



AUG 06 2010

Gerardo C. Rios, Chief  
Permits Office  
Air Division  
U.S. EPA - Region IX  
75 Hawthorne St  
San Francisco, CA 94105

Re: **Notice of Minor Title V Permit Modification**  
**District Facility # S-2592**  
**Project # S-1103908**

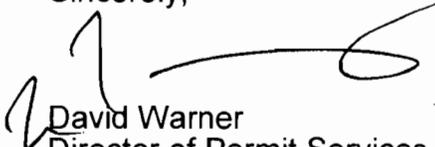
Dear Mr. Rios:

Enclosed for you to review is an application for minor Title V permit modification for the facility identified above. Mid-Set Cogeneration Company is proposing a Title V minor permit modification to incorporate the recently issued Authority to Construct S-2592-2-0 into the Title V operating permit. The applicant proposes to install a transportable Tier 3 certified IC engine up to 532 bhp powering an electrical generator

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct S-2592-2-0, emission increases, application, and previous Title V permit. Please submit your written comments on this project within the 45-day comment period that begins on the date you receive this letter.

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

Sincerely,

  
David Warner  
Director of Permit Services

Enclosures

**Seyed Sadredin**  
Executive Director/Air Pollution Control Officer

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

**Central Region (Main Office)**  
1990 E. Gettysburg Avenue  
Fresno, CA 93726-0244  
Tel: (559) 230-6000 FAX: (559) 230-6061

**Southern Region**  
34946 Flyover Court  
Bakersfield, CA 93308-9725  
Tel: 661-392-5500 FAX: 661-392-5585



AUG 06 2010

Kelly Lucas  
Mid-Set Cogeneration Company  
PO Box 80178  
Bakersfield, CA 93380

**Re: Notice of Minor Title V Permit Modification**  
**District Facility # S-2592**  
**Project # S-1103908**

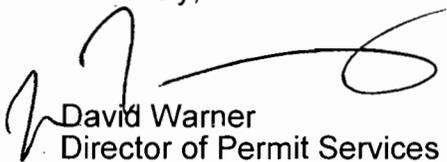
Dear Mr. Lucas:

Enclosed is the District's analysis of your application for minor Title V permit modification for the facility identified above. You proposed a Title V minor permit modification to incorporate recently issued Authority to Construct S-2592-2-0 into the Title V operating permit. The applicant proposes to install a transportable Tier 3 certified IC engine up to 532 bhp powering an electrical generator

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct S-2592-2-0, emission increases, application, and previous Title V permit. This project will be subject to a 45-day EPA commenting period prior to the District taking final action.

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

Sincerely,



David Warner  
Director of Permit Services

Enclosures

**Seyed Sadredin**  
Executive Director/Air Pollution Control Officer

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# TITLE V APPLICATION REVIEW

Minor Modification  
Project #: S-1103908

Engineer: Jesse A. Garcia  
Date: August 5, 2010

Facility Number: S-2592  
Facility Name: Mid-Set Cogeneration Company  
Mailing Address: PO Box 80178  
Bakersfield, CA 93380

Contact Name: Daniel Beck  
Phone: (661) 615-4660

Responsible Official: Kelly Lucas  
Title: Executive Director

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## I. PROPOSAL

Mid-Set Cogeneration Company is proposing a Title V minor permit modification to incorporate the recently issued S-2592-2-0 into the Title V operating permit. The applicant proposes to install a transportable Tier 3 certified IC engine up to 532 bhp powering an electrical generator

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

The facility is located at NW Section 36, T31 S, R22E in the western Kern County oil Fields.

## III. EQUIPMENT DESCRIPTION

**S-2592-2-0: TRANSPORTABLE TIER-3 CERTIFIED DIESEL-FIRED IC ENGINE UP TO 532 HP POWERING AN ELECTRICAL GENERATOR**

#### **IV. SCOPE OF EPA AND PUBLIC REVIEW**

This change to a Title V permit is considered to be a minor modification and, as such, requires no public review.

#### **V. APPLICABLE REQUIREMENTS**

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

#### **VI. DESCRIPTION OF PROPOSED MODIFICATIONS**

Mid-Set Cogeneration Company proposes to install a Tier 3 certified diesel-fired IC engine which is a new permit unit (draft PTO S-2592-2-1). The draft PTO will include all of the ATC conditions with the exception of condition #1 that has been satisfied with this application.

#### **VII. COMPLIANCE**

In accordance with Rule 2520, 3.20, these modifications:

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

- b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of section 11.4 by including;

1. A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;
2. The source's suggested draft permit; and
3. Certification by a responsible official that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used.

## VIII. ATTACHMENTS

- A. Proposed Title V Operating Permit
- B. Authority to Construct
- C. Emissions Increases
- D. Application

# ATTACHMENT A

Proposed Title V Operating Permit

# San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-2592-2-1

EXPIRATION DATE: 02/29/2008

## EQUIPMENT DESCRIPTION:

TRANSPORTABLE TIER-3 CERTIFIED DIESEL-FIRED IC ENGINE UP TO 532 HP POWERING AN ELECTRICAL GENERATOR

## PERMIT UNIT REQUIREMENTS

1. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. 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
3. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
4. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
5. The engine shall be equipped with an operational nonresettable elapsed time meter or other APCO approved alternative. [District Rule 4702] Federally Enforceable Through Title V Permit
6. This nonroad transportable engine shall not be operated at one location for more than 12 consecutive months and shall meet all the requirements of a nonroad transportable engine, per CFR Title 40 Part 89. [CCR, Title 17 and District Rule 4701] Federally Enforceable Through Title V Permit
7. The engine shall not operate unless the gas turbine engine operating under permit S-2592-1 is shutdown. [District Rule 2201] Federally Enforceable Through Title V Permit
8. During periods of operation, 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
9. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102] Federally Enforceable Through Title V Permit
10. Operation of the engine shall not exceed 200 hours per year, as determined by an operational nonresettable elapsed operating time meter or other APCO approved alternative. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit
11. Emissions from the IC engine shall not exceed any of the following limits: 2.80 g-NOx/bhp-hr, 2.61 g-CO/bhp-hr, or 0.20 g-VOC/bhp-hr. [District Rule 2201] Federally Enforceable Through Title V Permit
12. The PM10 emissions rate from the engine shall not exceed 0.15 g/hp-hr based on US EPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit
13. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight shall be consumed by the engine. [District Rule 4801 and 17 CCR 93115] 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.

14. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit
15. The permittee shall maintain an engine-operating log to demonstrate compliance. The engine operating log shall include, on a monthly basis, the following information: total hours of operation, type of fuel used, maintenance or modifications performed, monitoring data, and any other information necessary to demonstrate compliance with Rule 4702. [District Rule 4702] Federally Enforceable Through Title V Permit
16. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 4702] Federally Enforceable Through Title V Permit

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

DRAFT

# ATTACHMENT B

Authority to Construct



## AUTHORITY TO CONSTRUCT

PERMIT NO: S-2592-2-0

ISSUANCE DATE: 05/04/2010

LEGAL OWNER OR OPERATOR: MID-SET COGENERATION COMPANY  
MAILING ADDRESS: PO BOX 80178  
BAKERSFIELD, CA 93380

LOCATION: 13705 SHALE RD  
FELLOWS, CA

EQUIPMENT DESCRIPTION:  
TRANSPORTABLE TIER-3 CERTIFIED DIESEL-FIRED IC ENGINE UP TO 532 HP POWERING AN ELECTRICAL GENERATOR

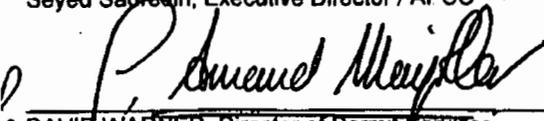
### CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
3. 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
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CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadrozin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

S-2592-2-0 May 4 2010 8:00AM - GARCIAJ : Joint Inspection NOT Required

8. The engine shall not operate unless the gas turbine engine operating under permit S-2592-1 is shutdown. [District Rule 2201] Federally Enforceable Through Title V Permit
9. During periods of operation, 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
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17. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 4702] Federally Enforceable Through Title V Permit

# ATTACHMENT C

## Emissions Increases

	SSIPE (lb/yr)				
	NOx	VOC	CO	SOx	PM10
S-2592-11	652	47	612	1	35
<b>TOTAL</b>	<b>652</b>	<b>47</b>	<b>612</b>	<b>1</b>	<b>35</b>

# ATTACHMENT D

Application

# San Joaquin Valley Air Pollution Control District

www.valleyair.org

Received

AUG 02 2010

## Permit Application For:

Permits Srvc  
SJVAPCD

[ ] ADMINISTRATIVE AMENDMENT    [x] MINOR MODIFICATION    [ ] SIGNIFICANT MODIFICATION

1. PERMIT TO BE ISSUED TO: <p style="text-align: center;">Mid-Set Cogeneration Company</p>	
2. MAILING ADDRESS:  STREET/P.O. BOX: <u>P.O. Box 80178</u>	
CITY: <u>Bakersfield</u>	STATE: <u>CA</u> 9-DIGIT ZIP CODE: <u>93380</u>
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED:  STREET: <u>13705 Shale Rd.</u> CITY: <u>Fellows</u>  <u>NW</u> ¼ SECTION <u>36</u> TOWNSHIP <u>31S</u> RANGE <u>22E</u>	INSTALLATION DATE:  <u>7/19/10</u>
4. GENERAL NATURE OF BUSINESS: <p style="text-align: center;">Cogeneration</p>	
5. DESCRIPTION OF EQUIPMENT OR MODIFICATION FOR WHICH APPLICATION IS MADE (include Permit #'s if known, and use additional sheets if necessary)  <p style="text-align: center;">Modify Title V Permit with enactment of ATC S-2592-2-0</p>	
6. TYPE OR PRINT NAME OF APPLICANT: <p style="text-align: center;"><i>Kerry Lucas</i></p>	TITLE OF APPLICANT: Executive Director
7. SIGNATURE OF APPLICANT: <p style="text-align: center;"><i>Kerry Lucas</i></p>	DATE: <u>7/29/2010</u>  PHONE: (661) 615-4630 FAX: (661) 615-4610 EMAIL: dlbeck@sycamore.com

**For APCD Use Only:**

DATE STAMP	FILING FEE RECEIVED: \$ <u>0</u> CHECK#: <u>—</u>
	DATE PAID: <u>—</u>
	PROJECT NO: <u>S-1103908</u> FACILITY ID: <u>S-2592</u>

## San Joaquin Valley Unified Air Pollution Control District

### TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

**I. TYPE OF PERMIT ACTION (Check appropriate box)**

- SIGNIFICANT PERMIT MODIFICATION                       ADMINISTRATIVE  
 MINOR PERMIT MODIFICATION                                       AMENDMENT

COMPANY NAME: Mid-Set Cogeneration Company	FACILITY ID: S - 2592
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name: Mid-Set Cogeneration Company	
3. Agent to the Owner: Mid-Set Cogeneration Company	

**II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial all circles for confirmation):**

- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will continue to comply with the applicable federal requirement(s).
- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.
- Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.
- Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.

I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true

Kelly Lucas  
Signature of Responsible Official

7/29/2010  
Date

Kelly Lucas  
Name of Responsible Official (please print)

EXECUTIVE DIRECTOR  
Title of Responsible Official (please print)