



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUG 10 2011

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-1141
Project # S-1113674

Dear Mr. Rios:

Enclosed for you to review is an application for minor Title V permit modification for the facility identified above. Chevron USA is proposing a Title V minor permit modification to incorporate the recently issued Authority to Construct (ATC) S-1141-519-9 into the Title V operating permit. The ATC authorized steam generator S-1141-519 to enter compliant dormancy.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct (ATC) S-1141-519-9, 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. Leonard Scandura at (661) 392-5500.

Sincerely,



David Warner
Director of Permit Services

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)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
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Southern Region
34946 Flyover Court
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AUG 10 2011

Martin Lundy
Chevron USA
PO Box 1392
Bakersfield, CA 93302

**Re: Notice of Minor Title V Permit Modification
District Facility # S-1141
Project # S-1113674**

Dear Mr. Lundy:

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 (ATC) S-1141-519-9 into the Title V operating permit. The ATC authorized steam generator S-1141-519 to enter compliant dormancy.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct (ATC) S-1141-519-9, 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. Leonard Scandura at (661) 392-5500.

Sincerely,



David Warner
Director of Permit Services

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TITLE V APPLICATION REVIEW

Minor Modification
Project #: S-1113674

Engineer: Steve Davidson
Date: August 4, 2011

Facility Number: S-1141
Facility Name: Chevron USA, Inc
Mailing Address: PO Box 1392
Bakersfield, CA 93302

Reviewed by APSURR ADE
AUG 04 2011

Contact Name: Martin Lundy
Phone: (661) 654-7142

Responsible Official: Donald L. Puckett
Title: General Manager, Operations

I. PROPOSAL

Chevron USA, Inc (Chevron) is proposing a Title V minor permit modification to incorporate Authority to Construct (ATC) S-1141-519-8 into their Title V operating permit.

The ATC authorized steam generator S-1141-519 to enter compliant dormancy.

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

Steam generator is located is located within CUSA's Heavy Oil Western Stationary Source in the North West corner of Section 21, T31S and R22E.

III. EQUIPMENT DESCRIPTION

S-1141-519-9: 62.5 MMBTU/HR NATURAL GAS/TEOR GAS-FIRED C.E. NATCO STEAM GENERATOR N.B. #9777 WITH NORTH AMERICAN MAGNA-FLAME GLE ULTRA-LOW NOX BURNER, FGR AND O2 ANALYZER/CONTROLLER

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

The changes in the current Permit to Operate are as follows:

Condition # on Proposed Permit S-1141-519-9	Condition # on current PTO S-1141-519-7	Condition is New, Modified, or Removed	Reason for Change from Current PTO
1, 2, 3, 4, 5, 6, and 7	--	New	Standard District dormant emissions unit conditions added to permit.

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;
 - a. 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;
 - b. 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
 - c. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and

4. 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
5. Do not seek to consolidate overlapping applicable requirements.
6.
 - d. 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
 - e. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
7. 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
8. 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-1141-519-9

EXPIRATION DATE: 02/28/2006
DRAFT

SECTION: NW21 TOWNSHIP: 31S RANGE: 22E

EQUIPMENT DESCRIPTION:

62.5 MMBTU/HR NATURAL GAS/TEOR GAS-FIRED C.E. NATCO STEAM GENERATOR N.B. #9777 WITH NORTH AMERICAN MAGNA-FLAME GLE ULTRA-LOW NOX BURNER, FGR AND O2 ANALYZER/CONTROLLER

