; or CO - 150.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Maximum annual emissions from this unit shall not exceed any of the following limits: NOx (as NO2) - 52,314 lb/year; VOC - 9,764 lb/year; CO - 51,947 lb/year; PM10 - 25,176 lb/year; or SOx (as SO2) - 2,710 lb/year. [District Rule 2201] Federally Enforceable Through Title V Permit
26. The owner or operator shall be required to conform to the compliance testing and sampling procedures described in District Rule 1081 (as amended 12/16/93). [District Rule 1081] 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.

27. Compliance testing to demonstrate compliance with PM10, NOx (as NO2), VOC, CO, ammonia emission rates, and fuel gas sulfur content shall be conducted at least once every twelve months. [District Rule 1081] Federally Enforceable Through Title V Permit
28. Compliance demonstration (source testing) shall be District witnessed or authorized, and samples shall be collected by a California Air Resources Board certified testing laboratory. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. 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
29. The following test methods shall be used PM10: EPA Method 5 (front half and back half), NOx: EPA Method 7E or 20, CO: EPA Method 10 or 10B, O2: EPA Method 3, 3A, or 20, VOC: EPA Method 18 or 25, ammonia: BAAQMD ST-1B, and fuel gas sulfur content: ASTM D3246. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. [District Rules 1081, 4001, and 4703, 6.4] Federally Enforceable Through Title V Permit
30. The owner or operator shall provide source test information annually regarding the exhaust gas NOx and CO concentration corrected to 15% O2 (dry). EPA Methods 7E or 20 shall be used for NOx emissions. EPA Methods 10 or 10B shall be used for CO emissions. EPA Methods 3, 3A, or 20 shall be used for Oxygen content of the exhaust gas. [40 CFR 60.8(a), 40 CFR 60.335(a) and District Rule 4703, 5.1, 6.3.1, 6.4.1, 6.4.2, and 6.4.3] Federally Enforceable Through Title V Permit
31. All continuous monitoring systems and monitoring devices shall be installed and operational prior to conducting performance tests. Verification of operational status shall, as a minimum, include completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the device. [40 CFR 60.13(b)] Federally Enforceable Through Title V Permit
32. Results of the CEM system shall be averaged over a three hour period, using consecutive 15-minute sampling periods in accordance with either EPA Method 7E or EPA Method 20 for NOx, EPA Test Methods 10 or 10B for CO, or EPA Methods 3, 3A, or 20 for O2, or, if continuous emission monitors are used, all applicable requirements of CFR 60.13. [40 CFR 60.13 and District Rule 4703, 5.1, 6.4] Federally Enforceable Through Title V Permit
33. The owner or operator shall not operate the gas turbine under load conditions, except as allowed by the transitional operation period, which results in the measured CO emissions concentration exceeding 200 ppmv @ 15% O2. [District Rule 4703, 5.2] Federally Enforceable Through Title V Permit
34. The HHV and LHV of the fuel combusted shall be determined using ASTM D3588, ASTM 1826, or ASTM 1945. [40 CFR 60.332(a) and (b) and District Rule 4703, 6.4.5] Federally Enforceable Through Title V Permit
35. The permittee shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080] Federally Enforceable Through Title V Permit
36. The owner or operator shall, upon written notice from the APCO, provide a summary of the data obtained from the CEM systems. This summary of data shall be in the form and the manner prescribed by the APCO. [District Rule 1080, 7.1] Federally Enforceable Through Title V Permit
37. Operators of CEM systems installed at the direction of the APCO shall submit a written report for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: Time intervals, data and magnitude of excess emissions, nature and cause of excess (if known), corrective actions taken and preventive measures adopted; Averaging period used for data reporting corresponding to the averaging period specified in the emission test period used to determine compliance with an emission standard; Applicable time and date of each period during which the CEM was inoperative, except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. [District Rule 1080, 8.0] 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.

