



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



MAR 04 2015

Mr. Shamim Reza
Linn Operating, Inc
5201 Truxtun Ave
Bakersfield, CA 93309

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-1328
Project # 1144248**

Dear Mr. Reza:

Enclosed for your review is the District's analysis of an application for Authority to Construct for the facility identified above. You requested that a Certificate of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. The project authorizes two steam generators.

After addressing all comments made during the 30-day public notice and the 45-day EPA comment periods, the District intends to issue the Authority to Construct with a Certificate of Conformity. Please submit your comments within the 30-day public comment period, as specified in the enclosed public notice. Prior to operating with modifications authorized by the Authority to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,


Arnaud Marjollet
Director of Permit Services

AM:RE/st

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email
cc: Gerardo C. Rios, EPA (w/enclosure) via email

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
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

San Joaquin Valley Air Pollution Control District
Authority to Construct Application Review
Two New 85 MMBtu/hr Steam Generators

Facility Name: Linn Operating, Inc
Mailing Address: 5201 Truxtun Ave
Bakersfield, CA 93309
Contact Person: Shamim Reza
Telephone: 661-616-3889, email: sreza@linenergy.com
Application #(s): S-1328-59-0 and '60-0
Project #: 1144248
Deemed Complete: December 18, 2014

I. Proposal

Linn Operating, Inc (Linn) has requested Authorities to Construct (ATCs) for two new 85 MMBtu/hr natural gas, ethane-rich natural gas and/or TEOR gas-fired steam generators.

Emissions from each steam generator triggers BACT, offsets and public notice.

Linn facility S-1328 received their Title V Permit on August 8, 2005. This project is a Federal Major Modification; therefore, it is classified as a Title V Significant Modification pursuant to Rule 2520, Section 3.29, and can be processed with a Certificate of Conformity (COC). Since the facility has specifically requested that this project be processed in that manner, the 45-day EPA comment period will be satisfied prior to the issuance of the Authority to Construct. Linn must apply to administratively amend their Title V permit.

II. Applicable Rules

Rule 2201	New and Modified Stationary Source Review Rule (4/21/11)
Rule 2410	Prevention of Significant Deterioration (adopted 6/16/2011, effective 11/26/12)
Rule 2520	Federally Mandated Operating Permits (6/21/01)
Rule 4001	New Source Performance Standards (4/14/99)
Rule 4101	Visible Emissions (2/17/05)
Rule 4102	Nuisance (12/17/92)
Rule 4201	Particulate Matter Concentration (12/17/92)
Rule 4301	Fuel Burning Equipment (12/17/92)
Rule 4305	Boilers, Steam Generators and Process Heaters – Phase II (8/21/03)
Rule 4306	Boilers, Steam Generators and Process Heaters – Phase III (3/17/05)
Rule 4320	Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr (10/16/08)
Rule 4801	Sulfur Compounds (12/17/92)
CH&SC 41700	Health Risk Assessment

CH&SC 42301.6 School Notice
Public Resources Code 21000-21177: California Environmental Quality Act (CEQA)
California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387: CEQA
Guidelines

III. Project Location

The steam generators will be located at Belridge (Hill Property), within NE Section 19, Township 28S, Range 21E in Linn's Heavy Oil Western Stationary Source (HOWSS). The equipment is not located within 1,000 feet of the outer boundary of a K-12 school.

A project location map is included in **Attachment I**.

IV. Process Description

In thermally enhanced oil recovery (TEOR) operations, steam generators produce steam for injection into heavy crude oil bearing strata via injection wells to reduce the viscosity of the crude oil, resulting in enhanced oil production.

V. Equipment Listing

Proposed ATCs:

- S-1328-59-0 : 85.0 MMBTU/HR PCL NATURAL GAS, ETHANE-RICH NATURAL GAS, TEOR AND OR TVR-GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL LE ULTRA LOW-NOX BURNER, FLUE GAS RECIRCULATION (FGR) SYSTEM, AND O2 CONTROLLER (BELRIDGE HILL PROPERTY)
- S-1328-60-0 : 85.0 MMBTU/HR PCL NATURAL GAS, ETHANE-RICH NATURAL GAS, TEOR AND OR TVR-GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL LE ULTRA LOW-NOX BURNER, FLUE GAS RECIRCULATION (FGR) SYSTEM, AND O2 CONTROLLER (BELRIDGE HILL PROPERTY)

VI. Emission Control Technology Evaluation

Criteria pollutants from natural gas-fired steam generators include NO_x, CO, VOC, PM₁₀, and SO_x.

NO_x is the major pollutant of concern when burning natural gas. NO_x formation is either due to thermal fixation of atmospheric nitrogen in the combustion air (thermal NO_x) or due to conversion of chemically bound nitrogen in the fuel (fuel NO_x). Due to the low fuel nitrogen content of natural gas, nearly all NO_x emissions are thermal NO_x. Formation of thermal NO_x is affected by four furnace zone factors: (1) nitrogen concentration, (2) oxygen concentration, (3) peak temperature, and (4) time of exposure at peak temperature.

Flue gas recirculation (FGR) reduces NO_x emissions by recirculating a percentage of the exhaust gas back into the windbox. This reduces the oxygen concentration in the air-fuel mixture and regulates the combustion process, lowering the combustion temperature. The

lowered availability of oxygen in conjunction with lowered combustion temperature reduces the formation of NO_x.

Linn will comply with BACT by combusting natural or ethane-rich natural gas provided from a nearby gas plant, where ethane, other heavier hydrocarbons and inert compounds are removed to produce a utility quality natural gas for general sale. The gas plant will provide gas to Linn under contract and will blend the ethane with methane and other components to achieve a gross heating value of that is comparable to the gas that Linn is currently using – between 1,000 and 1,100 Btu/scf. The use of the blended ethane gas is not expected to be significantly different from natural gas.

VII. General Calculations

A. Assumptions

- The maximum operating schedule is 24 hours per day (per applicant)
- Fuel will consist of a mixture of natural gas, ethane-rich gas, and TEOR gas
- Annual potential to emit is calculated based on 8,760 hours of operation per year
- EPA F-factor for natural gas is 8,578 dscf/MMBtu (40 CFR 60, Appendix B)
- Molar specific volume of a gas @ 60 °F is 379.5 ft³/lb-mol
- Maximum Heat Input: 85.0 MMBtu/hr (per applicant).
- PM10 is all PM2.5

B. Emission Factors

Pollutant	Emission Factors (EF2)		Source
NO _x	0.008 lb-NO _x /MMBtu	7 ppmvd NO _x (@ 3%O ₂)	Proposed, Rule 4320 limit and BACT
SO _x	0.005 lb SO _x /MMBtu*	1.75 gr S/100 scf	Proposed
PM ₁₀	0.0076 lb-PM ₁₀ /MMBtu		Proposed
CO	0.0185 lb-CO/MMBtu	25 ppmv CO @3% O ₂	Proposed and BACT
VOC	0.0055 lb-VOC/MMBtu	13 ppmv VOC @3% O ₂	Proposed and AP-42 (7/98), Table 1.4-2

*(1.75 gr-S/100 scf)(lb/7000 gr)(scf/1000 btu)(2 lb-SO₂/lb-S)(10E6) = 0.005 lb-SO_x/mmbtu

C. Calculations

1. Pre-Project Potential to Emit (PE1)

Since this is a new emissions unit, PE1 = 0 for all pollutants.

2. Post Project Potential to Emit (PE2)

The PE2 is calculated as shown below and summarized in the following table:

S-1328-59, '-60 (each)

Pollutant	Daily PE2			
	EF2 (lb/MMBtu)	Heat Input (MMBtu/hr)	Operating Schedule (hr/day)	Daily PE2 (lb/day)
NO _x	0.0080	85	24	16.3
SO _x	0.00500	85	24	10.2
PM ₁₀	0.0076	85	24	15.5
CO	0.019	85	24	37.7
VOC	0.0055	85	24	11.2

Pollutant	Annual PE2			
	EF2 (lb/MMBtu)	Heat Input (MMBtu/hr)	Operating Schedule (hr/year)	Annual PE2 (lb/year)
NO _x	0.008	85	8,760	5,957
SO _x	0.00500	85	8,760	3,723
PM ₁₀	0.0076	85	8,760	5,659
CO	0.019	85	8,760	13,775
VOC	0.0055	85	8,760	4,095

Emissions Profiles are included in **Attachment II**.

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

Pursuant to District Rule 2201, the SSPE1 is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of Emission Reduction Credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions (AER) that have occurred at the source, and which have not been used on-site.

The SSPE1 for Linn's HOWSS, including facilities S-1246 and S-1328, is estimated using the District calculator (10/16/14) and is presented in the following table. The entries in the table below do not include emissions from outstanding ATCs. However this has no effect on conclusions made regarding NSR requirements.

SSPE1 (lb/year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
SSPE1	>288,510	>174,788	>199,079	>968,954	>1,011,583

4. Post Project Stationary Source Potential to Emit (SSPE2)

Pursuant to District Rule 2201, the SSPE2 is the PE from all units with valid ATCs or PTOs at the Stationary Source and the quantity of ERCs which have been banked since September 19, 1991 for AER that have occurred at the source, and which have not been used on-site.

SSPE1 (lb/year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
SSPE1	>288,510	>174,788	>199,079	>968,954	>1,011,583
SSIPE	11,914	8,190	11,318	11,318	7,446
SSPE2	>300,424	>182,978	>201,397	>980,272	>1,019,029

5. Major Source Determination

Rule 2201 Major Source Determination:

Pursuant to District Rule 2201, a Major Source is a stationary source with a SSPE2 equal to or exceeding one or more of the following threshold values. For the purposes of determining major source status the following shall not be included:

- any ERCs associated with the stationary source
- Emissions from non-road IC engines (i.e. IC engines at a particular site at the facility for less than 12 months)
- Fugitive emissions, except for the specific source categories specified in 40 CFR 51.165

Rule 2201 Major Source Determination (lb/year)						
	NO _x	SO _x	PM ₁₀	PM _{2.5}	CO	VOC
SSPE1*	>288,510	>174,788	>199,079	>199,079	>968,954	>1,011,583
SSPE2	>300,424	>182,978	>201,397	>201,397	>980,272	>1,019,029
Major Source Threshold	20,000	140,000	140,000	200,000	200,000	20,000
Major Source?	Yes	Yes	Yes	Yes	Yes	Yes

*SSPE Calculator - does not include emissions from outstanding ATCs

Note: PM2.5 assumed to be equal to PM10

Rule 2410 Major Source Determination:

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(iii). Therefore the PSD Major Source threshold is 250 tpy for any regulated NSR pollutant.

PSD Major Source Determination (tons/year)						
	NO2	VOC	SO2	CO	PM	PM10
Estimated Facility PE before Project Increase*	>144	>506	>87	>484	>100	>100
PSD Major Source Thresholds	250	250	250	250	250	250
PSD Major Source ? (Y/N)	N	Y	N	Y	N	N

*SSPE Calculator - does not include emissions from outstanding ATCs

As shown above, the facility is an existing PSD major source for at least one pollutant.

6. Baseline Emissions (BE)

The BE calculation (in lbs/year) is performed pollutant-by-pollutant for each unit within the project to calculate the QNEC, and if applicable, to determine the amount of offsets required.

Pursuant to District Rule 2201, BE = PE1 for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to District Rule 2201.

Since the equipment is new, BE = PE1 = 0 for all pollutants.

7. SB 288 Major Modification

Since this facility is a major source for NO_x, SO_x, PM₁₀, and VOCs, the project's PE2 is compared to the SB 288 Major Modification Thresholds in the following table in order to determine if the SB 288 Major Modification calculation is required. The Source is Non Major for SO_x and therefore the project is not a SB288 Major Modification for SO_x.

SB 288 Major Modification Thresholds			
Pollutant	Project PE2 (lb/year)	Threshold (lb/year)	SB 288 Major Modification Calculation Required?
NO _x	5,957 x 2 = 11,914	50,000	No
SO _x	3,723 x 2 = 7,446	80,000	No
PM ₁₀	5,659 x 2 = 11,318	30,000	No
VOC	4,095 x 2 = 8,190	50,000	No

Since none of the SB 288 Major Modification Thresholds are surpassed with this project, this project does not constitute an SB 288 Major Modification.

