

RULE 4406 SULFUR COMPOUNDS FROM OIL-FIELD STEAM GENERATORS - KERN COUNTY (Adopted May 21, 1992, Amended December 17, 1992)

1.0 Purpose

The purpose of this rule is to limit the emissions of sulfur from oil field steam generators in Kern County.

2.0 Applicability

This rule applies to steam generators used in oil field operations in Kern County. It does not apply to cogeneration facilities.

3.0 Definitions

3.1 Cogeneration Facility: a facility which employs technology defined in Sections 25134 of the Public Resources Code, and from which the electricity generated is no less than ten (10) percent and no greater than 90 percent of the useful energy output of the facility.

3.2 Cogeneration technology: according to Public Resources Code, Section 25134 means the use for the generation of electricity of exhaust steam, waste steam, heat, or resultant energy from an industrial, commercial, or manufacturing plant or process, or the use of exhaust steam, waste steam, or heat from a thermal powerplant for an industrial, commercial, or manufacturing plant or process. For purposes of this division, the industrial, commercial, or manufacturing plant or process shall not be considered a thermal powerplant or portion thereof. Cogeneration technology shall not include steam or heat developed solely for electrical power generation.

3.3 Existing Steam Generator: a steam generator for which an authority to construct or a permit to operate was issued prior to September 12, 1979.

3.4 Small Producer: a person, including any business entity, which, on March 6, 1980 had petroleum business interests solely in drilling and producing crude oil and gas.

3.5 Stationary Source: a stationary source as defined in Rule 2092 (Standards for Permits to Operate).

3.6 Steam Generator: a fossil-fuel-fired combustion device which has a rated heat input capacity greater than fifteen million BTUs per hour and which evaporates water to dry steam, or to a mixture of water vapor and steam that has an absolute pressure of more than thirty pounds per square inch.

4.0 Emission Standards

The owner or operator of an existing steam generator shall limit the emissions of sulfur compounds from such steam generator in accordance with the following schedule:

- 4.1 After July 1, 1982, except as provided in Section 8.0, such emissions shall not exceed 0.25 pound of sulfur per million BTU of heat input.
- 4.2 After July 1, 1984, except as provided in Section 8.0, such emissions shall not exceed 0.11 pound of sulfur per million BTU of heat input.

5.0 Increments of Progress

The owner or operator of an existing steam generator subject to this rule, except as provided in Section 8.0 shall comply with each of the following increments of progress:

- 5.1 By December 15, 1980, submit to the APCO a plan, hereinafter referred to as the "compliance plan", for achieving compliance with this rule. The compliance plan shall identify each steam generator subject to this rule and shall indicate the specific control technique(s) and resulting emission rate for each such steam generator. By the same date, submit to the APCO completed application(s) for Authority(ies) to Construct and Permit(s) to Operate for the control equipment needed to comply with Section 8.0 identified in the compliance plan.
- 5.2 By July 1, 1981, submit to the APCO copies of purchase orders for all control equipment and low sulfur fuels identified in the compliance plan for Section 5.1.
- 5.3 By June 1, 1982, complete construction of equipment identified in the compliance plan for Section 5.1.
- 5.4 By July 1, 1982, be in full compliance with Section 5.1.
- 5.5 By September 30, 1983, submit to the APCO completed application(s) for Authority(ies) to Construct and Permit(s) to Operate for the control equipment needed to comply with Section 5.2 identified in the compliance plan.
- 5.6 By September 30, 1983, submit to the APCO copies of purchase orders for all control equipment and low sulfur fuels identified in the compliance plan for Section 5.2.
- 5.7 By June 1, 1984, complete construction of equipment identified in the compliance plan for Section 5.1.
- 5.8 By July 1, 1984, be in full compliance with Section 5.1.

5.9 Commencing July 1, 1981 and every twelve months thereafter through July 1, 1984, submit to the APCO a written report describing the owner's and operator's progress in implementing the compliance plan.