38. Upon notice by the District that the facility's CEM system is not providing polling data, the facility may continue to operate without providing automated data for a maximum of 30 days per calendar year provided the CEM data is sent to the District by a District-approved alternative method. [District Rule 1080] Federally Enforceable Through Title V Permit
39. Results of continuous emissions monitoring shall be reduced according to the procedure established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. [District Rule 1080] Federally Enforceable Through Title V Permit
40. Audits of continuous emission monitors shall be conducted quarterly, except during quarters in which relative accuracy and total accuracy testing is performed, in accordance with EPA guidelines. The District shall be notified prior to completion of the audits. Audit reports shall be submitted along with quarterly compliance reports to the District. [District Rule 1080] Federally Enforceable Through Title V Permit
41. APCO or an authorized representative shall be allowed to inspect, as he or she determines to be necessary, the monitoring devices required by this rule to ensure that such devices are functioning properly. [District Rule 1080, 11.0] Federally Enforceable Through Title V Permit
42. The owner or operator shall maintain records that contain the following: the occurrence and duration of any start-up, shutdown or malfunction, performance testing, evaluations, calibrations, checks, adjustments, any periods during which a continuous monitoring system or monitoring device is inoperative, maintenance of any CEM system that has been installed pursuant to District Rule 1080 (as amended 12/17/92), and emission measurements. [40 CFR 60.8(d) and District Rule 1080, 7.0] Federally Enforceable Through Title V Permit
43. The permittee shall maintain the following records: hours of operation, fuel consumption (scf/hr and scf/rolling twelve month period), continuous emission monitor measurements, calculated ammonia slip, and calculated NOx mass emission rates (lb/hr and lb/twelve month rolling period). [District Rule 2201] Federally Enforceable Through Title V Permit
44. The owner or operator shall maintain a stationary gas turbine system operating log that includes, on a daily basis, the actual local start-up and stop time, length and reason for reduced load periods, total hours of operation, type and quantity of fuel used. [District Rule 4703, 6.2.6] Federally Enforceable Through Title V Permit
45. The operator performing start-up or shutdown of this unit shall keep records of the duration of start-up or shutdown. [District Rule 4703, 6.2.8] Federally Enforceable Through Title V Permit
46. The operator of this unit shall keep records of the date, time and duration of each bypass transition period and each primary re-ignition period. [District Rule 4703, 6.2.11] Federally Enforceable Through Title V Permit
47. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirement: Kings County Rule 407 as of the date of permit issuance. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
48. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: 40 CFR 60.7(b), 60.8, 60.8(d), 60.13, and 60.13(b); District Rules 1080 (as amended 12/17/92), Sections 6.3, 6.4, 6.5, 7.0, 7.1, 7.2, 7.3, 8.0, 9.0, 10.0, and 11.0; and 1081 (as amended 12/16/93) as of the date of permit issuance. A permit shield is granted from these requirements. [District Rule 2520, 13.2] 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: C-4140-2-4

EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:

47.5 MW NOMINALLY RATED SIMPLE-CYCLE PEAK-DEMAND POWER GENERATING SYSTEM #2 CONSISTING OF A GENERAL ELECTRIC MODEL LM6000 NATURAL GAS-FIRED COMBUSTION TURBINE GENERATOR WITH WATER SPRAY PREMIXED COMBUSTION SYSTEMS, SERVED BY A SELECTIVE CATALYTIC REDUCTION (SCR) SYSTEM WITH AMMONIA INJECTION AND AN OXIDATION CATALYST