8. Federal Major Modification

District Rule 2201 states that a Federal Major Modification is the same as a "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

The determination of Federal Major Modification is based on a two-step test. For the first step, only the emission *increases* are counted. Emission decreases may not cancel out the increases for this determination.

Step 1

For new emissions units, the increase in emissions is equal to the PE2 for each new unit included in this project.

The project's combined total emission increases are compared to the Federal Major Modification Thresholds in the following table.

Federal Major Modification Thresholds for Emission Increases			
Pollutant	Total Emissions Increases (lb/yr)	Thresholds (lb/yr)	Federal Major Modification?
NO _x *	11,914	0	Y
VOC*	8,190	0	Y
PM ₁₀	11,318	30,000	N
PM _{2.5}	11,318	20,000	N
SO _x	7,446	80,000	N

Since there is an increase in NO_x and VOC emissions, this project constitutes a Federal Major Modification, and no further analysis is required.

9. Rule 2410 – Prevention of Significant Deterioration (PSD) Applicability Determination

Rule 2410 applies to any pollutant regulated under the Clean Air Act, except those for which the District has been classified nonattainment. The pollutants which must be addressed in the PSD applicability determination for sources located in the SJV and which are emitted in this project are: (See 52.21 (b) (23) definition of significant)

- NO₂ (as a primary pollutant)
- SO₂ (as a primary pollutant)
- CO
- PM
- PM₁₀
- Total reduced sulfur (including H₂S)

I. Project Location Relative to Class 1 Area

As demonstrated in the “PSD Major Source Determination” Section above, the facility was determined to be a existing PSD Major Source. Because the project is not located within 10 km (6.2 miles) of a Class 1 area – modeling of the emission increase is not required to determine if the project is subject to the requirements of Rule 2410.

II. Project Emission Increase – Significance Determination

a. Evaluation of Calculated Post-project Potential to Emit for New or Modified Emissions Units vs PSD Significant Emission Increase Thresholds

As a screening tool, the post-project potential to emit from all new and modified units is compared to the PSD significant emission increase thresholds, and if the total potentials to emit from all new and modified units are below the applicable thresholds, no further PSD analysis is needed.

PSD Significant Emission Increase Determination: Potential to Emit (tons/year)					
	NO2	SO2	CO	PM	PM10
Total PE from New and Modified Units	6	3.7	13.8	5.7	5.7
PSD Significant Emission Increase Thresholds	40	40	100	25	15
PSD Significant Emission Increase?	N	N	N	N	N

As shown in the table above, the project potential to emit, by itself, does not exceed any of the PSD major source thresholds. Therefore Rule 2410 is not applicable and no further discussion is required.

10. Quarterly Net Emissions Change (QNEC)

The QNEC is calculated solely to establish emissions that are used to complete the District’s PAS emissions profile screen. As the permit unit is new QNEC is equal to PE2/4.

VIII. Compliance

Rule 2201 New and Modified Stationary Source Review Rule

A. Best Available Control Technology (BACT)

1. BACT Applicability

BACT requirements are triggered on a pollutant-by-pollutant basis and on an emissions unit-by-emissions unit basis. Unless specifically exempted by Rule 2201, BACT shall be required for the following actions*:

- a. Any new emissions unit with a potential to emit exceeding two pounds per day,
- b. The relocation from one Stationary Source to another of an existing emissions unit with a potential to emit exceeding two pounds per day,
- c. Modifications to an existing emissions unit with a valid Permit to Operate resulting in an AIPE exceeding two pounds per day, and/or
- d. Any new or modified emissions unit, in a stationary source project, which results in an SB 288 Major Modification or a Federal Major Modification, as defined by the rule.

*Except for CO emissions from a new or modified emissions unit at a Stationary Source with an SSPE2 of less than 200,000 pounds per year of CO.

a. New emissions units – PE > 2 lb/day

As seen in Section VII.C.2 of this evaluation, BPC is proposing to install a new steam generator with PEs greater than 2 lb/day for NO_x, SO_x, PM₁₀, CO, and VOC.

BACT is triggered for NO_x, SO_x, PM₁₀, CO and VOC because the PEs are greater than 2 lbs/day and the SSPE for CO is greater than 200,000 lb/year.

2. BACT Guideline

BACT Guideline 1.2.1, applies to the oilfield steam generators greater \geq 20 MMBtu/hr. [Oilfield Steam Generator ($>$ or $=$ 20 MMBtu/hr)](See **Attachment III**)

3. Top-Down BACT Analysis

Per Permit Services Policies and Procedures for BACT, a Top-Down BACT analysis shall be performed as a part of the application review for each application subject to the BACT requirements pursuant to the District's NSR Rule.

Pursuant to the attached Top-Down BACT Analysis (see **Attachment IV**), BACT has been satisfied with the following:

NO_x: 7 ppmvd @ 3% O₂

SO_x, PM₁₀: Fuel containing no more than 1.75 gr S/100 scf (proposed) and treated to remove 95% by weight of sulfur compounds or fired on PUC quality natural gas with a sulfur content not exceeding 1 gr of sulfur compounds (as S) per 100 dscf

CO: 25 ppmvd or less @ 3% O₂

VOC: Gaseous fuel

B. Offsets

1. Offset Applicability

Offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the SSPE2 equals to or exceeds the offset threshold levels in Table 4-1 of Rule 2201.

The SSPE2 is compared to the offset thresholds in the following table.

Offset Determination (lb/year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
Post Project SSPE (SSPE2)	>20,000	>54,750	>29,200	>200,000	>20,000
Offset Threshold	20,000	54,750	29,200	200,000	20,000
Offsets triggered?	Yes	Yes	Yes	Yes	Yes

2. Quantity of Offsets Required

As seen above, the facility is an existing NSR Major Source for NO_x, SO_x, PM₁₀, CO, VOC, and the SSPE2 is greater than the offset thresholds for these pollutants; therefore, offset calculations will be required for this project.

However, Section 4.6.1 of Rule 2201 states that emissions offsets are not required for increases in CO in attainment areas provided the applicant demonstrates to the satisfaction of the APCO that the Ambient Air Quality (AAQ) Standards are not violated in the areas to be affected, such emissions will be consistent with Reasonable Further Progress, and will not cause or contribute to a violation of AAQ Standards. The District performed an AAQ Analysis and determined that this project will not result in or contribute to a violation of an AAQ Standard for CO (see **Attachment VI**). Therefore, CO offsets are not required for this project.

The quantity of offsets in pounds per year is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

$$\text{Offsets Required (lb/year)} = (\Sigma[\text{PE2} - \text{BE}] + \text{ICCE}) \times \text{DOR, for all new or modified emissions units in the project,}$$

Where,

PE2 = Post Project Potential to Emit, (lb/year)
 BE = Baseline Emissions, (lb/year)
 ICCE = Increase in Cargo Carrier Emissions, (lb/year)
 DOR = Distance Offset Ratio, determined pursuant to Section 4.8

BE = PE1 for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, Located at a Major Source.

otherwise,
 BE = HAE

The facility is proposing to install a new emissions unit; therefore BE = 0. Also, there is only one emissions unit associated with this project and there are no increases in cargo carrier emissions; therefore offsets can be determined as follows:

NO_x

Offsets Required (lb/year) = ([PE2 – BE] + ICCE) x DOR

PE2 (NO_x) = 5,957 x 2 = 11,914 lb/year
 BE (NO_x) = 0 lb/year
 ICCE = 0 lb/year

The project is a Federal Major Modification and therefore the correct offset ratio for NO_x and VOCs is 1.5:1.

Offsets Required (lb/year) = ([11,914 – 0] + 0) x 1.5
 = 11,914 x 1.5
 = 17,871 lb NO_x/year

Calculating the appropriate quarterly emissions to be offset is as follows:

<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
4,468	4,468	4,468	4,468

The applicant has stated that the facility plans to use ERC certificate listed in the following table which has been reserved in PAS for the quantities listed above.

Certificate	Q1	Q2	Q3	Q4
N-1198-2	106,987	106,252	113,427	113,777

VOCs

PE2 (VOCs) = 4,095 x 2 = 8,190 lb/year
 BE (VOCs) = 0 lb/year
 ICCE = 0 lb/year

The amount of VOCs ERCs that need to be withdrawn is:

$$\begin{aligned} \text{Offsets Required (lb/year)} &= ([8,190 - 0] + 0) \times 1.5 \\ &= 8,190 \times 1.5 \\ &= 12,285 \text{ lb VOCs/year} \end{aligned}$$

Calculating the appropriate quarterly emissions to be offset is as follows:

<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
3,071	3,071	3,071	3,071

The applicant has stated that the facility plans to use ERC certificate listed in the following table which has been reserved in PAS for the quantities listed above.

Certificate	Q1	Q2	Q3	Q4
S-4407-1	667,458	659,682	684,128	688,888

PM₁₀

$$\begin{aligned} \text{PE2 (PM10)} &= 5,659 \times 2 = 11,318 \text{ lb/year} \\ \text{BE (PM10)} &= 0 \text{ lb/year} \\ \text{ICCE} &= 0 \text{ lb/year} \end{aligned}$$

The site of reductions occurred at another stationary source greater than 15 miles from the proposed steam generators and therefore the correct offset ratio 1.5:1.

The amount of PM₁₀ ERCs that need to be withdrawn is:

$$\begin{aligned} \text{Offsets Required (lb/year)} &= ([11,318 - 0] + 0) \times 1.5 \\ &= 11,318 \times 1.5 \\ &= 16,977 \text{ lb PM}_{10}/\text{year} \end{aligned}$$

Calculating the appropriate quarterly emissions to be offset is as follows:

<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
4,244	4,244	4,244	4,244

The applicant has stated that the facility plans to use ERC certificate listed in the following table which have been reserved for the quantities listed above.

Certificate	Q1	Q2	Q3	Q4
N-1198-4	25,555	25,072	25,157	26,428

SOx

$$\begin{aligned} \text{PE2 (SOx)} &= 3,723 \times 2 = 7,446 \text{ lb/year} \\ \text{BE (SOx)} &= 0 \text{ lb/year} \end{aligned}$$

ICCE = 0 lb/year

The site of reductions occurred at another stationary source greater than 15 miles from the proposed steam generators and therefore the correct offset ratio 1.5:1.

Assuming an offset ratio of 1.5:1, the amount of PM₁₀ ERCs that need to be withdrawn is:

$$\begin{aligned} \text{Offsets Required (lb/year)} &= ([7,446 - 0] + 0) \times 1.5 \\ &= 7,446 \times 1.5 \\ &= 11,169 \text{ lb SOx/year} \end{aligned}$$

Calculating the appropriate quarterly emissions to be offset is as follows:

<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
2792	2792	2792	2792

The applicant has stated that the facility plans to use ERC certificate listed in the following table which has been reserved in PAS for the quantities listed above.

Certificate	Q1	Q2	Q3	Q4
N-1198-5	43,130	42,817	46,936	46,664

As seen above, the facility has sufficient credits to fully offset the quarterly NO_x, Sox, PM₁₀, and VOC emissions increases associated with this project.

Proposed Rule 2201 (offset) Conditions (for each steam generator):

- Prior to operating equipment under this Authority to Construct, permittee shall surrender NO_x emission reduction credits for the following quantity of emissions: 1st quarter – 2,234 lb, 2nd quarter – 2,234 lb, 3rd quarter – 2,234 lb, and fourth quarter – 2,234 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201]
- Prior to operating equipment under this Authority to Construct, permittee shall surrender SO_x emission reduction credits for the following quantity of emissions: 1st quarter – 1,396 lb, 2nd quarter – 1,396 lb, 3rd quarter – 1,396 lb, and fourth quarter – 1,396 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201]
- Prior to operating equipment under this Authority to Construct, permittee shall surrender PM₁₀ emission reduction credits for the following quantity of emissions: 1st quarter – 2,122 lb, 2nd quarter – 2,122 lb, 3rd quarter – 2,122 lb, and fourth quarter – 2,122 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201]
- Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter – 1,536 lb, 2nd quarter – 1,536 lb, 3rd quarter – 1,536 lb, and fourth quarter – 1,536 lb.

