



JUN 23 2015

Jerry Frost
California Resources Production Corp
9600 Ming Ave, Suite 300
Bakersfield, CA 93311

**Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-1327
Project # 1134289**

Dear Mr. Frost:

The Air Pollution Control Officer has modified the Title V permit for California Resources Production Corp by incorporating Authorities to Construct (ATCs) S-1328-162-1, '-162-2, '-163-1, '-163-2, '-164-1, and '-164-2. The ATCs authorized three (3) new natural/waste gas-fired steam generators ('-1 ATCs) and revisions to the sulfur daily emissions limit (DEL) and sulfur monitoring requirements ('-2 ATCs).

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on February 3, 2015. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,



Arnaud Marjollet
Director of Permit Services

AM:rue

Enclosures

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

PERMIT UNIT: S-1327-162-3

EXPIRATION DATE: 02/28/2017

SECTION: NW2 **TOWNSHIP:** 26S **RANGE:** 20E

EQUIPMENT DESCRIPTION:

62.5 MMBTU/HR NATURAL GAS/TEOR GAS FIRED STEAM GENERATOR EQUIPPED WITH NORTH AMERICAN GLE ULTRA LOW-NOX BURNER WITH FGR AND TWO-STAGE EXHAUST GAS SOX SCRUBBING SYSTEM FOLLOWED BY A WET ESP SHARED WITH S-1327-163 AND '164

PERMIT UNIT REQUIREMENTS

1. Steam generator shall be equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump, split flow dual pass water feed configuration, a convection section having at least 128 square feet of heat transfer surface area per MMBtu/hr of maximum rated heat input (verified by manufacturer), and at least six inches of castable refractory or a manufacturer's overall thermal efficiency rating of at least 85%. [Public Resources Code 21000-21177: California Environmental Quality Act]
2. 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]
3. The steam generator must be located in the SW ¼ of the NW ¼ Section of Section 2, T26S, R20E (Central Plant). [District Rule 4102]
4. If modifications to units S-1327-162, '163 and '164 result in their emissions (current emissions plus modification's emissions for all three units combined) exceeding any of the following thresholds: 10 ton-NOx/year, 10 ton-VOC/year, 27.4 tons ton-SOx/year, or 15 ton-PM10/year, a CEQA environmental review shall be required. [Public Resources Code 21000-21177: California Environmental Quality Act]
5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
6. 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
7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
8. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of waste gas combusted in the unit shall be installed, utilized and maintained. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
9. PUC quality natural gas and waste gas shall be combined prior to the burner and shall not be fed separately to the burner. [District Rule 4320] Federally Enforceable Through Title V Permit
10. Burner nozzles may be changed when unit is converted to fire solely on PUC quality natural or from solely PUC quality natural gas firing to firing on a mixture of PUC quality natural gas and waste gas. [District Rule 2201] Federally Enforceable Through Title V Permit
11. FGR shall be utilized when unit is fired solely on PUC quality natural gas. [District Rule 2201] 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.