PERMIT UNIT REQUIREMENTS

1. Facilities C-603 and C-4140 are the same stationary source for SJVAPCD permitting purposes. [District Rule 2201] Federally Enforceable Through Title V Permit
2. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
3. Selective catalytic reduction (SCR) system and oxidation catalyst shall serve the gas turbine engine. Exhaust ducting shall be equipped with a fresh air inlet and blower to be used to lower the exhaust temperature prior to inlet of the SCR system catalyst. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Combustion turbine generator (CTG) and generator lube oil vents shall be equipped with mist eliminators. Visible emissions from lube oil vents shall not exhibit opacity of 5% or greater, except for up to three minutes in any hour. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The CTG shall be equipped with a continuous monitoring system to measure and record hours of operation, and fuel consumption. [District Rules 2201 and 4001] Federally Enforceable Through Title V Permit
6. Operation of the turbine shall not exceed 8,000 hours per calendar year. [District Rule 2201] Federally Enforceable Through Title V Permit
7. The CTG shall be equipped with continuous emission monitor (CEM) for NO_x (before and after SCR system), CO, and O₂. Continuous emission monitor shall meet the requirements of 40 CFR parts 60 and 75 and shall be capable of monitoring emissions during startups and shutdowns as well as normal operating conditions. [District Rules 2201, 4001, and 4703, 6.2.1] Federally Enforceable Through Title V Permit
8. The facility shall install and maintain equipment, facilities, and systems compatible with the District's CEM data polling software system and shall make CEM data available to the District's automated polling system on a daily basis. [District Rule 1080] Federally Enforceable Through Title V Permit
9. The exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods and shall be equipped with safe permanent provisions to sample stack gases with a portable NO_x, CO, and O₂ analyzer during District inspections. [District Rule 1081] Federally Enforceable Through Title V Permit
10. The owner or operator shall install, operate and maintain in calibration a system which continuously measures and records: emissions control system operating parameters, elapsed time of operation of the turbine, the fuel consumption, and the exhaust gas NO_x and O₂ concentrations. [40 CFR 60.334(b)] Federally Enforceable Through Title V Permit
11. CEM cycling times shall be those specified in 40 CFR, Part 51, Appendix P, Sections 3.4, 3.4.1 and 3.4.2, or shall meet equivalent specifications established by mutual agreement of the District, the ARB and the EPA. [District Rule 1080, 6.4] 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.

Facility Name: ALTAGAS SAN JOAQUIN ENERGY INC.

Location: 10596 IDAHO AVENUE, HANFORD ENERGY PARK PEAKER PLANT, HANFORD, CA 93230

C-4140-2-4 : Nov 29 2016 8:30AM - AIYABEIJ

12. The continuous NO_x and O₂ monitoring system shall meet the performance specification requirements in 40 CFR 60, Appendix F, 40 CFR 51, Appendix P, and Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rule 1080, 6.3, 6.5, 6.6 and 7.2] Federally Enforceable Through Title V Permit
13. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201, 3.1] Federally Enforceable Through Title V Permit
14. Sulfur compound emissions shall not exceed 0.2% by volume, 2,000 ppmv, on a dry basis averaged over 15 consecutive minutes. [40 CFR 60.333(a); Kings County Rule 407] Federally Enforceable Through Title V Permit
15. The CTG shall be fired exclusively on PUC-regulated natural gas with a sulfur content no greater than 0.25 grain of sulfur compounds (as S) per 100 dry scf of natural gas. [District Rule 2201; 40 CFR 60.333(a) and Kings County Rule 407] Federally Enforceable Through Title V Permit
16. If this unit is fired on PUC-regulated natural gas, then maintain on file copies of natural gas bills. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. During startup or shutdown of any gas turbine engine, combined emissions from the two gas turbine engines (Unit #1 and Unit #2) shall not exceed either of the following limits: NO_x - 15.4 lb or CO - 15.4 lb per event. [District Rule 2201] Federally Enforceable Through Title V Permit
18. Startup shall be defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operations, and the unit meets the lb/hr and ppmvd emission limits specified within this permit. Shutdown shall be defined as the period of time during which a unit is taken from an operational to a non-operational status as the fuel supply to the unit is completely turned off. [District Rule 4703, 3.26, 3.29 and 5.3] Federally Enforceable Through Title V Permit
19. Startup and shutdown durations shall not exceed a time period of one hour each per occurrence. [District Rules 2201 & 4703, 5.3.1.1] Federally Enforceable Through Title V Permit
20. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rule 4703, 5.3.2] Federally Enforceable Through Title V Permit
21. Emission rates from this unit, excluding startup and shutdown, shall not exceed any of the following limits: PM₁₀: 3.03 lb/hr, SO_x (as SO₂): 0.33 lb/hr, NO_x (as NO₂): 3.7 ppmvd @ 15% O₂ and 6.3 lb/hr, VOC (as methane): 2.0 ppmvd @ 15% O₂ and 1.19 lb/hr, or CO: 6.0 ppmvd @ 15% O₂ and 6.2 lb/hr. All emission limits, except ammonia, are three hour rolling averages. [District Rules 2201, 4001, and 4703, 5.1.2 & 5.2] Federally Enforceable Through Title V Permit
22. The ammonia (NH₃) emissions shall not exceed 10 ppmvd @ 15% O₂ over a 24 hour rolling average. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Compliance with ammonia slip limit shall be demonstrated utilizing the following calculation procedure: ammonia slip ppmvd @ 15% O₂ = ((a - (b x c/1,000,000)) x (1,000,000 / b) x d, where a = ammonia injection rate (lb/hr) / (17 lb/lb mol), b = dry exhaust flow rate (lb/hr) / (29 lb/lb mol), c = change in measured NO_x concentration ppmvd @ 15% O₂ across the catalyst and d = correction factor. The correction factor shall be derived annually during compliance testing by comparing the measured and calculated ammonia slip. Alternatively, the permittee may utilize a continuous in-stack ammonia monitor, acceptable to the District to monitor compliance. At least 60 days prior to using a NH₃ CEM, the permittee shall submit a monitoring plan for District review and approval. [District Rule 4102]
24. Maximum daily emissions from this unit shall not exceed any of the following limits: PM₁₀ - 72.8 lb/day; SO_x (as SO₂) - 7.8 lb/day; NO_x (as NO₂) - 151.5 lb/day; VOC - 28.7 lb/day; or CO - 150.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Maximum annual emissions from this unit shall not exceed any of the following limits: NO_x (as NO₂) - 52,314 lb/year; VOC - 9,764 lb/year; CO - 51,947 lb/year; PM₁₀ - 25,176 lb/year; or SO_x (as SO₂) - 2,710 lb/year. [District Rule 2201] Federally Enforceable Through Title V Permit
26. The owner or operator shall be required to conform to the compliance testing and sampling procedures described in District Rule 1081 (as amended 12/16/93). [District Rule 1081] 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.