These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201]

- ERC Certificate Numbers S-4407-1, N-1198-2, N-1198-4, and N-1198-5 (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]

C. Public Notification

1. Applicability

Public noticing is required for:

- a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications,
- b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- c. Any project which results in the offset thresholds being surpassed, and/or
- d. Any project with an SSIPE of greater than 20,000 lb/year for any pollutant.

a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications

New Major Sources are new facilities, which are also Major Sources. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.

As demonstrated in Sections VII.C.7 and VII.C.8, this project constitutes a Federal Major Modification; therefore, public noticing for Federal Major Modification purposes is required.

b. PE > 100 lb/day

Applications which include a new emissions unit with a PE greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. As seen in Section VII.C.2 above, this project does not include a new emissions unit which has daily emissions greater than 100 lb/day for any pollutant; therefore public noticing for PE > 100 lb/day purposes is not required.

c. Offset Threshold

The SSPE1 and SSPE2 are compared to the offset thresholds in the following table.

Offset Thresholds				
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	Offset Threshold	Public Notice Required?
NO _x	>20,000	>20,000	20,000 lb/year	No
SO _x	>54,750	>54,750	54,750 lb/year	No
PM ₁₀	>29,200	>29,200	29,200 lb/year	No
CO	>200,000	>200,000	200,000 lb/year	No
VOC	>20,000	>20,000	20,000 lb/year	No

As detailed above, there were no thresholds surpassed with this project; therefore public noticing is not required for offset purposes.

d. SSIPE > 20,000 lb/year

Public notification is required for any permitting action that results in a SSIPE of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE = SSPE2 – SSPE1. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table.

SSIPE Public Notice Thresholds					
Pollutant	PE2 (lb/year)	PE1 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
NO _x	>20,000	>20,000	11,914	20,000 lb/year	No
SO _x	>20,000	>20,000	7,446	20,000 lb/year	No
PM ₁₀	>20,000	>20,000	11,318	20,000 lb/year	No
CO	>20,000	>20,000	27,550	20,000 lb/year	Yes
VOC	>20,000	>20,000	8,190	20,000 lb/year	No

As demonstrated above, the SSIPE for CO is greater than 20,000 lb/year; therefore public noticing for SSIPE purposes is required.

2. Public Notice Action

As discussed above, public noticing is required for this project for triggering a Federal Major Modification. Therefore, public notice documents will be submitted to the California Air Resources Board (CARB) and a public notice will be published in a local newspaper of general circulation prior to the issuance of the ATC for this equipment.

D. Daily Emission Limits (DELs)

DELs and other enforceable conditions are required by Rule 2201 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. The DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT.

Proposed Rule 2201 (DEL) Conditions:

- This unit shall be fired on PUC quality natural gas, but not solely PUC quality natural gas; or gaseous fuel treated to remove 95% by weight of sulfur compounds, or gaseous fuel treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf. [District Rule 2201] Y
- The unit shall only be fired on natural/TEOR/ethane-rich gas with a maximum sulfur content of 1.75 gr S/100scf. [District Rules 2201, 4301, and 4320] Y
- Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NO_x @ 3% O₂ or 0.008 lb-NO_x/MMBtu, 0.0076 lb-PM₁₀/MMBtu, 25 ppmvd CO @ 3% O₂ or 0.0185 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Y

E. Compliance Assurance

1. Source Testing

These units are subject to District Rule 4305, *Boilers, Steam Generators and Process Heaters, Phase 2*, District Rule 4306, *Boilers, Steam Generators and Process Heaters, Phase 3*, and District Rule 4320 *Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr*. Source testing requirements, in accordance with District Rules 4305, 4306, and 4320 will be discussed in Section VIII, District Rule 4320 of this evaluation.

2. Monitoring

As required by District Rule 4305, *Boilers, Steam Generators and Process Heaters, Phase 2*, District Rule 4306, *Boilers, Steam Generators and Process Heaters, Phase 3*, and District Rule 4320 *Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr*, this unit is subject to monitoring requirements. Monitoring requirements, in accordance with District Rules 4305, 4306, and 4320 will be discussed in Section VIII, District Rule 4320 of this evaluation.

3. Recordkeeping

As required by *District Rule 4305, Boilers, Steam Generators and Process Heaters, Phase 2, District Rule 4306, Boilers, Steam Generators and Process Heaters, Phase 3, and District Rule 4320 Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr*, this unit is subject to recordkeeping requirements. Recordkeeping requirements, in accordance with District Rules 4305, 4306, and 4320 will be discussed in Section VIII, District Rule 4320 of this evaluation.

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

F. Ambient Air Quality Analysis (AAQA)

An AAQA shall be conducted for the purpose of determining whether a new or modified Stationary Source will cause or make worse a violation of an air quality standard. The District's Technical Services Division conducted the required analysis. Refer to **Attachment V** of this document for the AAQA summary sheet.

The proposed location is in an attainment area for NO_x, CO, and SO_x. As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for NO_x, CO, or SO_x.

The proposed location is in a non-attainment area for the state's PM₁₀ as well as federal and state PM_{2.5} thresholds. As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for PM₁₀ and PM_{2.5}.

G. Compliance Certification

Section 4.15.2 of this Rule requires the owner of a new Major Source or a source undergoing a Title I Modification to demonstrate to the satisfaction of the District that all other Major Sources owned by such person and operating in California are in compliance or are on a schedule for compliance with all applicable emission limitations and standards. As discussed in Section VIII above, this facility is a new major source and this project does constitute a Title I modification, therefore this requirement is applicable. BPC's compliance certification is included in **Attachment VI**.

H. Alternate Siting Analysis

The current project occurs at an existing facility. The applicant proposes to install a steam generators.

Since the project will provide steam to be used at the same location, the existing site will result in the least possible impact from the project. Alternative sites would involve the relocation and/or construction of various support structures on a much greater scale, and would therefore result in a much greater impact.

Rule 2410 Prevention of Significant Deterioration

As demonstrated in Section VII C 9 above, the project is not subject to the requirements of Rule 2410. No further discussion will be needed.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. A significant permit modification is defined as a "permit amendment that does not qualify as a minor permit modification or administrative amendment."

As discussed above, the facility has applied for a Certificate of Conformity (COC); therefore, the facility must apply to modify their Title V permit with an administrative amendment, prior to operating with the proposed modifications. Continued compliance with this rule is expected. The facility may construct/operate under the ATC upon submittal of the Title V administrative amendment application.

The Title V Compliance Certification form is included in **Attachment VI**.

Rule 4001 New Source Performance Standards (NSPS)

40 CFR Part 60, Subpart Dc applies to Small Industrial-Commercial-Industrial Steam Generators between 10 MMBtu/hr and 100 MMBtu/hr (post-6/9/89 construction, modification or, reconstruction).

The subject steam generators have a rating of 85 MMBtu/hr and are fired on natural/TEOR gas. Subpart Dc has no standards for gas-fired steam generators. Therefore the subject steam generators are not an affected facility and subpart Dc does not apply.

Rule 4101 Visible Emissions

Per Section 5.0, no person shall discharge into the atmosphere emissions of any air contaminant aggregating more than 3 minutes in any hour which is as dark as or darker than Ringelmann 1 (or 20% opacity). As the steam generators are fired solely on natural gas and the TEOR system will result in fugitive emissions only, visible emissions are not expected to exceed Ringelmann 1 or 20% opacity. The following condition will remain listed on the facility-wide permit to ensure compliance:

- No air contaminants shall be discharged into the atmosphere for a period or periods aggregating more than 3 minutes in any one hour which is as dark or darker than Ringelmann #1 or equivalent to 20% opacity and greater, unless specifically exempted by District Rule 4101 (11/15/01). If the equipment or operation is subject to a more stringent visible emission standard as prescribed in a permit condition, the more stringent visible emission limit shall supersede this condition. [District Rule 4101]

Rule 4102 Nuisance

Rule 4102 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, compliance with this rule is expected.

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 – *Risk Management Policy for Permitting New and Modified Sources* specifies that for an increase in emissions associated with a proposed new source or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

An HRA is not required for a project with a total facility prioritization score of less than one. According to the Technical Services Memo for this project (**Attachment V**), the total facility prioritization score including this project was greater than one. Therefore, an HRA was required to determine the short-term acute and long-term chronic exposure from this project.

The cancer risk for this project is shown below:

A. RMR SUMMARY

RMR Summary				
Categories	Steam Generator (Unit 59-0)	Steam Generator (Unit 60-0)	Project Totals	Facility Totals
Prioritization Score	0.00	0.00	0.00	<1.0
Acute Hazard Index	NA ¹	NA ¹	NA ¹	0.00
Chronic Hazard Index	NA ¹	NA ¹	NA ¹	0.00
Maximum Individual Cancer Risk (10⁻⁶)	NA ¹	NA ¹	NA ¹	0.00
T-BACT Required?	No	No		
Special Permit Conditions?	No	No		

¹Acute and Chronic Hazard Index and Maximum Individual Cancer Risk were not calculated since the total facility prioritization score was less than 1.0.

Discussion of T-BACT

BACT for toxic emission control (T-BACT) is required if the cancer risk exceeds one in one million. As demonstrated above, T-BACT is not required for this project because the HRA indicates that the risk is not above the District’s thresholds for triggering T-BACT requirements; therefore, compliance with the District’s Risk Management Policy is expected.

Rule 4201 Particulate Matter Concentration

Section 3.1 prohibits discharge of dust, fumes, or total particulate matter into the atmosphere from any single source operation in excess of 0.1 grain per dry standard cubic foot.

F-Factor for NG: 8,578 dscf/MMBtu at 60 °F

PM₁₀ Emission Factor: 0.005 lb-PM₁₀/MMBtu

Percentage of PM as PM₁₀ in Exhaust: 100%

Exhaust Oxygen (O₂) Concentration: 3%

$$\text{Excess Air Correction to F Factor} = \frac{20.9}{(20.9 - 3)} = 1.17$$

$$GL = \left(\frac{0.0076 \text{ lb} - \text{PM}}{\text{MMBtu}} \times \frac{7,000 \text{ grain}}{\text{lb} - \text{PM}} \right) / \left(\frac{8,578 \text{ ft}^3}{\text{MMBtu}} \times 1.17 \right)$$

$$GL = 0.005 \text{ grain/dscf} < 0.1 \text{ grain/dscf}$$

Therefore, compliance with the requirements of this rule is expected.

California Health & Safety Code 42301.6 (School Notice)

The District has verified that this site is not located within 1,000 feet of a school. Therefore, pursuant to California Health and Safety Code 42301.6, a school notice is not required.

Rule 4301 Fuel Burning Equipment

Rule 4301 limits air contaminant emissions from fuel burning equipment as defined in the rule. Section 3.1 defines fuel burning equipment as “any furnace, boiler, apparatus, stack, and all appurtenances thereto, used in the process of burning fuel for the primary purpose of producing heat or power by indirect heat transfer”.

Section 5.0 gives the requirements of the rule.

A person shall not discharge into the atmosphere combustion contaminants exceeding in concentration at the point of discharge, 0.1 grain per cubic foot of gas calculated to 12% of carbon dioxide at dry standard conditions.

A person shall not build, erect, install or expand any non-mobile fuel burning equipment unit unless the discharge into the atmosphere of contaminants will not and does not exceed any one or more of the following rates:

- 200 pound per hour of sulfur compounds, calculated as sulfur dioxide (SO₂)
- 140 pounds per hour of nitrogen oxides, calculated as nitrogen dioxide (NO₂)
- Ten pounds per hour of combustion contaminants as defined in Rule 1020 and derived from the fuel.

