



FEB 10 2017

Mr. Shams Hassan
E&B Natural Resources Mgmt.
3000 James Road
Bakersfield, CA 93308

**Re: Notice of Significant Title V Permit Modification
District Facility # S-1624
Project # 1163752**

Dear Mr. Hassan:

Enclosed for your review is the District's analysis of an application for significant Title V permit modification for the facility identified above. E&B Natural Resources Mgmt. is proposing a Title V significant permit modification to incorporate the recently issued S-1624-295-0 (under project 1153687) into the Title V operating permit (see enclosures). The Authority to Construct (ATC) permit is for a new steam generator.

Enclosed is recently issued S-1624-295-0, proposed modified Title V permit, engineering evaluation, and application. 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 modified Title V operating permit. Please submit your comments 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,



Arnaud Marjollet
Director of Permit Services

Enclosures

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

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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

Central Region (Main Office)
1990 E. Gettysburg Avenue
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Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

TITLE V APPLICATION REVIEW

Significant Modification

Project #: 1163752

Engineer: David Torii

Date: 2/1/17

Facility Number: S-1624
Facility Name: E&B Natural Resources Mgmt.
Mailing Address: 3000 James Road
Bakersfield, CA 93308

Contact Name: Shams Hassan
Phone: (661) 616-6168

Responsible Official: Shams Hassan
Title: HSE Manager

I. PROPOSAL

E&B Natural Resources Mgmt. (E&B) is proposing a Title V significant permit modification to incorporate recently issued S-1624-295-0 (under project 1153687) into the Title V operating permit. The Authority to Construct (ATC) permit authorized steam generator S-1807-69 (S-1807 is E&B's Heavy Oil Western stationary source) to operate in S-1624 (S-1624 is E&B's Heavy Oil Central stationary source).

The purpose of this evaluation is to identify all applicable requirements, determine if the facility will comply with the applicable requirements and to provide the legal and factual basis for the proposed revisions.

II. FACILITY LOCATION

Poso Creek Oil Field, within the Section 5, Township 28S, Range 27E in E&B's Central Kern County Heavy Oil stationary source

III. EQUIPMENT DESCRIPTION

ATC S-1624-295-0: 85 MMBTU/HR NATURAL GAS/WASTE GAS-FIRED
STEAM GENERATOR WITH A NORTH AMERICAN
LE-85 BURNER AND FLUE GAS RECIRCULATION

IV. SCOPE OF EPA AND PUBLIC REVIEW

This change to a Title V permit is a significant modification because the facility received their Title V permit (on 12/31/16) subsequent to issuance of the ATC (on 12/21/15) and the modification triggered a Federal Major Modification. As such, this project requires public review.

V. APPLICABLE REQUIREMENTS

District Rule 2520, Federally Mandated Operating Permits (Adopted June 21, 2001)

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

The ATC permit authorized steam generator S-1807-69 (S-1807 is E&B's Heavy Oil Western stationary source) to operate in S-1624 (S-1624 is E&B's Heavy Oil Central stationary source). To mitigate the steam generator's VOC emission increase, tank S-1624-30 will be surrendered.

VII. COMPLIANCE

District Rule 2520, Section 6.0 describes the source's ability to make changes including significant permit modification. This modification does not meet the minor permit modification criteria pursuant to Section 3.20 described as follows.

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

6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of Section 11.3 by including;

1. The identification of the source, the name and address of the permit holder, the activities and emissions change involved in the permit action;
2. The name and address of the District, the name and telephone number of District staff to contact for additional information;
3. The availability, upon request, of a statement that sets forth the legal and factual basis for the proposed permit conditions;
4. The location where the public may inspect the complete application, the District analysis, the proposed permit, and all relevant supporting materials;
5. A statement that the public may submit written comments regarding the proposed decision within at least 30 days from the date of publication and a brief description of commenting procedures, and
6. A statement that members of the public may request the APCO or his designee to preside over a public hearing for the purpose of receiving oral public comment, if a hearing has not already been scheduled. The APCO shall provide notice of any public hearing scheduled to address the proposed decision at least 30 days prior to such hearing;

VIII. ATTACHMENTS

- A. Proposed Modified Title V Operating Permit No.S-1624-295-1.
- B. Authorities to Construct No. S-1624-295-0
- C. Previous Title V Operating Permit No.'s NA
- D. Emissions Increases
- E. Application

Project 1153687

E&B has stated that any IPE will result in the requirements of offsets, therefore offsets will be required for the amount calculated below:

Annual IPE (lb/year)					
Permit Number	NO_x	SO_x	PM₁₀	CO	VOC
S-1624-30	0	0	0	0	-4,739
S-1624-295-0	4,617	2,122	2,234	13,775	4,095
IPE	4,617	2,122	2,234	13,775	-644
Offsets Required	6,926	0	3,351	0	0