



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

JUN 06 2013



HEALTHY AIR LIVING™

Mr. Jason Donchin
Chevron USA Inc. Lost Hills GP
PO Box 1392
Bakersfield, CA 93302

**Re: Notice of Significant Title V Permit Modification
District Facility # S-55
Project # S-1132020**

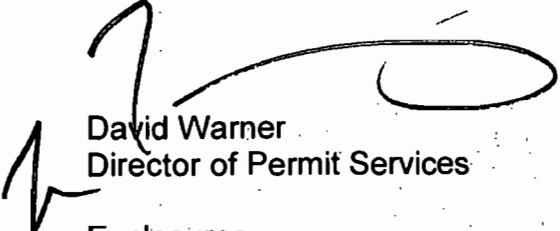
Dear Mr. Donchin:

Enclosed for your review is the District's analysis of an application for significant Title V permit modification for the facility identified above. Chevron USA Inc. Lost Hills GP is proposing a Title V significant permit modification to incorporate the recently issued S-55-11-6 into the Title V operating permit (see enclosures). The facility is proposing to remove annual Method 22 monitoring requirements.

Enclosed are the current Title V permit, recently issued S-55-11-6, proposed modified Title V permit, engineering evaluation, and application. The notice of preliminary decision for this project will be published approximately three days from the date of this letter. After addressing all comments made during the 30-day public notice and the 45-day EPA comment periods, the District intends to issue the modified Title V operating permit. Please submit your comments within the 30-day public comment period, as specified in the enclosed public notice.

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

Sincerely,



David Warner
Director of Permit Services

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) 230-8000 FAX: (559) 230-6061

Southern Region
3494B Flyover Court
Bakersfield, CA 93308-9725
Tel: 861-392-5500 FAX: 861-392-5585

Newspaper notice for publication in Bakersfield Californian and for posting on valleyair.org

**NOTICE OF PRELIMINARY DECISION
FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT AND
THE PROPOSED SIGNIFICANT MODIFICATION OF FEDERALLY
MANDATED OPERATING PERMIT**

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District solicits public comment on the proposed significant modification of the Federally Mandated Operating Permit to Chevron USA Inc. Lost Hills GP at Lost Hills Gas Plant, Lost Hills, California. The facility is proposing to remove annual Method 22 monitoring requirements.

The District's analysis of the legal and factual basis for this proposed action, project #S-1132020, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and at any District office. There are no emission increases associated with this proposed action. This will be the public's only opportunity to comment on the specific conditions of the modification. If requested, the District will hold a public hearing regarding issuance of this modification. For additional information, please contact the District at (559) 230-6000. Written comments on the proposed initial permit must be submitted by July 11, 2013 to **DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG AVENUE, FRESNO, CA 93726.**

TITLE V APPLICATION REVIEW

Significant Modification

Project #: S-1132020

Engineer: Juscelino Siongco

Date: May 23, 2013

Facility Number: Chevron USA Inc Lost Hills GP

Facility Name: S-55

Mailing Address: PO Box 1392
Bakersfield, CA 93302

Contact Name: Lance Ericksen

Phone: (661) 654-7145

Responsible Official: Jerid Bell

Title: Operations Supervisor

I. PROPOSAL

Chevron USA Inc is proposing a Title V significant permit modification to incorporate the recently issued S-55-11-6 into the Title V operating permit. The facility is proposing to remove annual Method 22 monitoring requirements.

The purpose of this evaluation is to identify all applicable requirements, determine if the facility will comply with the applicable requirements and to provide the legal and factual basis for the proposed revisions.

II. FACILITY LOCATION

Lost Hills Gas Plant, Lost Hills, CA

III. EQUIPMENT DESCRIPTION

ATC S-55-11-6: MODIFICATION OF 96 MMCFD KALDAIR FLARE INCLUDING 25 HP BLOWER, LIQUID KNOCKOUT TANK WITH PUMP, THREE ELECTRONIC GAS PILOTS, THREE KEP IGNITORS AND AN 85 FT STACK WITH WATER SEAL DRUM: REMOVE METHOD 22 ANNUAL MONITORING

IV. SCOPE OF EPA AND PUBLIC REVIEW

This change to a Title V permit is considered to be a significant modification because the applicant is proposing to remove a monitoring requirement. As such, this project requires public review.