PERMIT UNIT REQUIREMENTS

1. No modification to this unit shall be performed without an Authority to Construct for such modifications, except for changes specified in the conditions below. [District Rule 2010] Federally Enforceable Through Title V Permit
2. This unit may be designated as a dormant emissions unit or an active emissions unit. Permittee shall notify the District's Compliance Division in writing (US Mail, Fax or Email) within 7 days after re-designating this unit as a dormant or active emissions unit. [District Rule 2080] Federally Enforceable Through Title V Permit
3. While dormant, the fuel line shall be physically disconnected from the unit. [District Rule 2080] Federally Enforceable Through Title V Permit
4. While dormant, normal source testing and monitoring shall not be required. [District Rule 2080] Federally Enforceable Through Title V Permit
5. Upon recommencing operation of this unit, normal source testing and monitoring shall resume. [District Rule 2080] Federally Enforceable Through Title V Permit
6. Any source testing required by this permit shall be performed within 60 days of recommencing operation of this unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080] Federally Enforceable Through Title V Permit
7. Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit
8. {518} 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
9. Copies of all fuel invoices, gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit 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
10. 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, 9.4.2] Federally Enforceable Through Title V Permit
11. {521} Particulate matter emissions shall not exceed 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

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

12. Emissions of sulfur compounds from this unit shall not exceed 200 lb per 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 Rule 2520, 9.3.2 and District Rule 4301, 5.2.1] Federally Enforceable Through Title V Permit
13. 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, 9.3.2] Federally Enforceable Through Title V Permit
14. When complying with SO_x 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 ARB Method 1-100; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD or double GC 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, 9.3.2] Federally Enforceable Through Title V Permit
15. If the unit is fired on noncertified gaseous fuel and compliance with SO_x 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 6228, D 3246 or grab sample analysis by GC-FPD/TCD or double GC performed in the laboratory. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
16. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the fuel gas being fired in the steam generator shall be determined using ASTM D 1072, D 3031, D 6228, D 4084, D 3246, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. 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 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2, 4305, 6.2.1 and 4320] Federally Enforceable Through Title V Permit
18. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall do one of the following: fire the unit only on PUC or FERC regulated natural gas or test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels; or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [District Rule 2520, 9.3.2 and County Rules 404 (Madera), 406 (Fresno), and 407 (Kern, Kings, Merced, San Joaquin, Stanislaus, and Tulare)] Federally Enforceable Through Title V Permit
19. Sulfur emissions shall not exceed 0.11 lb of sulfur per million BTU of heat input, averaged over 3 - one hour periods. Compliance with this requirement may be demonstrated by firing the unit only on PUC or FERC regulated natural gas; multiplying the reported sulfur content of each fuel in lb/MMBtu by the maximum heat input rating of the unit; or by a combination of source testing for sulfur compounds and fuel analysis. Compliance may be demonstrated for this unit individually, or by showing that the total emissions of sulfur compounds from all steam generators located at the stationary source with ATC or PTO issued prior to September 12, 1979 does not exceed the emissions that would result if each unit was operating in compliance with the specified limit. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
20. Nitrogen oxide (NO_x) emissions shall not exceed 140 lb/hr, calculated as NO₂. [District Rules 4301, 5.2.2 and 2520, 9.3.2] 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.