Facility Name: CALIFORNIA RESOURCES PRODUCTION CORP

Location: HEAVY OIL WESTERN STATIONARY SOURCE, CA

S-1327-162-3 - Jun 22 2015 2:02PM - EDGEHLR

12. Exhaust from unit shall be directed to two stage SO_x scrubber authorized herein except when unit is fired solely on PUC quality natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
13. SO₂ scrubber exhaust shall be vented to operational wet electrostatic precipitator prior to being exhausted to atmosphere. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit
14. Two stage scrubber, including wet electrostatic precipitator, control efficiency shall be maintained at least 99.9% by weight sulfur compounds or greater or stack exhaust concentration of sulfur compounds (as SO₂) shall be equal to or less than 4 ppmv @ 0% O₂. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Scrubber recirculation liquid pH shall be maintained only by the addition of caustic unless prior approval for an alternative pH maintenance method is received from the District. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
16. Daily average pH of scrubber liquor (calculated from hourly averages) shall be maintained with a minimum pH of 6 in the first stage scrubber and a minimum pH of 7 in the second stage scrubber, and shall be continuously monitored. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
17. PUC quality natural gas is any gaseous fuel where the sulfur content is no more than one-fourth (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet, no more than five (5) grains of total sulfur per one hundred (100 standard cubic feet) and at least 80% methane by volume. [District Rule 4320] Federally Enforceable Through Title V Permit
18. Fuel H₂S, total sulfur, and methane content shall be determined semi-annually using the following test methods H₂S: ASTM D6228; total sulfur; ASTM D1072; ASTM D3246, double GC for H₂S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320] Federally Enforceable Through Title V Permit
19. Each fuel source shall be tested semi-annually for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which semi-annual testing may resume. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
20. 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 Rules 2201 and 4320] Federally Enforceable Through Title V Permit
21. If the unit 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 Rules 2201 and 4320] Federally Enforceable Through Title V Permit
22. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by: ASTM D 1826 or D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
23. The unit shall only be fired on gaseous fuel that includes PUC quality natural gas, waste gas (tank vapor recovery gas, and gas produced during thermally enhanced oil recovery (TEOR) operation) or a mixture of any of these fuels. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Waste gas H₂S concentration shall not exceed 55,000 ppmv. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Units S-1327-162, '163 and '164 shall not consume greater than a combined total of 3000 Mscf/day of waste gas. [District Rule 2201] Federally Enforceable Through Title V Permit
26. When fired solely on PUC quality natural gas emission rates shall not exceed: PM₁₀: 0.0076 lb/MMBtu, VOC: 0.0055 lb/MMBtu, NO_x (as NO₂): 7 ppmvd NO_x @ 3% O₂, or CO: 25 ppmv @ 3% O₂. [District Rules 2201, 4305, 4306, and 4320] 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.

27. When fired on a mixture of waste gas and PUC-quality natural gas, with less than 50% by volume PUC-quality natural gas, emission rates shall not exceed any of the following: PM10: 0.0076 lb/MMBtu, VOC: 0.0055 lb/MMBtu, NOx (as NO2): 9 ppmvd NOx @ 3% O2, or CO: 25 ppmv @ 3% O2. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. When any unit is connected to scrubber/wet ESP and is burning TEOR/TVR gas, scrubber/wet ESP shall be operating and permittee shall demonstrate compliance with PM10 and sulfur oxide emissions limit by stack source testing within 60 days of initial scrubbing date and annually thereafter. If compliance is demonstrated on two consecutive annual source tests, testing shall be required not less than once every 36 months unless testing is required by scrubber operational mode change as noted above. Annual source testing shall resume if any test fails to show compliance. Sulfur removal efficiency of scrubber/wet ESP shall be demonstrated during initial stack source test and calculated with subsequent tests. Ongoing compliance with sulfur oxide emissions limit shall be by calculation using the scrubber liquid pH, the demonstrated sulfur removal efficiency, and the fuel gas sulfur content. Fuel gas sulfur content shall be obtained by sample analysis at least semi-annually. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
29. When complying with PM10 and SOx emission limits by testing of stack emissions, testing shall be performed using EPA Methods 5 or 201A, 6, 6B, 8, or ARB 100 or ARB Methods 1-6. When operating unscrubbed, a grab sample analysis by double GC performed in the laboratory and EPA Method 19 may be used to calculate SOx emissions. [District Rules 2201 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. 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 2201, 4305, 4306, and 4320] 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.

35. Source testing to measure NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months or when the fuel source is changed. 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
36. 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
37. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
40. SOx emissions for source test purposes shall be determined using EPA Method 6, EPA Method 6C, EPA Method 8, or ARB 100. [District Rule 2201] Federally Enforceable Through Title V Permit
41. 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 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
42. 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
43. The permittee shall maintain cumulative monthly records of heat input in MMBtu to demonstrate compliance with the permitted annual heat input rate. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
44. 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, 2201, 4305, 4306, 4320] Federally Enforceable Through Title V Permit

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

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1327-163-3

EXPIRATION DATE: 02/28/2017

SECTION: NW2 **TOWNSHIP:** 26S **RANGE:** 20E

EQUIPMENT DESCRIPTION:

62.5 MMBTU/HR NATURAL GAS/TEOR GAS FIRED STEAM GENERATOR EQUIPPED WITH NORTH AMERICAN GLE ULTRA LOW-NOX BURNER WITH FGR SERVED BY SOX SCRUBBING SYSTEM LISTED ON S-1327-162