V. APPLICABLE REQUIREMENTS

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

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

Chevron USA Inc. is proposing to modify permit unit S-55-11 to remove Method 22 annual monitoring which have been subsumed by the monitoring requirements of District Rule 4311–Flares.

S-55-11-7:

- Permit conditions 1 through 7 from the current Permit to Operate had been included as conditions 1 through 7 on the proposed permit.
- Permit conditions 8 and 9 were removed from the current Permit to Operate. These conditions were the required annual visible emissions monitoring using Method 22 that had been subsumed by the requirements of District Rule 4311.
- Permit conditions 10 through 28 from the current Permit to Operate had been included as conditions 8 through 26 on the proposed permit.

VII. COMPLIANCE

District Rule 2520, Section 6.0 describes the source's ability to make changes including significant permit modification. This modification does not meet the minor permit modification criteria pursuant to Section 3.20 described as follows.

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;
2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions;
3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;

4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:
 - a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act; and
 - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of Section 11.3 by including;

1. The identification of the source, the name and address of the permit holder, the activities and emissions change involved in the permit action;
2. The name and address of the District, the name and telephone number of District staff to contact for additional information;
3. The availability, upon request, of a statement that sets forth the legal and factual basis for the proposed permit conditions;
4. The location where the public may inspect the complete application, the District analysis, the proposed permit, and all relevant supporting materials;
5. A statement that the public may submit written comments regarding the proposed decision within at least 30 days from the date of publication and a brief description of commenting procedures, and
6. A statement that members of the public may request the APCO or his designee to preside over a public hearing for the purpose of receiving oral public comment, if a hearing has not already been scheduled. The APCO shall provide notice of any public hearing scheduled to address the proposed decision at least 30 days prior to such hearing;

VIII. ATTACHMENTS

- A. Proposed Modified Title V Operating Permit No. S-55-11-7.
- B. Authorities to Construct No. S-55-11-6
- C. Previous Title V Operating Permit No. S-55-11-5
- D. Emissions Increases
- E. Application

ATTACHMENT A

Proposed Modified Title V Operating Permit No.

S-55-11-7

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-55-11-7

EXPIRATION DATE: 08/31/2016

SECTION: 03 **TOWNSHIP:** 27S **RANGE:** 21E

EQUIPMENT DESCRIPTION:

96 MMCFD KALDAIR FLARE INCLUDING 25 HP BLOWER, LIQUID KNOCKOUT TANK WITH PUMP, THREE ELECTRONIC GAS PILOTS, THREE KEP IGNITORS AND AN 85 FT STACK WITH WATER SEAL DRUM

PERMIT UNIT REQUIREMENTS

1. Gas line to flare shall be equipped with volumetric flow rate indicator. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Flare shall operate with no emissions in excess of 5% opacity. [District Rule 2201 and District Rule 4101] Federally Enforceable Through Title V Permit
3. Natural gas shall be used as pilot fuel. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Operation of the flare, for other than flare maintenance and testing purposes, breakdown (pursuant to Rule 1100), and emergency use, shall be limited to 1.4 MM cu. ft. of gas flared per day and 40 MM cu. ft. of gas flared per year. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Emergency use shall be limited to transfer line shut-ins, non-voluntary power outages, and other unforeseeable occurrences requiring immediate flaring as approved by the APCO. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Operation of the flare for maintenance and testing purposes shall not exceed 200 hours per year. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Emissions from the pilot and purge gas shall not exceed any of the following limits: 0.0 lb PM10/day, 0.0 lb SOx/day, 0.9 lb NOx/day, 10.5 lb VOC/day, or 0.0 lb CO/day. [District Rule 2201] Federally Enforceable Through Title V Permit
8. A flame shall be present at all time when combustible gases are vented through the flare. [District Rule 4311] Federally Enforceable Through Title V Permit
9. The outlet shall be equipped with an automatic ignition system, or, shall be operated with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311] Federally Enforceable Through Title V Permit
10. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present shall be installed and operated. [District Rule 4311] Federally Enforceable Through Title V Permit
11. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