27. Compliance testing to demonstrate compliance with PM₁₀, NO_x (as NO₂), VOC, CO, ammonia emission rates, and fuel gas sulfur content shall be conducted at least once every twelve months. [District Rule 1081] Federally Enforceable Through Title V Permit
28. Compliance demonstration (source testing) shall be District witnessed or authorized, and samples shall be collected by a California Air Resources Board certified testing laboratory. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. 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
29. The following test methods shall be used PM₁₀: EPA Method 5 (front half and back half), NO_x: EPA Method 7E or 20, CO: EPA Method 10 or 10B, O₂: EPA Method 3, 3A, or 20, VOC: EPA Method 18 or 25, ammonia: BAAQMD ST-1B, and fuel gas sulfur content: ASTM D3246. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. [District Rules 1081, 4001, and 4703, 6.4] Federally Enforceable Through Title V Permit
30. The owner or operator shall provide source test information annually regarding the exhaust gas NO_x and CO concentration corrected to 15% O₂ (dry). EPA Methods 7E or 20 shall be used for NO_x emissions. EPA Methods 10 or 10B shall be used for CO emissions. EPA Methods 3, 3A, or 20 shall be used for Oxygen content of the exhaust gas. [40 CFR 60.8(a), 40 CFR 60.335(a) and District Rule 4703, 5.1, 6.3.1, 6.4.1, 6.4.2, and 6.4.3] Federally Enforceable Through Title V Permit
31. All continuous monitoring systems and monitoring devices shall be installed and operational prior to conducting performance tests. Verification of operational status shall, as a minimum, include completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the device. [40 CFR 60.13(b)] Federally Enforceable Through Title V Permit
32. Results of the CEM system shall be averaged over a three hour period, using consecutive 15-minute sampling periods in accordance with either EPA Method 7E or EPA Method 20 for NO_x, EPA Test Methods 10 or 10B for CO, or EPA Methods 3, 3A, or 20 for O₂, or, if continuous emission monitors are used, all applicable requirements of CFR 60.13. [40 CFR 60.13 and District Rule 4703, 5.1, 6.4] Federally Enforceable Through Title V Permit
33. The owner or operator shall not operate the gas turbine under load conditions, except as allowed by the transitional operation period, which results in the measured CO emissions concentration exceeding 200 ppmv @ 15% O₂. [District Rule 4703, 5.2] Federally Enforceable Through Title V Permit
34. The HHV and LHV of the fuel combusted shall be determined using ASTM D3588, ASTM 1826, or ASTM 1945. [40 CFR 60.332(a) and (b) and District Rule 4703, 6.4.5] Federally Enforceable Through Title V Permit
35. The permittee shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080] Federally Enforceable Through Title V Permit
36. The owner or operator shall, upon written notice from the APCO, provide a summary of the data obtained from the CEM systems. This summary of data shall be in the form and the manner prescribed by the APCO. [District Rule 1080, 7.1] Federally Enforceable Through Title V Permit
37. Operators of CEM systems installed at the direction of the APCO shall submit a written report for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: Time intervals, data and magnitude of excess emissions, nature and cause of excess (if known), corrective actions taken and preventive measures adopted; Averaging period used for data reporting corresponding to the averaging period specified in the emission test period used to determine compliance with an emission standard; Applicable time and date of each period during which the CEM was inoperative, except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. [District Rule 1080, 8.0] 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.