PERMIT UNIT REQUIREMENTS

1. Steam generator shall be equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump, split flow dual pass water feed configuration, a convection section having at least 128 square feet of heat transfer surface area per MMBtu/hr of maximum rated heat input (verified by manufacturer), and at least six inches of castable refractory or a manufacturer's overall thermal efficiency rating of at least 85%. [Public Resources Code 21000-21177: California Environmental Quality Act]
2. 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]
3. The steam generator must be located in the SW ¼ of the NW ¼ Section of Section 2, T26S, R20E (Central Plant). [District Rule 4102]
4. If modifications to units S-1327-162, '163 and '164 result in their emissions (current emissions plus modification's emissions for all three units combined) exceeding any of the following thresholds: 10 ton-NOx/year, 10 ton-VOC/year, 27.4 tons ton-SOx/year, or 15 ton-PM10/year, a CEQA environmental review shall be required. [Public Resources Code 21000-21177: California Environmental Quality Act]
5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
6. 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
7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
8. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of waste gas combusted in the unit shall be installed, utilized and maintained. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
9. PUC quality natural gas and waste gas shall be combined prior to the burner and shall not be fed separately to the burner. [District Rule 4320] Federally Enforceable Through Title V Permit
10. Burner nozzles may be changed when unit is converted to fire solely on PUC quality natural or from solely PUC quality natural gas firing to firing on a mixture of PUC quality natural gas and waste gas. [District Rule 2201] Federally Enforceable Through Title V Permit
11. FGR shall be utilized when unit is fired solely on PUC quality natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Exhaust from unit shall be directed to two stage SOx scrubber authorized herein except when unit is fired solely on PUC quality natural gas. [District Rule 2201] 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.

13. SO₂ scrubber exhaust shall be vented to operational wet electrostatic precipitator prior to being exhausted to atmosphere. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit
14. Two stage scrubber, including wet electrostatic precipitator, control efficiency shall be maintained at least 99.9% by weight sulfur compounds or greater or stack exhaust concentration of sulfur compounds (as SO₂) shall be equal to or less than 4 ppmv @ 0% O₂. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Scrubber recirculation liquid pH shall be maintained only by the addition of caustic unless prior approval for an alternative pH maintenance method is received from the District. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
16. Daily average pH of scrubber liquor (calculated from hourly averages) shall be maintained with a minimum pH of 6 in the first stage scrubber and a minimum pH of 7 in the second stage scrubber, and shall be continuously monitored. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
17. PUC quality natural gas is any gaseous fuel where the sulfur content is no more than one-fourth (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet, no more than five (5) grains of total sulfur per one hundred (100 standard cubic feet) and at least 80% methane by volume. [District Rule 4320] Federally Enforceable Through Title V Permit
18. Fuel H₂S, total sulfur, and methane content shall be determined semi-annually using the following test methods H₂S: ASTM D6228; total sulfur; ASTM D1072; ASTM D3246, double GC for H₂S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320] Federally Enforceable Through Title V Permit
19. Each fuel source shall be tested semi-annually for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which semi-annual testing may resume. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
20. 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 Rules 2201 and 4320] Federally Enforceable Through Title V Permit
21. If the unit 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 Rules 2201 and 4320] Federally Enforceable Through Title V Permit
22. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by: ASTM D 1826 or D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
23. The unit shall only be fired on gaseous fuel that includes PUC quality natural gas, waste gas (tank vapor recovery gas, and gas produced during thermally enhanced oil recovery (TEOR) operation) or a mixture of any of these fuels. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Waste gas H₂S concentration shall not exceed 55,000 ppmv. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Units S-1327-162, '163 and '164 shall not consume greater than a combined total of 3000 Mscf/day of waste gas. [District Rule 2201] Federally Enforceable Through Title V Permit
26. When fired solely on PUC quality natural gas emission rates shall not exceed: PM₁₀: 0.0076 lb/MMBtu, VOC: 0.0055 lb/MMBtu, NO_x (as NO₂): 7 ppmvd NO_x @ 3% O₂, or CO: 25 ppmv @ 3% O₂. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. When fired on a mixture of waste gas and PUC-quality natural gas, with less than 50% by volume PUC-quality natural gas, emission rates shall not exceed any of the following: PM₁₀: 0.0076 lb/MMBtu, VOC: 0.0055 lb/MMBtu, NO_x (as NO₂): 9 ppmvd NO_x @ 3% O₂, or CO: 25 ppmv @ 3% O₂. [District Rules 2201, 4305, 4306, and 4320] 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.