District Rule 4301 Limits			
Unit	NO₂	Total PM	SO₂
	0.008 x 85 = 0.68	0.0076x 85 = 0.65	0.005 x 85 = 0.43
Rule Limit (lb/hr)	140	10	200

The particulate emissions from the steam generators will not exceed 0.1 gr/dscf at 12% CO₂ or 10 lb/hr. Further, the emissions of SO_x and NO_x will not exceed 200 lb/hr or 140 lb/hr, respectively.

Therefore, compliance with the requirements of this rule is expected.

District Rule 4305 Boilers, Steam Generators and Process Heaters – Phase 2

The unit is natural gas-fired with a maximum heat input of 20.0 MMBtu/hr. Pursuant to Section 2.0 of District Rule 4305, the unit is subject to District Rule 4305, *Boilers, Steam Generators and Process Heaters – Phase 2*.

In addition, the unit is also subject to District Rule 4306, *Boilers, Steam Generators and Process Heaters – Phase 3*.

Since emissions limits of District Rule 4320 and all other requirements are equivalent or more stringent than District Rule 4305 requirements, compliance with District Rule 4320 requirements will satisfy requirements of District Rule 4305.

District Rule 4306 Boilers, Steam Generators and Process Heaters – Phase 3

The unit is natural gas-fired with a maximum heat input of 20.0 MMBtu/hr. Pursuant to Section 2.0 of District Rule 4306, the unit is subject to District Rule 4306, *Boilers, Steam Generators and Process Heaters – Phase 3*.

Since emissions limits of District Rule 4320 and all other requirements are equivalent or more stringent than District Rule 4306 requirements, compliance with District Rule 4320 requirements will satisfy requirements of District Rule 4306.

Rule 4320 – Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr

Section 5.0 Requirements

Section 5.1 of the rule requires compliance with the NO_x and CO emissions limits listed in Table 1 of Section 5.2 or payment of an annual emissions fee to the District as specified in Section 5.3 and compliance with the control requirements specified in Section 5.4; or as stated in Section 5.1.3, comply with the applicable Low-use Unit requirements of Section 5.5.

Section 5.2 NOx and CO Emission Limits

Oilfield Steam Generators

Rule 4320 Emissions Limits				
Category	Operated on gaseous fuel		Operated on liquid fuel	
	NO_x Limit	CO Limit	NO_x Limit	CO Limit
1. Units with a total rated heat input >20.0 MMBtu/hr	Standard Schedule 7 ppmv or 0.008 lb/MMBtu; or			
	Staged Enhanced Schedule Initial limit: 9 ppmv @ 3% O ₂ , 0.011 lb/MMBtu		400 ppmv @ 3% O ₂	40 ppmv or 0.052 lb/MMBtu
	Final limit: 5 ppmv @ 3% O ₂ , 0.0062 lb/MMBtu			

The proposed NOx and CO emission factors are 7 ppmv @ 3% O₂ and 25 ppmv @ 3% O₂.

Therefore, compliance with Section 5.1 of District Rule 4320 is expected.

A permit condition listing the emissions limits will be listed on permits as shown in the DEL section above.

Section 5.3 Annual Fee Calculation

Applicant has proposed to meet the emissions limits requirements of Section 5.1 and therefore this section is not applicable.

Section 5.4 Particulate Matter Control Requirements

Section 5.4 of the rule requires one of four options for control of particulate matter: 1) combustion of PUC-quality natural gas, commercial propane, butane, or liquefied petroleum gas, or a combination of such gases, 2) limit fuel sulfur content to no more than five (5) grains of total sulfur per one hundred (100) standard cubic, 3) install and properly operate an emission control system that reduces SO₂ emissions by at least 95% by weight; or limit exhaust SO₂ to less than or equal to 9 ppmv corrected to 3.0% O₂ or 4) refinery units, which require modification of refinery equipment to reduce sulfur emissions, shall be in compliance with the applicable requirement in Section 5.4.1 no later than July 1, 2013.

The unit has a sulfur emission limit of 0.005 lb SO₂/MMBtu (1.75 gr S/100scf) and are authorized to combust natural/TEOR gas. Therefore, compliance with this Section of the rule is expected.

Section 5.5 Low Use

Section 5.5 requires that units limited to less than or equal to 1.8 billion Btu per calendar year heat input pursuant to a District Permit to Operate Tune the unit at least twice per calendar year, or if the unit does not operate throughout a continuous six-month period within a calendar year, only one tune-up is required for that calendar year. No tune-up is required for any unit that is not operated during that calendar year; this unit may be test fired to verify availability of the unit for its intended use, but once the test firing is completed the unit shall be shutdown; or operate the unit in a manner that maintains exhaust oxygen concentrations at less than or equal to 3.00 percent by volume on a dry basis.

The subject steam generator is not a low use unit and therefore the requirements of Section 5.5 do not apply.

Section 5.6, Startup and Shutdown Provisions

Applicable emissions limits are not required during startup and shutdown provided the duration of each start-up or each shutdown shall not exceed two hours, the emission control system shall be in operation and emissions shall be minimized insofar as technologically feasible during start-up or shutdown or operator has submitted an application for a Permit to Operate condition to allow more than two hours for each start-up or each shutdown provided the operator meets all of the conditions specified in Sections 5.6.3.1 through 5.6.3.3. The following condition is included on the ATCs to address the startup and shutdown emissions:

Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320]

Section 5.7, Monitoring Provisions

Section 5.7 requires either use of a APCO approved Continuous Emissions Monitoring System (CEMS) for NO_x, CO, and oxygen, or implementation of an APCO-approved Alternate Monitoring System consisting of:

- 5.7.1.1 Periodic NO_x and CO exhaust emission concentrations,
- 5.7.1.2 Periodic exhaust oxygen concentration,
- 5.7.1.3 Flow rate of reducing agent added to exhaust,
- 5.7.1.4 Catalyst inlet and exhaust temperature,
- 5.7.1.5 Catalyst inlet and exhaust oxygen concentration,
- 5.7.1.6 Periodic flue gas recirculation rate, or
- 5.7.1.7 Other operational characteristics.

In order to satisfy the requirements of District Rule 4320, the applicant has proposed to use pre-approved alternate monitoring scheme A (pursuant to District Policy SSP-1105), which requires that monitoring of NO_x, CO, and O₂ exhaust concentrations shall be conducted at least once per month (in which a source test is not performed) using a portable analyzer. The following conditions will be incorporated into the permits in order to ensure compliance with the requirements of the proposed alternate monitoring plan:

{4063} 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 analyzer 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]

{4064} If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320]

{4065} 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]

{4066} The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent by volume 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, 4306, and 4320]

5.7.6 Monitoring SO_x Emissions

Section 5.7.6.1 Operators complying with Sections 5.4.1.1 or 5.4.1.2 shall provide an annual fuel analysis to the District unless a more frequent sampling and reporting period is included in the Permit To Operate. Sulfur analysis shall be performed in accordance with the test methods in Section 6.2.

Section 5.7.6.2 Operators complying with Section 5.4.1.3 by installing and operating a control device with 95% SO_x reduction shall propose the key system operating parameters and frequency of the monitoring and recording. The monitoring option proposed shall be submitted for approval by the APCO.

Section 5.7.6.3 Operators complying with Section 5.4.1.3 shall perform an annual source test unless a more frequent sampling and reporting period is included in the Permit to Operate. Source tests shall be performed in accordance with the test methods in Section 6.2.

Sulfur Monitoring

The following conditions will be included on the ATCs.

If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320] Y

When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, permittee shall demonstrate compliance at least annually. [District Rule 4320] Y

If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rule 4320] Y

Section 5.8, Compliance Determination

Section 5.8.1 requires that the operator of any unit shall have the option of complying with either the applicable heat input (lb/MMBtu) emission limits or the concentration (ppmv) emission limits specified in Section 5.2. The emission limits selected to demonstrate compliance shall be specified in the source test proposal pursuant to Rule 1081 (Source Sampling) as stated in the following ATC condition:

{2976} The source plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320]

Section 5.8.2 requires that all emissions measurements be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. Unless otherwise 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.

{2972} All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within

30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320]

Section 5.8.3 Continuous Emissions Monitoring System (CEMS) emissions measurements shall be averaged over a period of 15 consecutive minutes to demonstrate compliance with the applicable emission limits. Any 15-consecutive-minute block average CEMS measurement exceeding the applicable emission limits shall constitute a violation. The steam generator is not equipped with CEMs and therefore this section is not applicable.

Section 5.8.4 For emissions monitoring pursuant to Sections 5.7.1, and 6.3.1 using a portable NOx analyzer as part of an APCO approved Alternate Emissions Monitoring System, emission readings 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 readings evenly spaced out over the 15-consecutive-minute period.

{2937} 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]

Section 5.8.5 For emissions source testing performed pursuant to Section 6.3.1 for the purpose of determining compliance with an applicable standard or numerical limitation of this rule, 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.

{2980} 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, 4306, and 4320]

Section 6.1 Recordkeeping

Section 6.1 requires that the records required by Sections 6.1.1 through 6.1.5 shall be maintained for five calendar years and shall be made available to the APCO and EPA upon request. Failure to maintain records or information contained in the records that demonstrate noncompliance with the applicable requirements of this rule shall constitute a violation of this rule.

A permit condition will be listed on the permits as follows:

{2983} All 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, 4305, 4306, and 4320]

Section 6.1.1 requires that a unit operated under the exemption of Section 4.2 shall monitor and record, for each unit, the cumulative annual hours of operation. The units are not Section 4.2 exempt and therefore these records are not required.

Section 6.1.2 requires the operator of any unit that is subject to the requirements of Section 5.5 shall record the amount of fuel use at least on a monthly basis for each unit. On and after the applicable compliance schedule specified in Section 7.0, in the event that such unit exceeds the applicable annual heat input limit specified in Section 5.5, the unit shall be brought into full compliance with this rule as specified in Section 5.2 Table 1. The units are not low use and therefore these records are not necessary.

Section 6.1.3 The operator of any unit subject to Section 5.5.1 or Section 6.3.1 shall maintain records to verify that the required tune-up and the required monitoring of the operational characteristics of the unit have been performed.

Section 6.1.4 The operator performing start-up or shutdown of a unit shall keep records of the duration of start-up or shutdown.

Section 6.1.5 The operator of any unit firing on liquid fuel during a PUC-quality natural gas curtailment period pursuant to Section 5.4.2 shall record the sulfur content of the fuel, amount of fuel used, and duration of the natural gas curtailment period. The unit is not authorized to combust liquid fuel. Therefore this section is not applicable.

Section 6.2, Test Methods

Section 6.2 identifies the following test methods as District-approved source testing methods for the pollutants listed:

Pollutant	Units	Test Method Required
NO _x	ppmv	EPA Method 7E or ARB Method 100
NO _x	lb/MMBtu	EPA Method 19
CO	ppmv	EPA Method 10 or ARB Method 100
Stack Gas O ₂	%	EPA Method 3 or 3A, or ARB Method 100
Stack Gas Velocities	ft/min	EPA Method 2
Stack Gas Moisture Content	%	EPA Method 4
Oxides of sulfur		EPA Method 6C, EPA Method 8, or ARB Method 100
Total Sulfur as Hydrogen Sulfide (H ₂ S) Content		EPA Method 11 or EPA Method 15, as appropriate.
Sulfur Content of Liquid Fuel		ASTM D 6920-03 or ASTM D 5453-99

The following test method conditions are included on the ATCs:

{2977} NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320]

{2978} CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320]

{2979} Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320]

Section 6.2.8.2. The SO_x emission control system efficiency shall be determined using the following:

$$\% \text{ Control Efficiency} = [(C_{\text{SO}_2, \text{inlet}} - C_{\text{SO}_2, \text{outlet}}) / C_{\text{SO}_2, \text{inlet}}] \times 100$$

where:

C_{SO₂, inlet} = concentration of SO_x (expressed as SO₂) at the inlet side of the SO_x emission control system, in lb/dscf

C_{SO₂, outlet} = concentration of SO_x (expressed as SO₂) at the outlet side of the SO_x emission control system, in lb/dscf

The units are not equipped with a SO₂ scrubber. Therefore this section is not applicable.