21. {533} Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
22. {1669} This unit commenced construction, modification, or reconstruction prior to June 19, 1984. 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) and 40 CFR 60.40c 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
23. {1678} This unit is located west of interstate 5 in Kern county. Therefore, the requirements of District Rule 4351(Amended October 19, 1995) 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
24. Steam generator shall be equipped with the following operational instrumentation: fuel gas volume flowmeter, TEOR gas volume flowmeter, and flue gas oxygen monitor. [District Rule 2201, 4305 and 4320] Federally Enforceable Through Title V Permit
25. Exhaust gas stack shall be equipped with adequate provisions facilitating the collection of gas samples consistent with EPA Test Methods. [District Rule 2201 and 1081] Federally Enforceable Through Title V Permit
26. Except for periods of startup and shutdown, emission rates shall not exceed any of the following: PM10: 0.073 lb/MMBtu, NOx (as NO2): 0.018 lb/MMBtu or 15 ppmv @ 3% O2, VOC: 0.0056 lb/MMBtu, or CO: 0.027 lb/MMBtu or 37 ppmv @ 3% O2. [District Rules 2201, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
27. Daily emissions shall not exceed any of the following: 32.7 lb NOx/day, 9,855 lb NOx/year, 109.5 lb PM10/day, 40.5 lb CO/day, 8.4 lb VOC/day. [District Rule 2201 and 4320] Federally Enforceable Through Title V Permit
28. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5.0 gr S/100 scf. [District Rules 2201, 4406, and 4320] Federally Enforceable Through Title V Permit
29. Permittee shall maintain records of duration of each start-up and shutdown that exceeds 2 hours, for a period of five years and make such records readily available for District inspection upon request. [District Rules 4306 and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOX, 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, 4306 and 4320] Federally Enforceable Through Title V Permit
31. If either the NOX 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, 4306 and 4320] Federally Enforceable Through Title V Permit
32. 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, 4306 and 4320] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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33. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOX 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, 4306 and 4320] Federally Enforceable Through Title V Permit
34. Permittee shall maintain no less than 0.45 miles of asphalt paved roadway. The 0.45 miles of roadway paved is in addition to new roadways associated with other steam injection and oil production well projects. [District Rule 2201] Federally Enforceable Through Title V Permit
35. 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
36. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
38. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. 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, 4306 and 4320] Federally Enforceable Through Title V Permit
39. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
40. 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
41. 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 4320. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
42. Permittee shall measure and record the fuel gas sulfur content and BTU content at the time of NOx testing, except for natural gas purchased from a PUC regulated utility. [District Rules 2201 and 4406] Federally Enforceable Through Title V Permit
43. Permittee shall maintain with the permit a current listing of all thermally enhanced well vent control systems providing TEOR vapors to this steam generator and shall make such listing readily available for District inspection upon request [District Rule 2201] Federally Enforceable Through Title V Permit
44. Permittee shall maintain daily records of volume of fuel gas burned, TEOR gas incinerated, and permit number(s) of TEOR systems providing gas for incineration. [District Rule 2201] Federally Enforceable Through Title V Permit
45. Source testing for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
46. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of this Authority to Construct shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 78-17] 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.

47. The EPA Regional Administrator shall be notified by telephone, facsimile, or electronic mail transmission within two (2) working days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner, which results in an increase in emissions above any allowable emission limit stated in the condition below. In addition, the Regional Administrator shall be notified in writing within fifteen (15) days of any such failure. The notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under the condition below, and the methods utilized to mitigate emissions and restore normal operations. Compliance with this malfunction notification provision shall not excuse or otherwise constitute a defense to any violations of this permit or of any law or regulations which such malfunction may cause. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
48. The EPA Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local Air Pollution Control Agency, and/or their authorized representative, upon the presentation of credentials, shall be permitted: A. to enter the premises where the source is located or where any records are required to be kept under the terms and conditions of this Authority to Construct; and B. at reasonable times to have access to and copy any records required to be kept under the terms and conditions of this Authority to Construct; and C. to inspect any equipment, operation, or method required in this Authority to Construct; and D. to sample emissions from the source(s). [PSD SJ 78-17] Federally Enforceable Through Title V Permit
49. In the event of any changes in control or ownership of the facilities to be constructed, the Authority to Construct shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of this Authority to Construct and its conditions by letter, a copy of which shall be forwarded to the EPA Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
50. The provisions of this Authority to Construct are severable, and, if any provision of the Authority to Construct is held invalid, the remainder of this Authority to Construct shall not be affected thereby. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
51. The owner and operator of the proposed facility shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable federal, state, and local air quality regulations. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
52. Permittee shall consume no more than 6290 barrels per day of oil on a daily maximum average and no more than 5700 barrels per day of oil on an annual average basis. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
53. The sulfur content of the fuel shall be no greater than 1.5% by weight on a daily maximum average and no greater than 1.5% by weight on an annual average basis, as determined by ASTM Methods D115-68, D129-64, or D151-64, or equivalent methods approved by the EPA. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
54. The amount of fuel burned and the sulfur content of the fuel shall be recorded in a permanent record and shall be available for periodic inspection by the District, the California Air Resource Board, and the EPA. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
55. Permittee shall have installed operable scrubbers on the equipment. Exhaust gases from the generators shall be ducted through operable scrubbers. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
56. Permittee shall not discharge into the atmosphere SO₂ in excess of 0.063 lbs/MMBtu. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
57. Within 60 days after achieving the maximum production rate of the proposed facility, but not later than 180 days after initial start-up of this facility (as defined in 40 CFR 60.2(o)), and at such other times as specified by the EPA, permittee shall conduct performance tests for SO₂, and furnish the District and the EPA a written report of the results of such tests. The tests for SO₂ shall be conducted on an annual basis. The performance tests shall be conducted for each scrubber required for the generator. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
58. Permittee shall not discharge into the atmosphere NO_x in excess of 0.277 lb/MMBtu (maximum 2-hour average). [PSD SJ 78-17] 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.