12. Permittee shall maintain copies of the compliance determination conducted pursuant to Section 6.4.1, copies of the source testing result conducted pursuant to Section 6.4.2, effective on and after July 1, 2011, a copy of the approved flare minimization plan pursuant to Section 6.5, effective on and after July 1, 2012, a copy of annual reports submitted to the APCO pursuant to Section 6.2 and effective on and after July 1, 2011, monitoring data collected pursuant to Sections 5.10, 6.6, 6.7, 6.8, 6.9 and 6.10. [District Rule 4311] Federally Enforceable Through Title V Permit
13. For flares used during an emergency, record of the duration of flare operation, amount of gas burned, and the nature of the emergency situation. [District Rule 4311] Federally Enforceable Through Title V Permit
14. All records shall be maintained, retained on-site for a minimum of five years, and made available to the APCO, ARB, and EPA upon request. [District Rule 4311] Federally Enforceable Through Title V Permit
15. VOC emissions, measured and calculated as carbon, shall be determined by EPA Method 25, except when the outlet concentration must be below 50 ppm in order to meet the standard, in which case Method 25a may be used, and analysis of halogenated exempt compounds shall be analyzed by EPA Method 18 or ARB Method 422 "Determination of Volatile organic Compounds in Emission from Stationary Sources." The VOC concentration in ppmv shall be converted to pounds per million Btu (lb/MMBtu) by using the equation in District Rule 4311, Section 6.3.1. [District Rule 4311] Federally Enforceable Through Title V Permit
16. NOx emissions in pounds per million BTU shall be determined by using EPA Method 19. NOx and O2 concentrations shall be determined by using EPA Method 3A, EPA Method 7E, or ARB 100. [District Rule 4311] Federally Enforceable Through Title V Permit
17. Total hydrocarbon content and methane content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, EPA Method 18, EPA Method 25A or 25B, or an alternative method approved by the APCO, ARB and EPA. Hydrogen sulfide content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, ASTM Method D 4084-94, ASTM Method D 4810-88, or an alternative method approved by the APCO, ARB and EPA. [District Rule 4311] Federally Enforceable Through Title V Permit
18. If vent gas composition is monitored with a continuous analyzer employing gas chromatography the minimum sampling frequency shall be one sample every 30 minutes. If vent gas composition is monitored using continuous analyzers not employing gas chromatography, the total reduced sulfur content of vent gas shall be determined by using EPA Method D4468-85, or an alternative method approved by the APCO, ARB and EPA. [District Rule 4311] Federally Enforceable Through Title V Permit
19. Vent gas flow shall be determined using one of the following: EPA Methods 1 and 2; a verification method recommended by the manufacturer of the flow monitoring equipment; tracer gas dilution or velocity; other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter; or an alternative method approved by the APCO, ARB, and EPA. [District Rule 4311] Federally Enforceable Through Title V Permit
20. The operator shall monitor vent gas composition using one of the five methods pursuant to Section 6.6.1 through Section 6.6.5 in District Rule 4311. [District Rule 4311] Federally Enforceable Through Title V Permit
21. The operator shall monitor the volumetric flows of purge and pilot gases with flow measuring devices or other parameters as specified on the Permit to Operate so that volumetric flows of pilot and purge gas may be calculated based on pilot design and the parameters monitored. [District Rule 4311] Federally Enforceable Through Title V Permit
22. The operator of a flare with a water seal shall monitor and record the water level and pressure of the water seal that services each flare daily or as specified on the Permit to Operate. [District Rule 4311] Federally Enforceable Through Title V Permit
23. Periods of flare monitoring system inoperation greater than 24 continuous hours shall be reported by the following working day, followed by notification of resumption of monitoring. Periods of inoperation of monitoring equipment shall not exceed 14 days per any 18-consecutive-month period. Periods of flare monitoring system inoperation do not include the periods when the system feeding the flare is not operating. [District Rule 4311] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