Section 6.3 Compliance Testing

Section 6.3.1 requires that this unit be tested to determine compliance with the applicable requirements of section 5.2 not less than once every 12 months (no more than 30 days before or after the required annual source test date). Upon demonstrating compliance on two consecutive compliance source tests, the following source test may be deferred for up to thirty-six months.

Section 6.3.1.1 Units that demonstrate compliance on two consecutive 12-month source tests may defer the following 12-month source test for up to 36 months (no more than 30 days before or after the required 36-month source test date). During the 36-month source testing interval, the operator shall tune the unit in accordance with the provisions of Section 5.5.1, and shall monitor, on a monthly basis, the unit's operational characteristics recommended by the manufacturer to ensure compliance with the applicable emission limits specified in Section 5.2.

Section 6.3.1.2 Tune-ups required by Sections 5.5.1 and 6.3.1 do not need to be performed for units that operate and maintain an APCO approved CEMS or an APCO approved Alternate Monitoring System where the applicable emission limits are periodically monitored. Applicant has proposed to monitor the emissions of NOx and CO Alternate Monitoring Scheme "A" and therefore tuning is not required.

Section 6.3.1.3 If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits specified in Section 5.2, the source testing frequency shall revert to at least once every 12 months.

The following conditions are included on the ATC:

{109} Source testing shall be conducted using the methods and procedures approved by the District. 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. [District Rule 1081]

{3467} Source testing to measure NOx and CO emissions from this unit while fired on natural gas shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320]

{3466} Source testing to measure NOx and CO emissions from this unit while fired on natural gas 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]

{110} The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]

Sections 6.3.2.1 through 6.3.2.7 address the requirements of group testing which is not applicable for this project.

Section 6.4, Emission Control Plan (ECP)

Section 6.4.1 requires that the operator of any unit shall submit to the APCO for approval an Emissions Control Plan according to the compliance schedule in Section 7.0 of District Rule 4320.

The proposed unit will be in compliance with the emissions limits listed in Table 1, Section 5.1 of this rule and with periodic monitoring and source testing requirements. Therefore, this current application for the new proposed unit satisfies the requirements of the Emission Control Plan, as listed in Section 6.4 of District Rule 4320. No further discussion is required.

Section 7.0, Compliance Schedule

Section 7.0 indicates that an operator with multiple units at a stationary source shall comply with this rule in accordance with the schedule specified in Table 1, Section 5.2 of District Rule 4320.

The units will be in compliance with the emissions limits listed in Table 1, Section 5.2 of this rule, and periodic monitoring and source testing as required by District Rule 4320. Therefore, requirements of the compliance schedule, as listed in Section 7.1 of District Rule 4306, are satisfied. No further discussion is required.

Conclusion

Conditions are included on the ATCs in order to ensure compliance with each section of this rule, see attached draft permit(s). Therefore, compliance with District Rule 4320 requirements is expected.

Rule 4801 Sulfur Compounds

A person shall not discharge into the atmosphere sulfur compounds, which would exist as a liquid or gas at standard conditions, exceeding in concentration at the point of discharge: 0.2 % by volume calculated as SO₂, on a dry basis averaged over 15 consecutive minutes.

Using the ideal gas equation the sulfur compound emissions are calculated as follows:

$$\text{Volume SO}_2 = \frac{nRT}{P}$$

With:

N = moles SO₂

T (Standard Temperature) = 60°F = 520°R

P (Standard Pressure) = 14.7 psi

R (Universal Gas Constant) = $\frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot \text{°R}}$

$$\frac{0.005 \text{ lb} - \text{SO}_x}{\text{MMBtu}} \times \frac{\text{MMBtu}}{8,578 \text{ dscf}} \times \frac{1 \text{ lb} \cdot \text{mol}}{64 \text{ lb}} \times \frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot ^\circ\text{R}} \times \frac{520^\circ\text{R}}{14.7 \text{ psi}} \times \frac{1,000,000 \cdot \text{parts}}{\text{million}} = 3.5 \frac{\text{parts}}{\text{million}}$$

$\text{Sulfur Concentration} = 3.5 \frac{\text{parts}}{\text{million}} < 2,000 \text{ ppmv (or 0.2\%)}$

Therefore, compliance with the requirements of this rule is expected.

California Environmental Quality Act (CEQA)

CEQA requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The District adopted its *Environmental Review Guidelines* (ERG) in 2001. The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities;
- Identify the ways that environmental damage can be avoided or significantly reduced;
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible; and
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Greenhouse Gas (GHG) Significance Determination

It is determined that no other agency has or will prepare an environmental review document for the project. Thus the District is the Lead Agency for this project.

Facilities subject to the Cap and Trade regulation are subject to an industry-wide cap on overall GHG emissions. As such, any growth in emissions must be accounted for under that cap such that a corresponding and equivalent reduction in emissions must occur to allow any increase. Therefore, it is reasonable to conclude that implementation of the Cap and Trade program will and must fully mitigate project-specific GHG emissions.

Regardless of, and independent to, the above significance determination, the District finds that, through compliance with the Cap and Trade regulation, project-specific GHG emissions would be fully mitigated. The District therefore concludes that projects occurring at facilities subject to ARB's Cap and Trade regulation would have a less than significant individual and cumulative impact on global climate change.

Facility S-1246 is subject to the Cap and Trade regulation. The District therefore concludes that the project would have a less than cumulatively significant impact on global climate change.

California Environmental Quality ACT (CEQA)

The California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The San Joaquin Valley Unified Air Pollution Control District (District) adopted its *Environmental Review Guidelines* (ERG) in 2001. The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly reduced.
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

The District performed an Engineering Evaluation (this document) for the proposed project and determined that the project will occur at an existing facility and the project involves negligible expansion of the existing use. Furthermore, the District determined that the project will not have a significant effect on the environment. The District finds that the project is categorically exempt from the provisions of CEQA pursuant to CEQA Guideline § 15301 (Existing Facilities), and finds that the project is exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Pending a successful NSR Public Noticing period, issue ATC S-1246-401-0 subject to the permit conditions on the attached draft ATCs in **Attachment VII**.

X. Billing Information

Annual Permit Fees			
Permit Number	Fee Schedule	Fee Description	Annual Fee
S-1328-59 and -60	3020-02 H	85 MMBtu/hr	\$1030

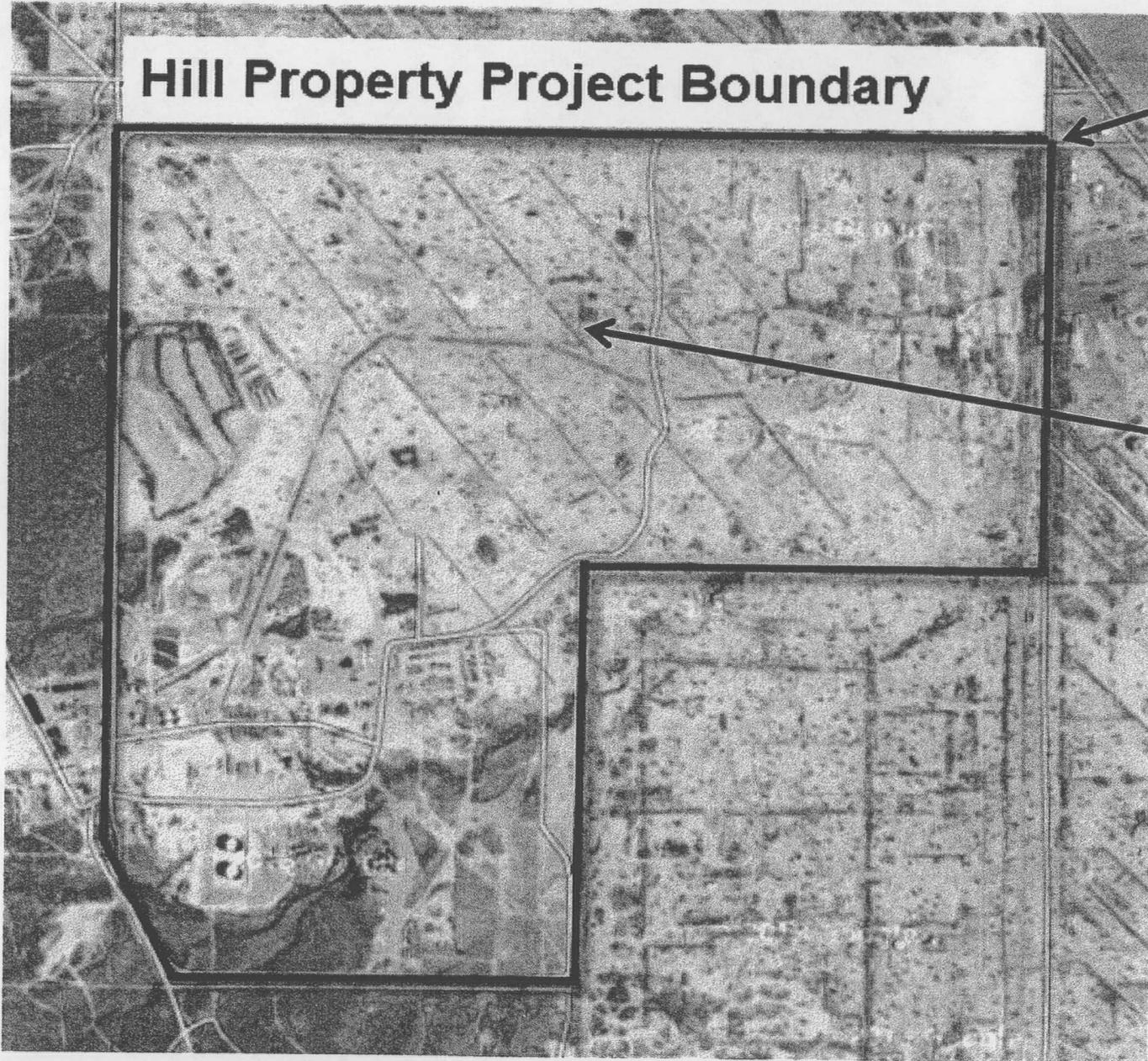
Attachments

- I. Project Location Map
- II. Emissions Profiles
- III. BACT Guideline
- IV: BACT Analysis
- V: HRA and AAQA Modeling
- VI: Statewide Compliance Statement and Title V Compliance Certification Form
- VII: Draft ATC

