



MAY 11 2011

Brent Winn
AERA Energy LLC
P O Box 11164
Bakersfield, CA 93389-1164

**Re: Administrative Amendment to Title V Operating Permit
District Facility # 1547
Project Number S-1104475**

Dear Mr. Winn:

In accordance with District Rule 2520, Federally Mandated Operating Permits, the District reviewed the AERA application and has administratively amended the requirements for the Title V operating permit. These administrative amendments incorporate the requirements of ATC # S-1547-1150-0, which was issued with a Certificate of Conformity after EPA review, into the Title V permits for this facility. The change is to install one new 85 MMBtu/hr natural gas-fired steam generator. The amended Title V permit is being sent to you as a final action.

Your cooperation in this matter was appreciated. Should you have any questions, please contact Mr. Leonard Scandura at (661) 392-5500.

Sincerely,



David Warner
Director of Permit Services

DW:MRB

cc: Gerardo Rios, EPA Region IX

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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Southern Region
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Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1547-1150-0

EXPIRATION DATE: 05/31/2007

EQUIPMENT DESCRIPTION:

85.0 MMBTU/HR NATURAL GAS FIRED STEAM GENERATOR WITH NORTH AMERICAN 4231-85-GLE BURNER AND FGR APPROVED TO OPERATE AT VARIOUS SPECIFIED LOCATIONS.

PERMIT UNIT REQUIREMENTS

1. This unit is approved for operation at the following locations: NE/4 Section 33, T28S, R21E; SE/4 Section 33, T28S, R21E and SE/4 Section 28, T28S, R21E. [District Rule 4102]
2. Permittee shall notify the District Compliance Division of each location at which the unit is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070]
3. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits unless source testing documents compliance without utilizing the flue gas recirculation. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Natural gas fuel sulfur content shall not exceed 0.75 grains S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
5. 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
6. Duration of refractory curing shall not exceed 30 hours per each occurrence. Permittee shall notify the District in writing prior to refractory curing. [District Rule 2080] Federally Enforceable Through Title V Permit
7. Emission rates, except during startup, shutdown, and refractory curing, shall not exceed any of the following: PM10: 0.0076 lb/MMBtu, VOC: 0.0055 lb/MMBtu, NOx (as NO2): 9 ppmv @ 3% O2, or CO: 25 ppmv @ 3% O2. [District Rules 2201, 4305 and 4306] Federally Enforceable Through Title V Permit
8. Emission rates during startup, shutdown and refractory curing shall not exceed: particulate matter - 10 pounds per hour, or 0.1 grains/dscf calculated to 12% CO2; sulfur - 200 pounds of SO2 per hour, or 2000 ppmv as SO2, or 0.11 pounds sulfur (as S) per MMBtu on average-wide basis for all units in Rule 4406 plan; NO2 - 140 pounds per hour or 0.14 pounds per MMBtu. [District Rules 4101, 4102, 4301, 4405, 4406 and 4801] Federally Enforceable Through Title V Permit
9. Emission rates shall not exceed any of the following: PM10: 15.5 lb/day, SOx (as SO2): 4.4 lb/day, VOC: 11.2 lb/day, NOx (as NO2): 22.2 lb/day or CO: 37.7 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Annual quantity of natural gas fuel burned in this steam generator shall not exceed 730 MMscf/year. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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 3246, D 4084, D 4468, D 6667 or grab sample analysis by double GC for H2S and mercaptans performed in the laboratory. [District Rules 1070, 2201 and 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.

12. 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 has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
13. 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 Rules 1070, 2520, 9.4.2; 4305 and 4306] Federally Enforceable Through Title V Permit
14. 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. Measurement shall be made with the FGR system in the mode of operation (closed or open) in which it was used in the preceding 30 days. 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 2520, 4305 and 4306] Federally Enforceable Through Title V Permit
15. If 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
16. 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
17. 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
18. All emissions measurements shall be made with the unit operating either at conditions representative of all operating modes, firing rates, and flue gas recirculation rates. 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
19. Whenever the unit is switched to operate with the flue gas recirculation (FGR) system in the closed position, compliance source testing for NO_x and CO shall be conducted within 60 days of cessation of FGR operation date unless source testing with FGR in closed position has occurred within the previous 12 months. [District Rule 1070] Federally Enforceable Through Title V Permit
20. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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21. 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
22. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of any change in flue gas recirculation rate. [District Rules 2201, 4305 and 4306] Federally Enforceable Through Title V Permit
23. 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
24. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
25. 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
26. 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 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B or 8 or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305 and 4306] Federally Enforceable Through Title V Permit
27. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
28. The 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
29. Copies of all fuel invoices showing quantity of supplier-certified gas delivered and copies of quality terms of supplier-certified gas delivery contracts shall be maintained. The operator shall record daily and annual amount, and types, of fuels combusted and all dates on which unit is fired on any non-certified fuel and record specific type of non-certified fuel used. [District Rules 2201 and 2520, 9.5.2] Federally Enforceable Through Title V Permit
30. 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
31. All records shall be maintained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, and 4306] Federally Enforceable Through Title V Permit

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