24. During periods of inoperation of continuous analyzers or auto-samplers installed pursuant to Section 6.6, operators responsible for monitoring shall take one sample within 30 minutes of the commencement of flaring, from the flare header or from an alternate location at which samples are representative of vent gas composition and have samples analyzed pursuant to Section 6.3.4. During periods of inoperation of flow monitors required by Section 5.10, flow shall be calculated using good engineering practices. [District Rule 4311] Federally Enforceable Through Title V Permit
25. Permittee shall maintain and calibrate all required monitors and recording devices in accordance with the applicable manufacturer's specifications. In order to claim that a manufacturer's specification is not applicable, the person responsible for emissions must have, and follow, a written maintenance policy that was developed for the device in question. The written policy must explain and justify the difference between the written procedure and the manufacturer's procedure. [District Rule 4311] Federally Enforceable Through Title V Permit
26. All in-line continuous analyzer and flow monitoring data must be continuously recorded by an electronic data acquisition system capable of one-minute averages. Flow monitoring data shall be recorded as one-minute averages. [District Rule 4311] Federally Enforceable Through Title V Permit

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

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ATTACHMENT B

Authority to Construct No.

S-55-11-6



AUTHORITY TO CONSTRUCT

PERMIT NO: S-55-11-6

ISSUANCE DATE: 05/13/2013

LEGAL OWNER OR OPERATOR: CHEVRON USA INC LOST HILLS GP

MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LOST HILLS GAS PLANT
LOST HILLS, CA

SECTION: 03 TOWNSHIP: 27S RANGE: 21E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 96 MMCDFD KALDAIR FLARE INCLUDING 25 HP BLOWER, LIQUID KNOCKOUT TANK WITH PUMP, THREE ELECTRONIC GAS PILOTS, THREE KEP IGNITORS AND AN 85 FT STACK WITH WATER SEAL DRUM: REMOVE METHOD 22 ANNUAL MONITORING

CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. Gas line to flare shall be equipped with volumetric flow rate indicator. [District NSR Rule] Federally Enforceable Through Title V Permit
3. Flare shall operate with no emissions in excess of 5% opacity. [District NSR Rule and District Rule 4101, 5.1] Federally Enforceable Through Title V Permit
4. Natural gas shall be used as pilot fuel. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Operation of the flare, for other than flare maintenance and testing purposes, breakdown (pursuant to Rule 1100), and emergency use, shall be limited to 1.4 MM cu. ft. of gas flared per day and 40 MM cu. ft. of gas flared per year. [District NSR Rule] Federally Enforceable Through Title V Permit
6. Emergency use shall be limited to transfer line shut-ins, non-voluntary power outages, and other unforeseeable occurrences requiring immediate flaring as approved by the APCO. [District NSR Rule] 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