6.0 Averaging

The owner or operator of two (2) or more existing steam generators subject to this rule may satisfy the requirements of Section 4.0 by demonstrating that the total emissions of sulfur compounds from all of its existing steam generators which are located within the same stationary source do not exceed the total emissions of sulfur compounds from its existing steam generators which would result if each of its existing steam generators within the same stationary source which are subject to this rule were operating in compliance with this rule. Emission reductions required on permits issued prior to September 12, 1979 shall be used for averaging purposes under this rule. Such reductions need not be made in addition to reductions required by this rule; however, only those reductions in excess of reductions required to comply with this rule may be carried forward for use as future offsets under Rule 2201 (New and Modified Stationary Source Review Rule). .

7.0 Cogeneration Exemptions

7.1 This rule shall not apply to any existing steam generator for which a valid permit to operate exists and which the owner or operator designates shall be withdrawn from service and replaced by a cogeneration facility or modified to be a cogeneration facility. Such designation shall be submitted, in writing, to the APCO by January 1, 1981. The owner or operator shall, by the same date, submit to the APCO a completed application for an authority to construct the cogeneration facility and modify the compliance plan required in Section 5.1 to reflect such designation. No exemption shall be effective until it is issued in writing by the APCO.

7.2 An owner or operator who makes a designation pursuant to this section shall comply with the following increments of progress:

7.2.1 By July 1, 1981, submit to the APCO copies of all binding written agreements necessary for the construction and operation of the cogeneration facility.

7.2.2 By July 1, 1981, file a Notice of Intent or Application for Certification with the California Energy Commission for the construction of the cogeneration facility, to the extent such Notice or Application is required pursuant to state law.

7.2.3 If such Notice or Application is required, commence construction of the cogeneration facility not later than one (1) year after certification by the

Commission, and complete construction of the cogeneration facility not later than five (5) years after certification by the Commission.

7.2.4 If such Notice and Application are not required, commence construction of the cogeneration facility not later than July 1, 1982, and complete construction of the cogeneration facility not later than July 1, 1985.

7.3 The failure of an owner or operator who makes a designation pursuant to this section to comply with any increment of progress required by this section where such failure is the direct result of a court order or a prohibition or mandate of the federal or state government, shall thereupon terminate all exemptions issued in response to such designation.

7.4 If an owner or operator who makes a designation pursuant to this section fails to comply with an increment of progress required by this section as a direct result of a court order or a prohibition or mandate of the federal or state government, the owner or operator shall, within thirty days of such failure, apply to the district hearing board for a schedule for compliance with Section 5.0. The hearing board shall require a schedule which provides for compliance as expeditiously as practicable.

7.5 Nothing in this section shall exempt a cogeneration facility from any other rule or regulation of the district, including but not limited to new source review.

8.0 Small Producer Exemption

8.1 Sections 4.0 and 5.0 of this rule shall not apply to small producers. This small producer exemption shall only apply to existing steam generators with a heat input rating of less than 35 million BTU per hour owned or operated by a small producer, up to a total heat input of 165 million BTU per hour for any one (1) small producer.

8.2 For that portion of the total heat input capacity of existing steam generators which is not exempted pursuant to Section 8.0 a small producer shall comply with the following:

8.2.1 By July 1, 1981, submit to the APCO a plan for achieving compliance with this rule. The compliance plan shall identify each steam generator subject to this rule and shall indicate the specific control technique(s) and resulting emission rate for each steam generator.

8.2.2 By April 1, 1982, submit to the APCO completed application(s) for Authority(ies) to Construct for the control equipment identified in the compliance plan.

- 8.2.3 By September 30, 1983, submit to the APCO copies of purchase orders for all control equipment and low sulfur fuels identified in the compliance plan.
- 8.2.4 By July 1, 1984, limit emissions of sulfur compounds to not more than 0.11 pounds of sulfur per million BTU of heat input.

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