38. Upon notice by the District that the facility's CEM system is not providing polling data, the facility may continue to operate without providing automated data for a maximum of 30 days per calendar year provided the CEM data is sent to the District by a District-approved alternative method. [District Rule 1080] Federally Enforceable Through Title V Permit
39. Results of continuous emissions monitoring shall be reduced according to the procedure established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. [District Rule 1080] Federally Enforceable Through Title V Permit
40. Audits of continuous emission monitors shall be conducted quarterly, except during quarters in which relative accuracy and total accuracy testing is performed, in accordance with EPA guidelines. The District shall be notified prior to completion of the audits. Audit reports shall be submitted along with quarterly compliance reports to the District. [District Rule 1080] Federally Enforceable Through Title V Permit
41. APCO or an authorized representative shall be allowed to inspect, as he or she determines to be necessary, the monitoring devices required by this rule to ensure that such devices are functioning properly. [District Rule 1080, 11.0] Federally Enforceable Through Title V Permit
42. The owner or operator shall maintain records that contain the following: the occurrence and duration of any start-up, shutdown or malfunction, performance testing, evaluations, calibrations, checks, adjustments, any periods during which a continuous monitoring system or monitoring device is inoperative, maintenance of any CEM system that has been installed pursuant to District Rule 1080 (as amended 12/17/92), and emission measurements. [40 CFR 60.8(d) and District Rule 1080, 7.0] Federally Enforceable Through Title V Permit
43. The permittee shall maintain the following records: hours of operation, fuel consumption (scf/hr and scf/rolling twelve month period), continuous emission monitor measurements, calculated ammonia slip, and calculated NOx mass emission rates (lb/hr and lb/twelve month rolling period). [District Rule 2201] Federally Enforceable Through Title V Permit
44. The owner or operator shall maintain a stationary gas turbine system operating log that includes, on a daily basis, the actual local start-up and stop time, length and reason for reduced load periods, total hours of operation, type and quantity of fuel used. [District Rule 4703, 6.2.6] Federally Enforceable Through Title V Permit
45. The operator performing start-up or shutdown of this unit shall keep records of the duration of start-up or shutdown. [District Rule 4703, 6.2.8] Federally Enforceable Through Title V Permit
46. The operator of this unit shall keep records of the date, time and duration of each bypass transition period and each primary re-ignition period. [District Rule 4703, 6.2.11] Federally Enforceable Through Title V Permit
47. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirement: Kings County Rule 407 as of the date of permit issuance. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
48. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: 40 CFR 60.7(b), 60.8, 60.8(d), 60.13, and 60.13(b); District Rules 1080 (as amended 12/17/92), Sections 6.3, 6.4, 6.5, 7.0, 7.1, 7.2, 7.3, 8.0, 9.0, 10.0, and 11.0; and 1081 (as amended 12/16/93) as of the date of permit issuance. A permit shield is granted from these requirements. [District Rule 2520, 13.2] 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: C-4140-4-0

EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:

724 HP CATERPILLAR MODEL 3412 DIESEL-FIRED EMERGENCY IC ENGINE POWERING 475 KW ELECTRICAL GENERATOR

PERMIT UNIT REQUIREMENTS

1. This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702, 5.7.2] Federally Enforceable Through Title V Permit
2. This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rules 2201 and 4702, 5.7.4] Federally Enforceable Through Title V Permit
3. Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [Kings County Rule 407] Federally Enforceable Through Title V Permit
4. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [40 CFR Part 60 Subpart IIII and District Rules 2201 and 4801] Federally Enforceable Through Title V Permit
5. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 20 hours per calendar year. [District Rule 4702, 3.15] Federally Enforceable Through Title V Permit
6. During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702, 5.7.3] Federally Enforceable Through Title V Permit
7. An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702, 3.15] Federally Enforceable Through Title V Permit
8. This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702, 3.15] Federally Enforceable Through Title V Permit
9. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirements: Kings County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
10. The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rules 2520, 9.4.2 and 4702, 6.2.3] 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.

Facility Name: ALTAGAS SAN JOAQUIN ENERGY INC.

Location: 10596 IDAHO AVENUE, HANFORD ENERGY PARK PEAKER PLANT, HANFORD, CA 93230

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11. The permittee shall maintain monthly records of the type of fuel purchased. [District Rule 4702, 6.2.3] Federally Enforceable Through Title V Permit
12. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 4702, 6.2.3] Federally Enforceable Through Title V Permit

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

Facility Name: ALTAGAS SAN JOAQUIN ENERGY INC.

Location: 10596 IDAHO AVENUE, HANFORD ENERGY PARK PEAKER PLANT, HANFORD, CA 93230

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ATTACHMENT C

Detailed Facility List

Detailed Facility Report

For Facility=4140 and excluding Deleted Permits
Sorted by Facility Name and Permit Number

ALTAGAS SAN JOAQUIN ENERGY INC. 10596 IDAHO AVENUE HANFORD ENERGY PARK PEAKER PLANT HANFORD, CA 93230		FAC # STATUS: TELEPHONE:	C 4140 A	TYPE: TOXIC ID:	Title# 51860	EXPIRE ON: AREA: INSP. DATE:	04/30/2016 9/ 06/17
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PERMIT NUMBER	FEE DESCRIPTION	FEE RULE	QTY	FEE AMOUNT	FEE TOTAL	PERMIT STATUS	EQUIPMENT DESCRIPTION
C-4140-1-4	47,500 kW	3020-08B G	1	11,178.00	11,178.00	A	47.5 MW NOMINALLY RATED SIMPLE-CYCLE PEAK-DEMAND POWER GENERATING SYSTEM #1 CONSISTING OF A GENERAL ELECTRIC MODEL LM6000 NATURAL GAS-FIRED COMBUSTION TURBINE GENERATOR WITH WATER SPRAY PREMIXED COMBUSTION SYSTEMS, SERVED BY A SELECTIVE CATALYTIC REDUCTION (SCR) SYSTEM WITH AMMONIA INJECTION AND AN OXIDATION CATALYST
C-4140-2-4	47,500 kW	3020-08B G	1	11,178.00	11,178.00	A	47.5 MW NOMINALLY RATED SIMPLE-CYCLE PEAK-DEMAND POWER GENERATING SYSTEM #2 CONSISTING OF A GENERAL ELECTRIC MODEL LM6000 NATURAL GAS-FIRED COMBUSTION TURBINE GENERATOR WITH WATER SPRAY PREMIXED COMBUSTION SYSTEMS, SERVED BY A SELECTIVE CATALYTIC REDUCTION (SCR) SYSTEM WITH AMMONIA INJECTION AND AN OXIDATION CATALYST
C-4140-4-0	724 HP EMERGENCY IC ENGINE	3020-10 D	1	525.00	525.00	A	724 HP CATERPILLAR MODEL 3412 DIESEL-FIRED EMERGENCY IC ENGINE POWERING 475 KW ELECTRICAL GENERATOR

Number of Facilities Reported: 1