Mark Keast for

DAVID WARNER, Director of Permit Services

S-55-11-6 : May 13 2013 10:42AM - YCSHBMJJ : Joint Inspection NOT Required

7. Operation of the flare for maintenance and testing purposes shall not exceed 200 hours per year. [District NSR Rule] Federally Enforceable Through Title V Permit
8. Emissions from the pilot and purge gas shall not exceed any of the following limits: 0.0 lb PM10/day, 0.0 lb SOx/day, 0.9 lb NOx/day, 10.5 lb VOC/day, or 0.0 lb CO/day. [District NSR Rule] Federally Enforceable Through Title V Permit
9. A flame shall be present at all time when combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
10. The outlet shall be equipped with an automatic ignition system, or, shall be operated with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
11. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present shall be installed and operated. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit
12. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
13. Permittee shall maintain copies of the compliance determination conducted pursuant to Section 6.4.1, copies of the source testing result conducted pursuant to Section 6.4.2, effective on and after July 1, 2011, a copy of the approved flare minimization plan pursuant to Section 6.5, effective on and after July 1, 2012, a copy of annual reports submitted to the APCO pursuant to Section 6.2 and effective on and after July 1, 2011, monitoring data collected pursuant to Sections 5.10, 6.6, 6.7, 6.8, 6.9 and 6.10. [District Rule 4311, 6.1] Federally Enforceable Through Title V Permit
14. For flares used during an emergency, record of the duration of flare operation, amount of gas burned, and the nature of the emergency situation. [District Rule 4311, 6.1] Federally Enforceable Through Title V Permit
15. All records shall be maintained, retained on-site for a minimum of five years, and made available to the APCO, ARB, and EPA upon request. [District Rule 4311, 6.1] Federally Enforceable Through Title V Permit
16. VOC emissions, measured and calculated as carbon, shall be determined by EPA Method 25, except when the outlet concentration must be below 50 ppm in order to meet the standard, in which case Method 25a may be used, and analysis of halogenated exempt compounds shall be analyzed by EPA Method 18 or ARB Method 422 "Determination of Volatile organic Compounds in Emission from Stationary Sources". The VOC concentration in ppmv shall be converted to pounds per million Btu (lb/MMBtu) by using the equation in District Rule 4311, Section 6.3.1. [District Rule 4311, 6.3.1] Federally Enforceable Through Title V Permit
17. NOx emissions in pounds per million BTU shall be determined by using EPA Method 19. NOx and O2 concentrations shall be determined by using EPA Method 3A, EPA Method 7E, or ARB 100. [District Rule 4311, 6.3.2 and 6.3.3] Federally Enforceable Through Title V Permit
18. Total hydrocarbon content and methane content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, EPA Method 18, EPA Method 25A or 25B, or an alternative method approved by the APCO, ARB and EPA. Hydrogen sulfide content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, ASTM Method D 4084-94, ASTM Method D 4810-88, or an alternative method approved by the APCO, ARB and EPA. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
19. If vent gas composition is monitored with a continuous analyzer employing gas chromatography the minimum sampling frequency shall be one sample every 30 minutes. If vent gas composition is monitored using continuous analyzers not employing gas chromatography, the total reduced sulfur content of vent gas shall be determined by using EPA Method D4468-85, or an alternative method approved by the APCO, ARB and EPA. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
20. Vent gas flow shall be determined using one of the following: EPA Methods 1 and 2; a verification method recommended by the manufacturer of the flow monitoring equipment; tracer gas dilution or velocity; other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter; or an alternative method approved by the APCO, ARB, and EPA. [District Rule 4311, 6.3.5] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. The operator shall monitor vent gas composition using one of the five methods pursuant to Section 6.6.1 through Section 6.6.5 in District Rule 4311. [District Rule 4311, 6.6] Federally Enforceable Through Title V Permit
22. The operator shall monitor the volumetric flows of purge and pilot gases with flow measuring devices or other parameters as specified on the Permit to Operate so that volumetric flows of pilot and purge gas may be calculated based on pilot design and the parameters monitored. [District Rule 4311, 6.7] Federally Enforceable Through Title V Permit
23. The operator of a flare with a water seal shall monitor and record the water level and pressure of the water seal that services each flare daily or as specified on the Permit to Operate. [District Rule 4311, 6.8] Federally Enforceable Through Title V Permit
24. Periods of flare monitoring system inoperation greater than 24 continuous hours shall be reported by the following working day, followed by notification of resumption of monitoring. Periods of inoperation of monitoring equipment shall not exceed 14 days per any 18-consecutive-month period. Periods of flare monitoring system inoperation do not include the periods when the system feeding the flare is not operating. [District Rule 4311, 6.9.1] Federally Enforceable Through Title V Permit
25. During periods of inoperation of continuous analyzers or auto-samplers installed pursuant to Section 6.6, operators responsible for monitoring shall take one sample within 30 minutes of the commencement of flaring, from the flare header or from an alternate location at which samples are representative of vent gas composition and have samples analyzed pursuant to Section 6.3.4. During periods of inoperation of flow monitors required by Section 5.10, flow shall be calculated using good engineering practices. [District Rule 4311, 6.9.2] Federally Enforceable Through Title V Permit
26. Permittee shall maintain and calibrate all required monitors and recording devices in accordance with the applicable manufacturer's specifications. In order to claim that a manufacturer's specification is not applicable, the person responsible for emissions must have, and follow, a written maintenance policy that was developed for the device in question. The written policy must explain and justify the difference between the written procedure and the manufacturer's procedure. [District Rule 4311, 6.9.3] Federally Enforceable Through Title V Permit
27. All in-line continuous analyzer and flow monitoring data must be continuously recorded by an electronic data acquisition system capable of one-minute averages. Flow monitoring data shall be recorded as one-minute averages. [District Rule 4311, 6.9.4] Federally Enforceable Through Title V Permit