59. Within 60 days after achieving the maximum production rate of the proposed facility, but not later than 180 days after initial start-up of this facility (as defined in 40 CFR 60.2(o)), and at such other times as specified by the EPA, permittee shall conduct performance test for NO_x, and furnish the District and the EPA written report of the results of such tests. The tests for NO_x shall be conducted on an annual basis and at the maximum operating capacity of the facilities being tested. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
60. Permittee shall install and operate ammonia injection equipment to control nitrogen oxide emissions on the steam generator. This condition may be amended if other control technologies are determined by EPA to satisfy BACT requirements, in accordance with the periodic BACT review procedure below. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
61. Permittee shall submit updated Best Available Control Technology (BACT) proposals every six months. Based on the information submitted and on other information which is available at that time, EPA may impose more stringent emission limits for NO_x. In no event shall EPA set a higher emission limit for NO_x. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
62. Performance tests for the emission of NO_x and SO₂ shall be conducted and results reported in accordance with the methods set forth in Parts 60.8 and 60.46 of the Standards of Performance for New Sources. The EPA shall be notified at least 30 days in advance of such test to allow an observer to be present. In lieu of the above mentioned test methods, equivalent methods may be used if approved by the EPA. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
63. This Authority to Construct shall be implemented according to the date proposed in the District Approved Rule 4320 Emission Control Plan. [District Rule 4320] Federally Enforceable Through Title V Permit
64. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. Permittee shall maintain records of duration of each start-up and shutdown that exceeds two hours. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
65. 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 100 or EPA Method 6, 6C or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - EPA Method 11 or 15, ASTM D3246 or double GC for H₂S and mercaptans performed in a laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
66. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
67. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
68. Pursuant to Rule 4320, beginning in 2010 the operator shall pay an annual emission fee to the District for NO_x emissions from this unit for the previous calendar year. Payments are due by July 1 of each year. Payments shall continue annually until either the unit is permanently removed from service in the District or the operator demonstrates compliance with the applicable NO_x emission limit listed in Rule 4320. [District Rule 4320] Federally Enforceable Through Title V Permit
69. Permittee shall maintain records of annual heat input (MMBtu) for this unit on a calendar year basis. Such records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070 and Rule 4320] 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-1141-519-8

ISSUANCE DATE: 07/26/2011

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NW21 TOWNSHIP: 31S RANGE: 22E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/TEOR GAS-FIRED C.E. NATCO STEAM GENERATOR N.B. #9777 WITH NORTH AMERICAN MAGNA-FLAME GLE ULTRA-LOW NOX BURNER, FGR AND O2 ANALYZER/CONTROLLER: ALLOW DESIGNATION AS DORMANT EMISSIONS UNIT

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 modification to this unit shall be performed without an Authority to Construct for such modifications, except for changes specified in the conditions below. [District Rule 2010]
3. This unit may be designated as a dormant emissions unit or an active emissions unit. Permittee shall notify the District's Compliance Division in writing (US Mail, Fax or Email) within 7 days after re-designating this unit as a dormant or active emissions unit. [District Rule 2080]
4. While dormant, the fuel line shall be physically disconnected from the unit. [District Rule 2080]
5. While dormant, normal source testing and monitoring shall not be required. [District Rule 2080]
6. Upon recommencing operation of this unit, normal source testing and monitoring shall resume. [District Rule 2080]
7. Any source testing required by this permit shall be performed within 60 days of recommencing operation of this unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080]