ATTACHMENT I

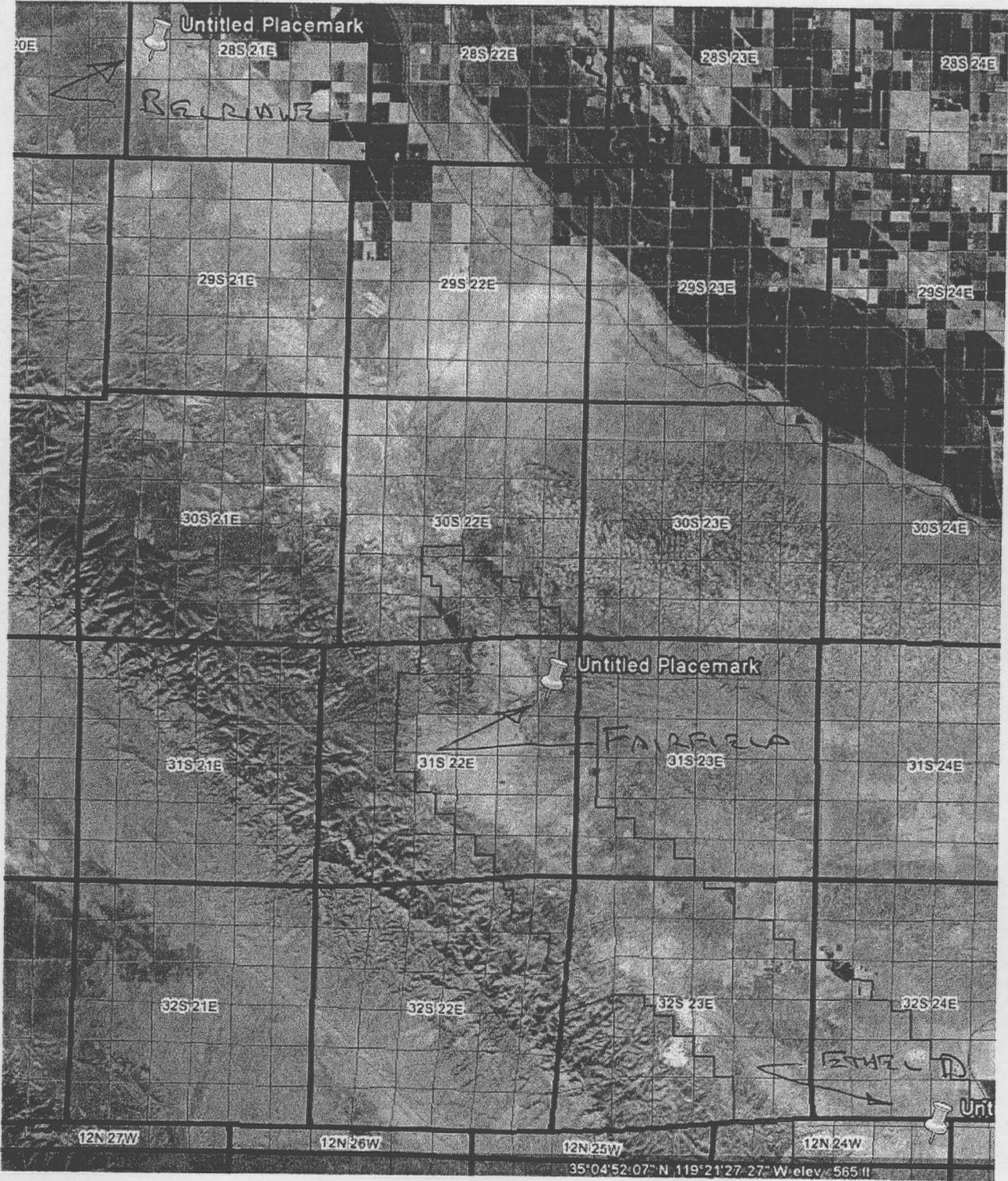
Project Location Map

Hill Property Project Boundary



Contractor rd.

Emissions
source
locations



ATTACHMENT II Emissions Profiles

Permit #: S-1328-59-0	Last Updated
Facility: EXXON MOBIL CORPORATION	01/29/2015 EDGEHILR

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	5957.0	3723.0	5659.0	13775.0	4095.0
Daily Emis. Limit (lb/Day)	16.3	10.2	15.5	37.7	11.2
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	1489.0	930.0	1414.0	3443.0	1023.0
Q2:	1489.0	931.0	1415.0	3444.0	1024.0
Q3:	1489.0	931.0	1415.0	3444.0	1024.0
Q4:	1490.0	931.0	1415.0	3444.0	1024.0
Check if offsets are triggered but exemption applies	N	N	N	Y	N
Offset Ratio	1.5	1.5	1.5		1536.0
Quarterly Offset Amounts (lb/Qtr)					
Q1:	2234.0	1396.0	2122.0		1536.0
Q2:	2234.0	1396.0	2122.0		1536.0
Q3:	2234.0	1396.0	2122.0		1536.0
Q4:	2234.0	1396.0	2122.0		1536.0

Permit #: S-1328-60-0	Last Updated
Facility: EXXON MOBIL CORPORATION	01/29/2015 EDGEHILR

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	5957.0	3723.0	5659.0	13775.0	4095.0
Daily Emis. Limit (lb/Day)	16.3	10.2	15.5	37.7	11.2
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	1489.0	930.0	1414.0	3443.0	1023.0
Q2:	1489.0	931.0	1415.0	3444.0	1024.0
Q3:	1489.0	931.0	1415.0	3444.0	1024.0
Q4:	1490.0	931.0	1415.0	3444.0	1024.0
Check if offsets are triggered but exemption applies	N	N	N	Y	N
Offset Ratio	0.5	1.5	1.5		1.5
Quarterly Offset Amounts (lb/Qtr)					
Q1:	2234.0	1396.0	2122.0		1536.0
Q2:	2234.0	1396.0	2122.0		1536.0
Q3:	2234.0	1396.0	2122.0		1536.0
Q4:	2234.0	1396.0	2122.0		1536.0

ATTACHMENT III BACT Guideline

San Joaquin Valley
Unified Air Pollution Control District

Best Available Control Technology (BACT) Guideline 1.2.1*

Last Update: 3/24/2014

Oilfield Steam Generator (> or =20 MMBtu/hr)

Pollutant	Achieved In Practice or contained In the SIP	Technologically Feasible	Alternate Basic Equipment
VOC	Gaseous fuel		
SOx	Fired on PUC quality natural gas, commercial propane, and/or commercial LPG; or gaseous fuel treated to remove 95% by weight of sulfur compounds; or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf; or use of a continuously operating SO2 scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO2 @ 3% O2		
PM10	Fired on PUC quality natural gas, commercial propane, and/or commercial LPG; or gaseous fuel treated to remove 95% by weight of sulfur compounds; or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf; or use of a continuously operating SO2 scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO2 @ 3% O2		
NOx	<ul style="list-style-type: none"> •Units rated 85 MMBtu/hr and fired solely on PUC quality natural gas: 6 ppmvd @ 3% O2; or •Units firing on ≥50% PUC quality natural gas; commercial propane; and/or LPG: 7 ppmvd @ 3% O2, except units rated 85 MMBtu/hr and fired solely on PUC quality natural gas; or •Units firing on <50% PUC quality natural gas; commercial propane; and/or LPG: 9 ppmvd @ 3% O2 	5 ppmvd @ 3% O2	
CO	25 ppmvd @ 3% O2		

ATTACHMENT IV BACT Analysis

Top Down BACT Analysis for the Steam Generator

Oxides of nitrogen (NO_x) are generated from the high temperature combustion of the natural gas fuel. A majority of the NO_x emissions are formed from the high temperature reaction of nitrogen and oxygen in the inlet air. The rest of the NO_x emissions are formed from the reaction of fuel-bound nitrogen with oxygen in the inlet air.

1. BACT Analysis for NO_x Emissions:

a. Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse Guideline 1.2.1, updated 3/24/14, identifies for achieved in practice BACT for NO_x emissions from oil field steam generators ≥5 MMBtu/hr as follows (non-applicable Achieved-in-Practice requirements are in strikeout text):

Achieved-in-Practice

- Units rated 85 MMBtu/hr and fired solely on PUC-quality natural gas: 6 ppmvd @ 3% O₂ – not applicable
- Units firing on ≥50% PUC quality natural gas; commercial propane; and/or LPG: 7 ppmvd @ 3% O₂, except units rated 85 MMBtu/hr and fired solely on PUC quality natural gas – applicable
- Units firing on <50% PUC quality natural gas; commercial propane; and/or LPG: 9 ppmvd @ 3% O₂ – applicable

Technologically Feasible

5 ppmvd @ 3% O₂

b. Step 2 - Eliminate technologically infeasible options

There are no technologically infeasible options to eliminate from step 1.

c. Step 3 - Rank remaining options by control effectiveness

- 1) 7 ppmvd @ 3% O₂ – Achieved-in-Practice
- 2) 5 ppmvd @ 3% O₂ – Technologically Feasible

d. Step 4 - Cost Effectiveness Analysis

The capital/installation cost for Selective Catalytic Reduction (SCR) to achieve 5 ppmv NOx @ 3% O₂ is \$832,000 (please project S1114, 1143178).

Equivalent Annual Control Equipment Cost calculation per APCD Policy APR 1305-9 Section X(A)(1). Assume $i = 10\%$ and $n = 10$ years.

$$A = P * ((i*(1 + i)^n) / ((1 + i)^n - 1))$$
$$A = \$832,000 * ((.10*(1 + .10)^{10}) / ((1 + .10)^{10} - 1))$$
$$A = \$135,364$$

The reduction in NOx is from the Industrial Standard 7 ppmv NOx @ 3% O₂, 0.008 lb NOx/MMBtu) to 5 ppmv NOx @ 3% O₂, 0.0062 lb NOx/MMBtu.

$(0.008 \text{ lb/MMBtu} - 0.0061 \text{ lb/MMBtu}) (85 \text{ MMBtu/hr})(8760 \text{ hr/yr})$

$= 1,415 \text{ lb NOx/yr} (0.71 \text{ ton/yr})$

Control Cost per Section X(A)(4)

Control Cost = $(\$135,364/\text{yr})/(0.71 \text{ ton VOC/yr})$
 $= \$191.362/\text{ton NOx}$

This exceeds the cost effectiveness threshold for NOx of \$ 24,500/ton. Therefore, SCR is not cost effective.

e. Step 5 - Select BACT

Applicant has proposed 7 ppmv NOx @ 3% O₂. BACT is satisfied.

2. BACT Analysis for SO_x Emissions:

Oxides of sulfur (SO_x) emissions occur from the combustion of the sulfur, which is present in the fuel.

a. Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse Guideline 1.2.1, updated 3/24/14, identifies for achieved in practice BACT for SO_x emissions from oil field steam generators ≥ 5 MMBtu/hr as follows:

Achieved-in-Practice

Fired on PUC quality natural gas, commercial propane, and/or commercial LPG; or gaseous fuel treated to remove 95% by weight of sulfur compounds; or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf; or use of a continuously operating SO₂

scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO₂ @ 3% O₂

b. Step 2 - Eliminate technologically infeasible options

There are no technologically infeasible options to eliminate from step 1.

c. Step 3 - Rank remaining options by control effectiveness

Fired on PUC quality natural gas, commercial propane, and/or commercial LPG; or gaseous fuel treated to remove 95% by weight of sulfur compounds; or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf; or use of a continuously operating SO₂ scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO₂ @ 3% O₂

d. Step 4 - Cost Effectiveness Analysis

The only control technology in the ranking list from Step 3 has been achieved in practice. Therefore, per the District's BACT Policy (dated 11/9/99) Section IX.D.2, the cost effectiveness analysis is not required.

e. Step 5 - Select BACT

BACT for SO_x emissions for this oil field steam generator is fuel containing no more than 1.75 gr S/100 scf (proposed) and treated to remove 95% by weight of sulfur compounds or fired on PUC quality natural gas with a sulfur content not exceeding 1 gr of sulfur compounds (as S) per 100 dscf. BACT is satisfied.

3. BACT Analysis for PM₁₀ Emissions:

Particulate matter (PM₁₀) emissions result from the incomplete combustion of various elements in the fuel.

a. Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse Guideline 1.2.1, updated 3/24/14, identifies for achieved in practice BACT for CO₁₀ emissions from oil field steam generators ≥5 MMBtu/hr as follows:

Achieved-in-Practice

Fired on PUC quality natural gas, commercial propane, and/or commercial LPG; or gaseous fuel treated to remove 95% by weight of sulfur compounds; or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf; or use of a continuously operating SO₂ scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO₂ @ 3% O₂

b. Step 2 - Eliminate technologically infeasible options

There are no technologically infeasible options to eliminate from step 1.

c. Step 3 - Rank remaining options by control effectiveness

Fired on PUC quality natural gas, commercial propane, and/or commercial LPG; or gaseous fuel treated to remove 95% by weight of sulfur compounds; or treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf; or use of a continuously operating SO₂ scrubber and either achieve 95% by weight control of sulfur compounds or achieve an emission rate of 9 ppmvd SO₂ @ 3% O₂

d. Step 4 - Cost Effectiveness Analysis

The only control technology in the ranking list from Step 3 has been achieved in practice. Therefore, per the District's BACT Policy (dated 11/9/99) Section IX.D.2, the cost effectiveness analysis is not required.

e. Step 5 - Select BACT

BACT for PM₁₀ emissions for this oil field steam generator is fuel containing no more than 1.75 gr S/100 scf (proposed) and treated to remove 95% by weight of sulfur compounds or fired on PUC quality natural gas with a sulfur content not exceeding 1 gr of sulfur compounds (as S) per 100 dscf. BACT is satisfied.