ATTACHMENT C

Previous Title V Operating Permit No.

S-55-11-5

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-55-11-5

EXPIRATION DATE: 08/31/2016

SECTION: 03 **TOWNSHIP:** 27S **RANGE:** 21E

EQUIPMENT DESCRIPTION:

96 MMCFD KALDAIR FLARE INCLUDING 25 HP BLOWER, LIQUID KNOCKOUT TANK WITH PUMP, THREE ELECTRONIC GAS PILOTS, THREE KEP IGNITORS AND AN 85 FT STACK WITH WATER SEAL DRUM

PERMIT UNIT REQUIREMENTS

1. Gas line to flare shall be equipped with volumetric flow rate indicator. [District NSR Rule] Federally Enforceable Through Title V Permit
2. Flare shall operate with no emissions in excess of 5% opacity. [District NSR Rule and District Rule 4101, 5.1] Federally Enforceable Through Title V Permit
3. Natural gas shall be used as pilot fuel. [District NSR Rule] Federally Enforceable Through Title V Permit
4. Operation of the flare, for other than flare maintenance and testing purposes, breakdown (pursuant to Rule 1100), and emergency use, shall be limited to 1.4 MM cu. ft. of gas flared per day and 40 MM cu. ft. of gas flared per year. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Emergency use shall be limited to transfer line shut-ins, non-voluntary power outages, and other unforeseeable occurrences requiring immediate flaring as approved by the APCO. [District NSR Rule] Federally Enforceable Through Title V Permit
6. Operation of the flare for maintenance and testing purposes shall not exceed 200 hours per year. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Emissions from the pilot and purge gas shall not exceed any of the following limits: 0.0 lb PM10/day, 0.0 lb SOx/day, 0.9 lb NOx/day, 10.5 lb VOC/day, or 0.0 lb CO/day. [District NSR Rule] Federally Enforceable Through Title V Permit
8. Visible emissions monitoring shall be conducted at least annually, using EPA Method 22 for a period of 15 minutes. If visible emissions are observed at any time during this period, then corrective action shall be taken to eliminate visible emissions and visible emissions shall be rechecked. If visible emissions cannot be corrected within 24 hours, a visible emissions test shall be conducted by a trained observer using EPA method 9 within 72 hours. A record of the results of these observations shall be maintained. Such records shall include the observer's name and affiliation, the date, time, sky condition, and the observer's location relative to the source. [District Rule 2520, 9.3.2 & 9.4.1] Federally Enforceable Through Title V Permit
9. If during the year the flare is operated exclusively for emergency purposes, visible emissions monitoring may be delayed until the occurrence of a scheduled operation event. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. A flame shall be present at all time when combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
11. The outlet shall be equipped with an automatic ignition system, or, shall be operated with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

12. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present shall be installed and operated. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit
13. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
14. Permittee shall maintain copies of the compliance determination conducted pursuant to Section 6.4.1, copies of the source testing result conducted pursuant to Section 6.4.2, effective on and after July 1, 2011, a copy of the approved flare minimization plan pursuant to Section 6.5, effective on and after July 1, 2012, a copy of annual reports submitted to the APCO pursuant to Section 6.2 and effective on and after July 1, 2011, monitoring data collected pursuant to Sections 5.10, 6.6, 6.7, 6.8, 6.9 and 6.10. [District Rule 4311, 6.1] Federally Enforceable Through Title V Permit
15. For flares used during an emergency, record of the duration of flare operation, amount of gas burned, and the nature of the emergency situation. [District Rule 4311, 6.1] Federally Enforceable Through Title V Permit
16. All records shall be maintained, retained on-site for a minimum of five years, and made available to the APCO, ARB, and EPA upon request. [District Rule 4311, 6.1] Federally Enforceable Through Title V Permit
17. VOC emissions, measured and calculated as carbon, shall be determined by EPA Method 25, except when the outlet concentration must be below 50 ppm in order to meet the standard, in which case Method 25a may be used, and analysis of halogenated exempt compounds shall be analyzed by EPA Method 18 or ARB Method 422 "Determination of Volatile organic Compounds in Emission from Stationary Sources". The VOC concentration in ppmv shall be converted to pounds per million Btu (lb/MMBtu) by using the equation in District Rule 4311, Section 6.3.1. [District Rule 4311, 6.3.1] Federally Enforceable Through Title V Permit
18. NOx emissions in pounds per million BTU shall be determined by using EPA Method 19. NOx and O2 concentrations shall be determined by using EPA Method 3A, EPA Method 7E, or ARB 100. [District Rule 4311, 6.3.2 and 6.3.3] Federally Enforceable Through Title V Permit
19. Total hydrocarbon content and methane content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, EPA Method 18, EPA Method 25A or 25B, or an alternative method approved by the APCO, ARB and EPA. Hydrogen sulfide content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, ASTM Method D 4084-94, ASTM Method D 4810-88, or an alternative method approved by the APCO, ARB and EPA. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
20. If vent gas composition is monitored with a continuous analyzer employing gas chromatography the minimum sampling frequency shall be one sample every 30 minutes. If vent gas composition is monitored using continuous analyzers not employing gas chromatography, the total reduced sulfur content of vent gas shall be determined by using EPA Method D4468-85, or an alternative method approved by the APCO, ARB and EPA. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
21. Vent gas flow shall be determined using one of the following: EPA Methods 1 and 2; a verification method recommended by the manufacturer of the flow monitoring equipment; tracer gas dilution or velocity; other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter; or an alternative method approved by the APCO, ARB, and EPA. [District Rule 4311, 6.3.5] Federally Enforceable Through Title V Permit
22. Effective on and after July 1, 2011, the shall monitor vent gas composition using one of the five methods pursuant to Section 6.6.1 through Section 6.6.5 in District Rule 4311. [District Rule 4311, 6.6] Federally Enforceable Through Title V Permit
23. Effective on and after July 1, 2011, the operator shall monitor the volumetric flows of purge and pilot gases with flow measuring devices or other parameters as specified on the Permit to Operate so that volumetric flows of pilot and purge gas may be calculated based on pilot design and the parameters monitored. [District Rule 4311, 6.7] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

24. Effective on and after July 1, 2011, the operator of a flare with a water seal shall monitor and record the water level and pressure of the water seal that services each flare daily or as specified on the Permit to Operate. [District Rule 4311, 6.8] Federally Enforceable Through Title V Permit
25. Effective on and after July 1, 2011, periods of flare monitoring system inoperation greater than 24 continuous hours shall be reported by the following working day, followed by notification of resumption of monitoring. Periods of inoperation of monitoring equipment shall not exceed 14 days per any 18-consecutive-month period. Periods of flare monitoring system inoperation do not include the periods when the system feeding the flare is not operating. [District Rule 4311, 6.9.1] Federally Enforceable Through Title V Permit
26. Effective on and after July 1, 2011, during periods of inoperation of continuous analyzers or auto-samplers installed pursuant to Section 6.6, operators responsible for monitoring shall take one sample within 30 minutes of the commencement of flaring, from the flare header or from an alternate location at which samples are representative of vent gas composition and have samples analyzed pursuant to Section 6.3.4. During periods of inoperation of flow monitors required by Section 5.10, flow shall be calculated using good engineering practices. [District Rule 4311, 6.9.2] Federally Enforceable Through Title V Permit
27. Effective on and after July 1, 2011, permittee shall maintain and calibrate all required monitors and recording devices in accordance with the applicable manufacturer's specifications. In order to claim that a manufacturer's specification is not applicable, the person responsible for emissions must have, and follow, a written maintenance policy that was developed for the device in question. The written policy must explain and justify the difference between the written procedure and the manufacturer's procedure. [District Rule 4311, 6.9.3] Federally Enforceable Through Title V Permit
28. Effective on and after July 1, 2011, all in-line continuous analyzer and flow monitoring data must be continuously recorded by an electronic data acquisition system capable of one-minute averages. Flow monitoring data shall be recorded as one-minute averages. [District Rule 4311, 6.9.4] Federally Enforceable Through Title V Permit