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 Sadredin, Executive Director / APCO

For Richard W. Karx

DAVID WARNER, Director of Permit Services

S-1141-519-8 : Jul 26 2011 4:16PM - DAVIDSOS : Joint Inspection NOT Required

8. Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070]
9. 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
10. Copies of all fuel invoices, gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit 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
11. 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, 9.4.2] Federally Enforceable Through Title V Permit
12. Particulate matter emissions shall not exceed 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
13. Emissions of sulfur compounds from this unit shall not exceed 200 lb per 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 Rule 2520, 9.3.2 and District Rule 4301, 5.2.1] Federally Enforceable Through Title V Permit
14. 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, 9.3.2] Federally Enforceable Through Title V Permit
15. When complying with SO_x 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 ARB Method 1-100; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD or double GC 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, 9.3.2] Federally Enforceable Through Title V Permit
16. If the unit is fired on noncertified gaseous fuel and compliance with SO_x 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 6228, D 3246 or grab sample analysis by GC-FPD/TCD or double GC performed in the laboratory. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. If the steam generator is not fired on PUC-regulated natural gas, then the sulfur content of the fuel gas being fired in the steam generator shall be determined using ASTM D 1072, D 3031, D 6228, D 4084, D 3246, double GC for H₂S and mercaptans, or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
18. 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 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.3.2, 4305, 6.2.1 and 4320] Federally Enforceable Through Title V Permit
19. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall do one of the following: fire the unit only on PUC or FERC regulated natural gas or test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels; or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [District Rule 2520, 9.3.2 and County Rules 404 (Madera), 406 (Fresno), and 407 (Kern, Kings, Merced, San Joaquin, Stanislaus, and Tulare)] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Sulfur emissions shall not exceed 0.11 lb of sulfur per million BTU of heat input, averaged over 3 - one hour periods. Compliance with this requirement may be demonstrated by firing the unit only on PUC or FERC regulated natural gas; multiplying the reported sulfur content of each fuel in lb/MMBtu by the maximum heat input rating of the unit; or by a combination of source testing for sulfur compounds and fuel analysis. Compliance may be demonstrated for this unit individually, or by showing that the total emissions of sulfur compounds from all steam generators located at the stationary source with ATC or PTO issued prior to September 12, 1979 does not exceed the emissions that would result if each unit was operating in compliance with the specified limit. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
21. Nitrogen oxide (NOx) emissions shall not exceed 140 lb/hr, calculated as NO₂. [District Rules 4301, 5.2.2 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
22. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rules 4201 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
23. This unit commenced construction, modification, or reconstruction prior to June 19, 1984. 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) and 40 CFR 60.40c 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
24. This unit is located west of interstate 5 in Kern county. Therefore, the requirements of District Rule 4351 (Amended October 19, 1995) 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
25. Steam generator shall be equipped with the following operational instrumentation: fuel gas volume flowmeter, TEOR gas volume flowmeter, and flue gas oxygen monitor. [District Rule 2201, 4305 and 4320] Federally Enforceable Through Title V Permit
26. Exhaust gas stack shall be equipped with adequate provisions facilitating the collection of gas samples consistent with EPA Test Methods. [District Rule 2201 and 1081] Federally Enforceable Through Title V Permit
27. Except for periods of startup and shutdown, emission rates shall not exceed any of the following: PM₁₀: 0.073 lb/MMBtu, NO_x (as NO₂): 0.018 lb/MMBtu or 15 ppmv @ 3% O₂, VOC: 0.0056 lb/MMBtu, or CO: 0.027 lb/MMBtu or 37 ppmv @ 3% O₂. [District Rules 2201, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
28. Daily emissions shall not exceed any of the following: 32.7 lb NO_x/day, 9,855 lb NO_x/year, 109.5 lb PM₁₀/day, 40.5 lb CO/day, 8.4 lb VOC/day. [District Rule 2201 and 4320] Federally Enforceable Through Title V Permit
29. The combined sulfur content of all fuels supplied to this steam generator shall not exceed 5.0 gr S/100 scf. [District Rules 2201, 4406, and 4320] Federally Enforceable Through Title V Permit
30. Permittee shall maintain records of duration of each start-up and shutdown that exceeds 2 hours, for a period of five years and make such records readily available for District inspection upon request. [District Rules 4306 and 4320] Federally Enforceable Through Title V Permit
31. 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, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. If either the NOX 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, 4306 and 4320] Federally Enforceable Through Title V Permit
33. 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, 4306 and 4320] Federally Enforceable Through Title V Permit
34. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NOX 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, 4306 and 4320] Federally Enforceable Through Title V Permit
35. Permittee shall maintain no less than 0.45 miles of asphalt paved roadway. The 0.45 miles of roadway paved is in addition to new roadways associated with other steam injection and oil production well projects. [District Rule 2201] Federally Enforceable Through Title V Permit
36. 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
37. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
38. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
39. 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. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. 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, 4306 and 4320] Federally Enforceable Through Title V Permit
40. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
41. 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
42. 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 4320. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
43. Permittee shall measure and record the fuel gas sulfur content and BTU content at the time of NO_x testing, except for natural gas purchased from a PUC regulated utility. [District Rules 2201 and 4406] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

