



JAN 28 2010

Gerardo C. Rios, Chief
Permits Office (AIR-3)
U.S. EPA - Region IX
75 Hawthorne St
San Francisco, CA 94105

Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-1547
Project # S-1083701

Dear Mr. Rios:

The Air Pollution Control Officer has modified the Title V permit for Aera Energy LLC located at the Heavy Oil Western Stationary Source in Kern County. The modification consisted of revisions to the wording of the Daily Emission Limit condition on the current Title V operating permit.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on December 11, 2009. No comments were received following the District's preliminary decision on this project.

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

Sincerely,

David Warner
Director of Permit Services

DW:df

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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

Central Region (Main Office)
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JAN 28 2010

Adean Valenzuela
Aera Energy LLC
P.O. Box 11164
Bakersfield, CA 93389-1164

Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-1547
Project # S-1083701

Dear Ms. Valenzuela:

The Air Pollution Control Officer has modified the Title V permit for Aera Energy LLC located at the Heavy Oil Western Stationary Source in Kern County. The modification consisted of revisions to the wording of the Daily Emission Limit condition on the current Title V operating permit.

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San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1547-800-17

EXPIRATION DATE: 05/31/2007

SECTION: SW14 **TOWNSHIP:** 31S **RANGE:** 22E

EQUIPMENT DESCRIPTION:

62.5 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH COEN ULN LOW NOX BURNER AND FLUE GAS RECIRCULATION (FGR) SYSTEM [SHALE #4, NORTH MIDWAY]

PERMIT UNIT REQUIREMENTS

1. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Last Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
2. Copies of all fuel invoices showing quantity and delivery points of gas delivered and copies of quality terms of gas delivery contracts shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
3. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.5.2] Federally Enforceable Through Title V Permit
4. Nitrogen oxide (NOx) emissions shall not exceed 140 lb/hr, calculated as NO2. If compliance with the NOx emission limit is demonstrated through the fuel nitrogen content testing and compliance has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be bi-annually. If a bi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 4301, 5.2.2 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
5. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO2, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
6. Emissions from gaseous fired units shall not exceed 200 lb sulfur compounds/hour, calculated as SO2. Compliance with this requirement may be demonstrated by firing the unit only on PUC or FERC regulated natural gas; or by testing the sulfur content of each fuel and determining the maximum hourly emissions of sulfur compounds by multiplying the sulfur content of each fuel in lb/MMBtu by the maximum heat input rating of the unit; or by source testing in combination with fuel analysis. [District Rules 4301, 5.2.1, and 2520, 9.4.2] Federally Enforceable Through Title V Permit
7. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.4.2] 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.

8. When complying with SOx emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6B; or Method 8; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD performed in the laboratory and EPA Method 19 to calculated emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
9. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 4084, D 3246 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
10. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.4.2; 4305, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit
11. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of SJVUAPCD Rules 4201 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
12. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), 110 (Madera) 402 (Madera), 404 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 405 (Madera), 408 (Fresno, Kern, Tulare, Kings, Stanislaus, Merced, and San Joaquin), 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin), and 408.2 (Merced). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of 40 CFR 60, Subpart Dc (except 60.44c(g) and (h) and 60.48c). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Steam generator shall be equipped with operational fuel gas volumetric flow meter. [District NSR Rule] Federally Enforceable Through Title V Permit
16. Only natural gas shall be used as fuel in this steam generator. [District NSR Rule] Federally Enforceable Through Title V Permit
17. Annual heat input to steam generator shall not exceed 525.6 billion BTU hhv. [District NSR Rule] Federally Enforceable Through Title V Permit
18. Emission rates, except during startup, shutdown, and refractory curing shall not exceed any of the following: PM-10: 0.005 lb/MMBtu, NOx (as NO2): 0.018 lb/MMBtu or 15 ppmv @ 3% O2, SOx (as SO2): 0.002 lb/MMBtu, VOC: 0.003 lb/MMBtu or CO: 40 ppmv @ 3% O2. [District NSR Rule] Federally Enforceable Through Title V Permit
19. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rule 4305 and 4306] Federally Enforceable Through Title V Permit
20. Duration of refractory curing shall not exceed 30 hours each per occurrence. Permittee shall notify the District in writing prior to refractory curing. [District Rule 2080] Federally Enforceable Through Title V Permit
21. Permittee shall maintain records of duration of each start-up and shutdown, and refractory curing, for a period of five years and make such records readily available for District inspection upon request. [District Rule 4306] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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22. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
23. The NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
24. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
25. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
26. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months (no more than 30 days before or after the required annual source test date). After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months (no more than 30 days before or after the required 36-month source test date). If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
27. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements; (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
28. Permittee shall maintain daily records of quantity and higher heating value of natural gas burned in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
29. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
30. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - EPA Method 6 or ARB Method 100 and EPA Method 19, fuel gas sulfur content - ASTM D3246 or double GC for H₂S and mercaptans. [District Rules 1081, and 4305, 6.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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31. Emissions from this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (12/16/93), of three 30-minute test runs for NOx and CO. [District Rules 2520, 9.4.2 and 4305, 6.3] Federally Enforceable Through Title V Permit
32. Formerly S-1511-169

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