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

ATTACHMENT D

Emission Increases

From Project S-1123513:

SSIPE Public Notice Thresholds					
Pollutant	SSPE2 (lb/year)	SSPE1 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
NO _x	20,742	20,742	0	20,000 lb/year	No
SO _x	2,626	2,626	0	20,000 lb/year	No
PM ₁₀	2,402	2,402	0	20,000 lb/year	No
CO	38,196	38,196	0	20,000 lb/year	No
VOC	19,051	19,051	0	20,000 lb/year	No

ATTACHMENT E

Application

San Joaquin Valley Air Pollution Control District

www.valleyair.org

RECEIVED
MAY 16 2013

SJVAPCD
Southern Region

Permit Application For:

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

1. PERMIT TO BE ISSUED TO: <p style="text-align: center;">CHEVRON U.S.A. INC.</p>	
2. MAILING ADDRESS: STREET/P.O. BOX: <u>PO BOX 1392</u> CITY: <u>BAKERSFIELD</u> STATE: <u>CA</u> 9-DIGIT ZIP CODE: <u>93302</u>	
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED: STREET: <u>Cahn 3 Booster Facility</u> CITY: <u>Lost Hills, CA</u> _____ ¼ SECTION _____ TOWNSHIP _____ RANGE _____	INSTALLATION DATE:
4. GENERAL NATURE OF BUSINESS: CRUDE OIL AND GAS PRODUCTION	
5. DESCRIPTION OF EQUIPMENT OR MODIFICATION FOR WHICH APPLICATION IS MADE (include Permit #'s if known, and use additional sheets if necessary) Implementation of ATC S-55-11-6 Remove Method 22 annual monitoring requirement	
6. TYPE OR PRINT NAME OF APPLICANT: Jason H. Donchin	TITLE OF APPLICANT: HES Manager
7. SIGNATURE OF APPLICANT: <i>Lance Ericksen for Jason H Donchin</i>	DATE: <u>5/16/2013</u> PHONE : 661) 654-7145 FAX: : 661) 654-7606 EMAIL: Lance.Ericksen@chevron.com

For APCD Use Only: NO \$

DATE STAMP	FILING FEE RECEIVED : \$ _____ CHECK#: _____ DATE PAID: _____ PROJECT NO: <u>S-1132020</u> FACILITY ID: <u>S-55</u>
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San Joaquin Valley
Unified Air Pollution Control District

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MAY 16 2013
SJVAPCD
Southern Region

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

I. TYPE OF PERMIT ACTION (Check appropriate box)

- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE
 MINOR PERMIT MODIFICATION AMENDMENT

COMPANY NAME: CHEVRON U.S.A. INC.	FACILITY ID: S-2010
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name: CHEVRON U.S.A. INC.	
3. Agent to the Owner: N/A	

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

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

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

Jerid Bell
Signature of Responsible Official

5/1/2013
Date

Jerid Bell

Name of Responsible Official (please print)

Operations Supervisor

Title of Responsible Official (please print)

Remove Method 22 monitoring from LH Flare S-55-11