44. Permittee shall maintain with the permit a current listing of all thermally enhanced well vent control systems providing TEOR vapors to this steam generator and shall make such listing readily available for District inspection upon request [District Rule 2201] Federally Enforceable Through Title V Permit
45. Permittee shall maintain daily records of volume of fuel gas burned, TEOR gas incinerated, and permit number(s) of TEOR systems providing gas for incineration. [District Rule 2201] Federally Enforceable Through Title V Permit
46. Source testing for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NOx and CO. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
47. All equipment, facilities, and systems installed or used to achieve compliance with the terms and conditions of this Authority to Construct shall at all times be maintained in good working order and be operated as efficiently as possible so as to minimize air pollutant emissions. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
48. The EPA Regional Administrator shall be notified by telephone, facsimile, or electronic mail transmission within two (2) working days following any failure of air pollution control equipment, process equipment, or of a process to operate in a normal manner, which results in an increase in emissions above any allowable emission limit stated in the condition below. In addition, the Regional Administrator shall be notified in writing within fifteen (15) days of any such failure. The notification shall include a description of the malfunctioning equipment or abnormal operation, the date of the initial failure, the period of time over which emissions were increased due to the failure, the cause of the failure, the estimated resultant emissions in excess of those allowed under the condition below, and the methods utilized to mitigate emissions and restore normal operations. Compliance with this malfunction notification provision shall not excuse or otherwise constitute a defense to any violations of this permit or of any law or regulations which such malfunction may cause. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
49. The EPA Regional Administrator, the head of the State Air Pollution Control Agency, the head of the responsible local Air Pollution Control Agency, and/or their authorized representative, upon the presentation of credentials, shall be permitted: A. to enter the premises where the source is located or where any records are required to be kept under the terms and conditions of this Authority to Construct; and B. at reasonable times to have access to and copy any records required to be kept under the terms and conditions of this Authority to Construct; and C. to inspect any equipment, operation, or method required in this Authority to Construct; and D. to sample emissions from the source(s). [PSD SJ 78-17] Federally Enforceable Through Title V Permit
50. In the event of any changes in control or ownership of the facilities to be constructed, the Authority to Construct shall be binding on all subsequent owners and operators. The applicant shall notify the succeeding owner and operator of the existence of this Authority to Construct and its conditions by letter, a copy of which shall be forwarded to the EPA Regional Administrator and the State and local Air Pollution Control Agency. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
51. The provisions of this Authority to Construct are severable, and, if any provision of the Authority to Construct is held invalid, the remainder of this Authority to Construct shall not be affected thereby. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
52. The owner and operator of the proposed facility shall construct and operate the proposed stationary source in compliance with all other applicable provisions of 40 CFR Parts 52, 60, and 61 and all other applicable federal, state, and local air quality regulations. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
53. Permittee shall consume no more than 6290 barrels per day of oil on a daily maximum average and no more than 5700 barrels per day of oil on an annual average basis. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
54. The sulfur content of the fuel shall be no greater than 1.5% by weight on a daily maximum average and no greater than 1.5% by weight on an annual average basis, as determined by ASTM Methods D115-68, D129-64, or D151-64, or equivalent methods approved by the EPA. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
55. The amount of fuel burned and the sulfur content of the fuel shall be recorded in a permanent record and shall be available for periodic inspection by the District, the California Air Resource Board, and the EPA. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
56. Permittee shall have installed operable scrubbers on the equipment. Exhaust gases from the generators shall be ducted through operable scrubbers. [PSD SJ 78-17] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