4. BACT Analysis for CO Emissions:

Carbon monoxide (CO) emissions are generated from the incomplete combustion of air and fuel.

a. Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse Guideline 1.2.1, updated 3/24/14, identifies for achieved in practice BACT for CO emissions from oil field steam generators ≥ 5 MMBtu/hr as follows:

- 1) 25 ppmvd @ 3% O₂

No technologically feasible alternatives or control alternatives identified as alternate basic equipment for this class and category of source are listed.

b. Step 2 - Eliminate technologically infeasible options

There are no technologically infeasible options to eliminate from step 1.

c. Step 3 - Rank remaining options by control effectiveness

- 1) 25 ppmvd @ 3% O₂

d. Step 4 - Cost Effectiveness Analysis

The only control technology in the ranking list from Step 3 has been achieved in practice. Therefore, per the District's BACT Policy (dated 11/9/99) Section IX.D.2, the cost effectiveness analysis is not required.

e. Step 5 - Select BACT

BACT for CO emissions from this oil field steam generator is a CO limit of 25 ppmvd @ 3% O₂. The applicant has proposed to install an oil field steam generator with a CO limit of 25 ppmvd @ 3% O₂; therefore BACT for CO emissions is satisfied.

5. BACT Analysis for VOC Emissions:

Volatile organic compounds (VOC) emissions are generated from the incomplete combustion of the fuel.

a. Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse guideline 1.2.1, 1st quarter 2005, identifies for achieved in practice BACT for VOC emissions from oil field steam generators ≥ 5 MMBtu/hr as follows:

- 1) Gaseous fuel

No technologically feasible alternatives or control alternatives identified as alternate basic equipment for this class and category of source are listed.

b. Step 2 - Eliminate technologically infeasible options

There are no technologically infeasible options to eliminate from step 1.

c. Step 3 - Rank remaining options by control effectiveness

- 1) Gaseous fuel

d. Step 4 - Cost effectiveness analysis

The only control technology in the ranking list from Step 3 has been achieved in practice. Therefore, per the District's BACT Policy (dated 11/9/99) Section IX.D.2, the cost effectiveness analysis is not required.

e. Step 5 - Select BACT

BACT for VOC emissions from this oil field steam generator is gaseous fuel. The applicant has proposed to install an oil field steam generator fired on gaseous fuel; therefore BACT for PM₁₀ emissions is satisfied.

ATTACHMENT V HRA and AAQA Modeling

San Joaquin Valley Air Pollution Control District Risk Management Review

To: David Torii AQE– Permit Services
 From: Esteban Gutierrez AQS– Technical Services
 Date: December 22, 2014
 Facility Name: Linn Energy
 Location: HOW Belridge
 Application #(s): S-1328-59-0, 60-0
 Project #: S-1144248

A. RMR SUMMARY

RMR Summary				
Categories	Steam Generator (Unit 59-0)	Steam Generator (Unit 60-0)	Project Totals	Facility Totals
Prioritization Score	0.00	0.00	0.00	<1.0
Acute Hazard Index	NA ¹	NA ¹	NA ¹	0.00
Chronic Hazard Index	NA ¹	NA ¹	NA ¹	0.00
Maximum Individual Cancer Risk (10 ⁻⁶)	NA ¹	NA ¹	NA ¹	0.00
T-BACT Required?	No	No		
Special Permit Conditions?	No	No		

¹Acute and Chronic Hazard Index and Maximum Individual Cancer Risk were not calculated since the total facility prioritization score was less than 1.0.

Proposed Permit Conditions

To ensure that human health risks will not exceed District allowable levels; the following permit conditions must be included for:

Unit # 59-0,60-0

No special conditions are required.

B. RMR REPORT

I. Project Description

Technical Services received a request on December 17, 2014, to perform a Risk Management Review for a proposed installation of a two Natural /ethane rich TEOR gas fired steam generators.

II. Analysis

Toxic emissions for this proposed unit were calculated using Ventura County's emission factors for external combustion sources. In accordance with the District's *Risk Management Policy for Permitting New and Modified Sources* (APR 1905, March 2, 2001), risks from the proposed unit's toxic emissions were prioritized using the procedure in the 1990 CAPCOA Facility Prioritization Guidelines and incorporated in the District's HEARTs database. The prioritization score for this proposed unit was less than 1.0 (see RMR Summary Table). Therefore, no further analysis was necessary.

The following parameters were used for the review:

Analysis Parameters Unit 59-0,60-0 each			
Throughput (MMBTU/hr)	85	Max Hours per Year	8760
Closest Receptor (m)	>1000		

Technical Services performed modeling for criteria pollutants CO, NO_x, SO_x and PM₁₀; as well as a RMR. The emission rates used for criteria pollutant modeling were 37.7 lb/hr CO, 16.3 lb/hr NO_x, 10.2 lb/hr SO_x, and 15.5 lb/hr PM₁₀.

The results from the Criteria Pollutant Modeling are as follows:

Criteria Pollutant Modeling Results*

Diesel ICE	1 Hour	3 Hours	8 Hours	24 Hours	Annual
CO	Pass ¹	X	Pass	X	X
NO _x	Pass ¹	X	X	X	Pass
SO _x	Pass	Pass	X	Pass	Pass
PM ₁₀	X	X	X	Pass ²	Pass ²
PM _{2.5}	X	X	X	Pass ²	Pass ²

*Results were taken from the attached PSD spreadsheet.

¹The project was compared to the 1-hour NO₂ National Ambient Air Quality Standard that became effective on April 12, 2010 using the District's approved procedures.

²The criteria pollutants are below EPA's level of significance as found in 40 CFR Part 51.165 (b)(2).

III. Conclusion

The prioritization score is less than 1.0. In accordance with the District's *Risk Management Policy*, the project is approved without Toxic Best Available Control Technology (T-BACT).

To ensure that human health risks will not exceed District allowable levels; the permit conditions listed on page 1 of this report must be included for this proposed unit.

These conclusions are based on the data provided by the applicant and the project engineer. Therefore, this analysis is valid only as long as the proposed data and parameters do not change.

The emissions from the proposed equipment will not cause or contribute significantly to a violation of the State and National AAQS.

IV. Attachments

- A. RMR request from the project engineer
- B. Additional information from the applicant/project engineer
- C. Prioritization score
- D. Facility Summary

**PRIORITIZATION
FOR
EXXON MOBIL CORPORATION
Project # 1144248
Region (S) Facility (1328)**

DEVICE NUMBER 59
DEVICE NAME (59-0) 85 MMBtu Steam Generator

CAS NUMBER	POLLUTANT NAME	LBS/HOUR	LBS/YEAR	Emissions and Potency Method			Dispersion Adjustment Method		
				Prioritization Scores			Prioritization Scores		
				CANCER	CHRONIC	ACUTE	CANCER	CHRONIC	ACUTE
75070	Acetaldehyde	2.64E-04	2.31E+00	3.18E-05	8.49E-07	2.52E-06	3.14E-05	8.49E-07	2.52E-06
107028	Acrolein	2.30E-04	2.01E+00		2.96E-04	4.13E-04		2.96E-04	4.13E-04
71432	Benzene	4.93E-04	4.32E+00	6.39E-04	3.71E-06	1.71E-06	6.31E-04	3.71E-06	1.71E-06
100414	Ethyl benzene	5.86E-04	5.14E+00	6.55E-05	1.32E-07		6.47E-05	1.32E-07	
50000	Formaldehyde	1.05E-03	9.16E+00	2.80E-04	5.24E-05	8.55E-05	2.77E-04	5.24E-05	8.55E-05
110543	Hexane	3.91E-04	3.43E+00		2.52E-08			2.52E-08	
91203	Naphthalene	2.55E-05	2.23E-01	3.87E-05	1.28E-06		3.83E-05	1.28E-06	
1151	PAHs, total, w/o individ. components reported	3.40E-05	2.98E-01	1.67E-03			1.65E-03		
115071	Propylene	4.50E-02	3.95E+02		6.78E-06			6.78E-06	
108883	Toluene	2.25E-03	1.97E+01		3.39E-06	2.74E-07		3.39E-06	2.74E-07
1330207	Xylenes (mixed)	1.67E-03	1.47E+01		1.08E-06	3.43E-07		1.08E-06	3.43E-07
TOTALS FOR DEVICE 59				2.73E-03	3.66E-04	5.03E-04	2.69E-03	3.66E-04	5.03E-04

DEVICE NUMBER 60
DEVICE NAME (60-0) 85 MMBtu Steam Generator

CAS NUMBER	POLLUTANT NAME	LBS/HOUR	LBS/YEAR	Emissions and Potency Method			Dispersion Adjustment Method		
				Prioritization Scores			Prioritization Scores		
				CANCER	CHRONIC	ACUTE	CANCER	CHRONIC	ACUTE
75070	Acetaldehyde	2.64E-04	2.31E+00	3.18E-05	8.49E-07	2.52E-06	3.14E-05	8.49E-07	2.52E-06
107028	Acrolein	2.30E-04	2.01E+00		2.96E-04	4.13E-04		2.96E-04	4.13E-04
71432	Benzene	4.93E-04	4.32E+00	6.39E-04	3.71E-06	1.71E-06	6.31E-04	3.71E-06	1.71E-06
100414	Ethyl benzene	5.86E-04	5.14E+00	6.55E-05	1.32E-07		6.47E-05	1.32E-07	
50000	Formaldehyde	1.05E-03	9.16E+00	2.80E-04	5.24E-05	8.55E-05	2.77E-04	5.24E-05	8.55E-05
110543	Hexane	3.91E-04	3.43E+00		2.52E-08			2.52E-08	
91203	Naphthalene	2.55E-05	2.23E-01	3.87E-05	1.28E-06		3.83E-05	1.28E-06	
1151	PAHs, total, w/o individ. components reported	3.40E-05	2.98E-01	1.67E-03			1.65E-03		

**PRIORITIZATION
FOR**

**EXXON MOBIL CORPORATION
Project # 1144248
Region (S) Facility (1328)**

115071	Propylene	4.50E-02	3.95E+02	6.78E-06		6.78E-06			
108883	Toluene	2.25E-03	1.97E+01	3.39E-06	2.74E-07	3.39E-06	2.74E-07		
1330207	Xylenes (mixed)	1.67E-03	1.47E+01	1.08E-06	3.43E-07	1.08E-06	3.43E-07		
TOTALS FOR DEVICE 60				2.73E-03	3.66E-04	5.03E-04	2.69E-03	3.66E-04	5.03E-04

**PRIORITIZATION
FOR**

**EXXON MOBIL CORPORATION
Project # 1144248
Region (S) Facility (1328)**

**Emissions and Potency
Method**

Prioritization Scores

Cancer	CHRONIC	ACUTE
5.45E-03	7.31E-04	1.01E-03

TS = Total Score
t = Specific Toxic Substance
EYR = Emissions Lbs / Year
EHR = Emissions Lbs / Hour
NF = Normalization Factor (Cancer = 1700, Acute = 1500, Chronic = 150)
URF = Unit Risk Factor
AREL = Acute Reference Exposure Level
CREL = Chronic Reference Exposure Level
RP = Receptor Proximity Adjustment Factor
R = Receptor Distance

RP

0m < R < 100m	1.0
100m < R < 250m	0.25
250m < R < 500m	0.04
500m < R < 1000m	0.011
1000m < R < 1500m	0.003
1500m < R < 2000m	0.002
R > 2000m	0.001

Cancer Score:

$$TS(t) = EYR(t) * URF(t) * RP * 1700$$

Acute Score:

$$TS(t) = [EHR(t) / AREL(t)] * RP * 1500$$

Chronic Score:

$$TS(t) = \{ ([EYR(t) / \text{Hours Of Operation}] / CREL(t)) * RP * 150 \}$$

**Dispersion Adjustment
Method**

Prioritization Scores

Cancer	CHRONIC	ACUTE
5.39E-03	7.31E-04	1.01E-03

TS = Total Score
t = Specific Toxic Substance
EYR = Emissions Lbs / Year
EHR = Emissions Lbs / Hour
NF = Normalization Factor (Cancer = 28, Acute = 25, Chronic = 2.5)
URF = Unit Risk Factor
AREL = Acute Reference Exposure Level
CREL = Chronic Reference Exposure Level
SHA = Stack Height Adjustment (< 20m = 60, < 45m = 9, >= 45m = 1)
RP = Receptor Proximity Adjustment Factor
R = Receptor Distance
H = Stack Height