57. Permittee shall not discharge into the atmosphere SO₂ in excess of 0.063 lbs/MMBtu. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
58. Within 60 days after achieving the maximum production rate of the proposed facility, but not later than 180 days after initial start-up of this facility (as defined in 40 CFR 60.2(o)), and at such other times as specified by the EPA, permittee shall conduct performance tests for SO₂, and furnish the District and the EPA a written report of the results of such tests. The tests for SO₂ shall be conducted on an annual basis. The performance tests shall be conducted for each scrubber required for the generator. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
59. Permittee shall not discharge into the atmosphere NO_x in excess of 0.277 lb/MMBtu (maximum 2-hour average). [PSD SJ 78-17] Federally Enforceable Through Title V Permit
60. Within 60 days after achieving the maximum production rate of the proposed facility, but not later than 180 days after initial start-up of this facility (as defined in 40 CFR 60.2(o)), and at such other times as specified by the EPA, permittee shall conduct performance test for NO_x, and furnish the District and the EPA written report of the results of such tests. The tests for NO_x shall be conducted on an annual basis and at the maximum operating capacity of the facilities being tested. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
61. Permittee shall install and operate ammonia injection equipment to control nitrogen oxide emissions on the steam generator. This condition may be amended if other control technologies are determined by EPA to satisfy BACT requirements, in accordance with the periodic BACT review procedure below. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
62. Permittee shall submit updated Best Available Control Technology (BACT) proposals every six months. Based on the information submitted and on other information which is available at that time, EPA may impose more stringent emission limits for NO_x. In no event shall EPA set a higher emission limit for NO_x. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
63. Performance tests for the emission of NO_x and SO₂ shall be conducted and results reported in accordance with the methods set forth in Parts 60.8 and 60.46 of the Standards of Performance for New Sources. The EPA shall be notified at least 30 days in advance of such test to allow an observer to be present. In lieu of the above mentioned test methods, equivalent methods may be used if approved by the EPA. [PSD SJ 78-17] Federally Enforceable Through Title V Permit
64. This Authority to Construct shall be implemented according to the date proposed in the District Approved Rule 4320 Emission Control Plan. [District Rule 4320] Federally Enforceable Through Title V Permit
65. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. Permittee shall maintain records of duration of each start-up and shutdown that exceeds two hours. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
66. 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 100 or EPA Method 6, 6C or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - EPA Method 11 or 15, ASTM D3246 or double GC for H₂S and mercaptans performed in a laboratory, fuel gas h_hv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
67. During start-up and shutdown periods, emissions from the natural gas/vapor recovery gas-fired steam generator shall not exceed either of the following limits: 0.1 lb-NO_x/MMBtu or 0.084 lb-CO/MMBtu. [District Rule 2201]
68. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

69. Pursuant to Rule 4320, beginning in 2010 the operator shall pay an annual emission fee to the District for NOx emissions from this unit for the previous calendar year. Payments are due by July 1 of each year. Payments shall continue annually until either the unit is permanently removed from service in the District or the operator demonstrates compliance with the applicable NOx emission limit listed in Rule 4320. [District Rule 4320] Federally Enforceable Through Title V Permit
70. Permittee shall maintain records of annual heat input (MMBtu) for this unit on a calendar year basis. Such records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070 and Rule 4320] Federally Enforceable Through Title V Permit

Attachment D

Application

San Joaquin Valley Air Pollution Control District

www.valleyair.org

RECEIVED

AUG - 1 2011

SJVAPCD
Southern Region

Permit Application For:

[] ADMINISTRATIVE AMENDMENT [X] MINOR MODIFICATION [] SIGNIFICANT MODIFICATION

1. PERMIT TO BE ISSUED TO: CHEVRON U.S.A. INC.	
2. MAILING ADDRESS: STREET/P.O. BOX: PO BOX 1392 CITY: BAKERSFIELD STATE: CA 9-DIGIT ZIP CODE: 93302	
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED: STREET: Heavy Oil Western Source CITY: _____ NW ¼ SECTION 21 TOWNSHIP 31S RANGE 22E	INSTALLATION DATE:
4. GENERAL NATURE OF BUSINESS: CRUDE OIL AND GAS PRODUCTION	
5. DESCRIPTION OF EQUIPMENT OR MODIFICATION FOR WHICH APPLICATION IS MADE (include Permit #'s if known, and use additional sheets if necessary) Implement ATC S-1141-519-8 – Designate as a Dormant Emissions Unit	
6. TYPE OR PRINT NAME OF APPLICANT: Jason H. Donchin	TITLE OF APPLICANT: HES Manager
7. SIGNATURE OF APPLICANT: 	DATE: 7/28/2011 PHONE: (661) 654-7142 FAX: (661) 654-7606 EMAIL: Martin.Lundy@chevron.com

For APCD Use Only:

DATE STAMP	FILING FEE RECEIVED: \$ _____ CHECK#: _____ DATE PAID: _____ PROJECT NO: 3-1113674 FACILITY ID: S-1141
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Title V - Minor Mod

AUG - 1 2011

SJVAPCD
Southern Region

**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: CHEVRON U.S.A. INC.	FACILITY ID: S-1141
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: CHEVRON U.S.A. INC.	
3. Agent to the Owner: N/A	

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:


 Signature of Responsible Official

July 27, 2011
 Date

Donald L. Puckett
 Name of Responsible Official (please print)

ATC S-1141-519-8

General Manager, Operations
 Title of Responsible Official (please print)



Jason H. Donchin
Health, Environment and
Safety Manager

San Joaquin Valley SBU
Chevron North America
Exploration and Production
P. O. Box 1392
Bakersfield, CA 93302
Tel 661 654 7038
Fax 661 654 7004

August 1, 2011

RECEIVED

AUG - 1 2011
SJVAPCD
Southern Region

Mr. Leonard Scandura,
Manager Permit Services
San Joaquin Valley APCD
34946 Flyover Court
Bakersfield, California 93308

RE: Title V Minor Modification—S-1141-519-8

Dear Mr. Scandura:

Chevron's application for modification of Title V permit is attached for your review and approval. The requested modification will implement the ATC to make the steam generator a dormant emissions unit. A copy of the Authority to Construct is attached for your reference.

Our Compliance Certification is also attached. Please bill us for the review fees, as allowed.

Thank you for your assistance. Please telephone Marty Lundy at (661) 654-7142, or Lance Ericksen, our HES Business Partner, at phone number (661) 654-7145 if there are questions.

Sincerely,

A handwritten signature in black ink that reads "Marty Lundy" followed by a stylized flourish.

Jason H. Donchin
Health, Environment and Safety Manager

LE
Attachments

Attachment C

Emissions Increases

ATC	Project #	Stationary Source Increase in Permitted Emissions (SSIPE) (lb/yr)				
		NOx	SOx	PM10	CO	VOC
S-1141-519-9	S-1113674	0	0	0	0	0
SSIPE		0	0	0	0	0