For Stack - 0m <= H < 20m		For Stack - 20m <= H < 45m		For Stack - >= H < 45m	
RP		RP		RP	
0m < R < 100m	1.0	0m < R < 100m	1.0	0m < R < 100m	1.0
100m < R < 250m	0.25	100m < R < 250m	0.85	100m < R < 250m	1.0
250m < R < 500m	0.04	250m < R < 500m	0.22	250m < R < 500m	0.90
500m < R < 1000m	0.011	500m < R < 1000m	0.064	500m < R < 1000m	0.40
1000m < R < 1500m	0.003	1000m < R < 1500m	0.018	1000m < R < 1500m	0.13
1500m < R < 2000m	0.002	1500m < R < 2000m	0.009	1500m < R < 2000m	0.066
R > 2000m	0.001	R > 2000m	0.006	R > 2000m	0.042

Cancer Score:

$$TS(t) = EYR(t) * URF(t) * RP * SHA * 28$$

Acute Score:

$$TS(t) = [EHR(t) / AREL(t)] * RP * SHA * 25$$

Chronic Score:

$$TS(t) = \{ ([EYR(t) / \text{Hours Of Operation}] / CREL(t)) * RP * SHA * 2.5 \}$$

AAQA for 59-0 60-0 Linn Energy (S1328(1144248))
All Values are in Micrograms per Cubic Meter

	NOx 1 Hour	NOx Annual	CO 1 Hour	CO 8 Hour	SOx 1 Hour	SOx 3 Hour	SOx 24 Hour	SOx Annual	PM 24 Hour	PM Annual
STCK1	4.0E+00	2.3E-01	9.2E+00	4.7E+00	2.5E+00	2.0E+00	6.7E-01	1.4E-01	1.02E+00	2.15E-01
STCK2	3.9E+00	2.3E-01	9.0E+00	4.5E+00	2.4E+00	1.9E+00	6.5E-01	1.4E-01	9.82E-01	2.20E-01
Background	1.2E+02	3.3E+01	4.1E+03	2.6E+03	2.4E+01	2.4E+01	5.3E+00	2.4E+01	2.67E+02	8.30E+01
Facility Totals	130.3	33.0	4,095.7	2,572.3	28.9	27.8	6.6	24.3	269.0	83.4
AAQS	188.7	56.0	23,000.0	10,000.0	195.0	1,300.0	105.0	80.0	50.0	30.0
	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Fail	Fail

EPA's Significance Level (ug/m³)

NOx 1 Hour	NOx Annual	CO 1 Hour	CO 8 Hour	SOx 1 Hour	SOx 3 Hour	SOx 24 Hour	SOx Annual	PM 24 Hour	PM Annual
0.0	1.0	2000.0	500.0	0.0	25.0	5.0	1.0	5.0	1.0

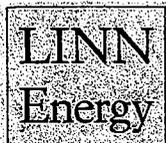
*Since 5-years of meteorological data were used, an adjustment factor of 1.75 for Bakersfield was applied to the annual average concentrations for the devices modeled.

AAQA Emission (g/sec)

<i>Device</i>	NOx 1 Hour	NOx Annual	CO 1 Hour	CO 8 Hour	SOx 1 Hour	SOx 3 Hour	SOx 24 Hour	SOx Annual	PM 24 Hour	PM Annual
STCK1	8.56E-02	8.57E-02	1.98E-01	1.98E-01	5.35E-02	5.35E-02	5.35E-02	5.35E-02	8.14E-02	8.14E-02
STCK2	8.56E-02	8.57E-02	1.98E-01	1.98E-01	5.35E-02	5.35E-02	5.35E-02	5.35E-02	8.14E-02	8.14E-02

*Since 5-years of meteorological data were used, an adjustment factor of 1.75 for Bakersfield was applied to the annual average concentrations for the devices modeled.

ATTACHMENT VI
Statewide Compliance Statement and Title V Compliance
Certification Form



NASDAQ:LINE
NASDAQ:LNCO

5201 Truxtun Ave.
Bakersfield, California 93309

Phone: (661) 616-3900

RECEIVED
NOV 26 2014
SJVAPCD
Southern Region

November 24, 2014

Mr. Leonard Scandura
San Joaquin Valley Unified APCD
34946 Flyover Court
Bakersfield, CA 93308

**RE: ATC Applications S-1246 Statewide Compliance Certification per District
Rule 2201 Section 4.15.2**

Dear Mr. Scandura:

Pursuant to the requirement of San Joaquin Valley APCD Rule 2201 section 4.15.2, Berry Petroleum Company, LLC. (BPC) submits this Compliance Certification regarding other owned, operated, or controlled major stationary sources in California. As of the date of this letter, BPC asserts that all major stationary sources owned or operated by BPC (or by any entity controlling, controlled by, or under common control with BPC) in California, which are subject to emission limitations, are in compliance or on a schedule for compliance with all applicable emission limitations and standards.

If you have any questions or require additional information please contact Mr. Shamim Reza at (661) 616-3889.

Sincerely,

Tim Crawford
Vice President California Region

RECEIVED
NOV 26 2014
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)

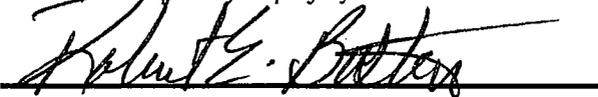
- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE
 MINOR PERMIT MODIFICATION AMENDMENT

COMPANY NAME: Berry Petroleum Company, LLC.	FACILITY ID: - 1246
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: Berry Petroleum Company, LLC.	
3. Agent to the Owner: Tim Crawford	

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

11/24/14

Date

Robert Boston

Name of Responsible Official (please print)

Manager of EH&S

Title of Responsible Official (please print)

ATTACHMENT VII

Draft ATCs

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
DRAFT

PERMIT NO: S-1328-59-0

LEGAL OWNER OR OPERATOR: LINN OPERATING, INC
MAILING ADDRESS: 5201 TRUXTUN AVE
BAKERSFIELD, CA 93309

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NE19 **TOWNSHIP:** 28S **RANGE:** 21E

EQUIPMENT DESCRIPTION:

85 MMBTU/HR NATURAL/TEOR/ETHANE-RICH NATURAL GAS-FIRED STEAM GENERATOR WITH A NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FLUE GAS RECIRCULATION (FGR) AND AN O2 CONTROLLER

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 2234 lb, 2nd quarter - 2234 lb, 3rd quarter - 2234 lb, and fourth quarter - 2234 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOX emission reduction credits for the following quantity of emissions: 1st quarter - 1396 lb, 2nd quarter - 1396 lb, 3rd quarter - 1396 lb, and fourth quarter - 1396 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit

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

DRAFT

Arnaud Marjolle, Director of Permit Services

S-1328-59-0; Feb 18 2015 4:14PM -- EDGEHILR : Joint Inspection NOT Required

5. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 2122 lb, 2nd quarter - 2122 lb, 3rd quarter - 2122 lb, and fourth quarter - 2122 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 1536 lb, 2nd quarter - 1536 lb, 3rd quarter - 1536 lb, and fourth quarter - 1536 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
7. ERC Certificate Numbers S-4407-1, N-1198-2, N-1198-4, and N-1198-5 (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
8. {1898} 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]
9. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
10. 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
11. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
12. This unit shall be fired on PUC quality natural gas, but not solely PUC quality natural gas; or gaseous fuel treated to remove 95% by weight of sulfur compounds, or gaseous fuel treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf. [District Rule 2201] Federally Enforceable Through Title V Permit
13. The unit shall only be fired on natural/TEOR/ethane-rich gas with a maximum sulfur content of 1.75 gr S/100scf. [District Rules 2201, 4301, and 4320] Federally Enforceable Through Title V Permit
14. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
15. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
16. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NOx @ 3% O2 or 0.008 lb-NOx/MMBtu, 0.0076 lb-PM10/MMBtu, 25 ppmvd CO @ 3% O2 or 0.0185 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
17. 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. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
18. 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

DRAFT
CONDITIONS CONTINUE ON NEXT PAGE

19. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. 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 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
20. 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
21. Source testing shall be conducted using the methods and procedures approved by the District. 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. [District Rule 1081] Federally Enforceable Through Title V Permit
22. 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
23. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
24. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
25. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
27. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. 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, 4306, and 4320] Federally Enforceable Through Title V Permit
29. 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
30. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

DRAFT
CONDITIONS CONTINUE ON NEXT PAGE

31. 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
32. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320] Federally Enforceable Through Title V Permit
33. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, permittee shall demonstrate compliance at least annually. [District Rule 4320] Federally Enforceable Through Title V Permit
34. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rule 4320] Federally Enforceable Through Title V Permit
35. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. All 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, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

DRAFT

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT

PERMIT NO: S-1328-60-0

LEGAL OWNER OR OPERATOR: LINN OPERATING, INC
MAILING ADDRESS: 5201 TRUXTUN AVE
BAKERSFIELD, CA 93309

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NE19 TOWNSHIP: 28S RANGE: 21E

EQUIPMENT DESCRIPTION:

85 MMBTU/HR NATURAL/TEOR/ETHANE-RICH NATURAL GAS-FIRED STEAM GENERATOR WITH A NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FLUE GAS RECIRCULATION (FGR) AND AN O2 CONTROLLER

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 2234 lb, 2nd quarter - 2234 lb, 3rd quarter - 2234 lb, and fourth quarter - 2234 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOX emission reduction credits for the following quantity of emissions: 1st quarter - 1396 lb, 2nd quarter - 1396 lb, 3rd quarter - 1396 lb, and fourth quarter - 1396 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit

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

Arnaud Marjollet, Director of Permit Services
S-1328-60-0: Feb 19 2015 4:14PM - EDGEHILR : Joint Inspection NOT Required

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585

5. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 2122 lb, 2nd quarter - 2122 lb, 3rd quarter - 2122 lb, and fourth quarter - 2122 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 1536 lb, 2nd quarter - 1536 lb, 3rd quarter - 1536 lb, and fourth quarter - 1536 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
7. ERC Certificate Numbers S-4407-1, N-1198-2, N-1198-4, and N-1198-5 (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
8. {1898} 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]
9. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
10. 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
11. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
12. This unit shall be fired on PUC quality natural gas, but not solely PUC quality natural gas; or gaseous fuel treated to remove 95% by weight of sulfur compounds, or gaseous fuel treated such that the sulfur content of all fuel streams combined does not exceed 1 gr of sulfur compounds (as S) per 100 dscf. [District Rule 2201] Federally Enforceable Through Title V Permit
13. The unit shall only be fired on natural/TEOR/ethane-rich gas with a maximum sulfur content of 1.75 gr S/100scf. [District Rules 2201, 4301, and 4320] Federally Enforceable Through Title V Permit
14. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
15. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
16. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NOx @ 3% O2 or 0.008 lb-NOx/MMBtu, 0.0076 lb-PM10/MMBtu, 25 ppmvd CO @ 3% O2 or 0.0185 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
17. 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. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
18. 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

DRAFT
CONDITIONS CONTINUE ON NEXT PAGE

19. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. 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 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
20. 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
21. Source testing shall be conducted using the methods and procedures approved by the District. 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. [District Rule 1081] Federally Enforceable Through Title V Permit
22. 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
23. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
24. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
25. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
27. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. 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, 4306, and 4320] Federally Enforceable Through Title V Permit
29. 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
30. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

DRAFT

31. 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
32. If the steam generator is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using the test methods referenced in this permit. [District Rule 4320] Federally Enforceable Through Title V Permit
33. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, permittee shall demonstrate compliance at least annually. [District Rule 4320] Federally Enforceable Through Title V Permit
34. If the unit is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rule 4320] Federally Enforceable Through Title V Permit
35. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. All 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, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

DRAFT