28. When any unit is connected to scrubber/wet ESP and is burning TEOR/TVR gas, scrubber/wet ESP shall be operating and permittee shall demonstrate compliance with PM10 and sulfur oxide emissions limit by stack source testing within 60 days of initial scrubbing date and annually thereafter. If compliance is demonstrated on two consecutive annual source tests, testing shall be required not less than once every 36 months unless testing is required by scrubber operational mode change as noted above. Annual source testing shall resume if any test fails to show compliance. Sulfur removal efficiency of scrubber/wet ESP shall be demonstrated during initial stack source test and calculated with subsequent tests. Ongoing compliance with sulfur oxide emissions limit shall be by calculation using the scrubber liquid pH, the demonstrated sulfur removal efficiency, and the fuel gas sulfur content. Fuel gas sulfur content shall be obtained by sample analysis at least semi-annually. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
29. When complying with PM10 and SOx emission limits by testing of stack emissions, testing shall be performed using EPA Methods 5 or 201A, 6, 6B, 8, or ARB 100 or ARB Methods 1-6. When operating unscrubbed, a grab sample analysis by double GC performed in the laboratory and EPA Method 19 may be used to calculate SOx emissions. [District Rules 2201 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. 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 2201, 4305, 4306, and 4320] 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.

35. Source testing to measure NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months or when the fuel source is changed. 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
36. 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
37. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
40. SOx emissions for source test purposes shall be determined using EPA Method 6, EPA Method 6C, EPA Method 8, or ARB 100. [District Rule 2201] Federally Enforceable Through Title V Permit
41. 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 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
42. 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
43. The permittee shall maintain cumulative monthly records of heat input in MMBtu to demonstrate compliance with the permitted annual heat input rate. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
44. 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, 2201, 4305, 4306, 4320] Federally Enforceable Through Title V Permit

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

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1327-164-3

EXPIRATION DATE: 02/28/2017

SECTION: NW2 **TOWNSHIP:** 26S **RANGE:** 20E

EQUIPMENT DESCRIPTION:

62.5 MMBTU/HR NATURAL GAS/TEOR GAS FIRED STEAM GENERATOR EQUIPPED WITH NORTH AMERICAN GLE ULTRA LOW-NOX BURNER (OR EQUIVALENT) WITH FGR SERVED BY SOX SCRUBBING SYSTEM LISTED ON S-1327-162

PERMIT UNIT REQUIREMENTS

1. Steam generator shall be equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump, split flow dual pass water feed configuration, a convection section having at least 128 square feet of heat transfer surface area per MMBtu/hr of maximum rated heat input (verified by manufacturer), and at least six inches of castable refractory or a manufacturer's overall thermal efficiency rating of at least 85%. [Public Resources Code 21000-21177: California Environmental Quality Act]
2. 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]
3. The steam generator must be located in the SW ¼ of the NW ¼ Section of Section 2, T26S, R20E (Central Plant). [District Rule 4102]
4. If modifications to units S-1327-162, '163 and '164 result in their emissions (current emissions plus modification's emissions for all three units combined) exceeding any of the following thresholds: 10 ton-NOx/year, 10 ton-VOC/year, 27.4 tons ton-SOx/year, or 15 ton-PM10/year, a CEQA environmental review shall be required. [Public Resources Code 21000-21177: California Environmental Quality Act]
5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
6. 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
7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
8. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of waste gas combusted in the unit shall be installed, utilized and maintained. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
9. PUC quality natural gas and waste gas shall be combined prior to the burner and shall not be fed separately to the burner. [District Rule 4320] Federally Enforceable Through Title V Permit
10. Burner nozzles may be changed when unit is converted to fire solely on PUC quality natural or from solely PUC quality natural gas firing to firing on a mixture of PUC quality natural gas and waste gas. [District Rule 2201] Federally Enforceable Through Title V Permit
11. FGR shall be utilized when unit is fired solely on PUC quality natural gas. [District Rule 2201] 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. Exhaust from unit shall be directed to two stage SOx scrubber authorized herein except when unit is fired solely on PUC quality natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
13. SO2 scrubber exhaust shall be vented to operational wet electrostatic precipitator prior to being exhausted to atmosphere. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit
14. Two stage scrubber, including wet electrostatic precipitator, control efficiency shall be maintained at least 99.9% by weight sulfur compounds or greater or stack exhaust concentration of sulfur compounds (as SO2) shall be equal to or less than 4 ppmv @ 0% O2. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Scrubber recirculation liquid pH shall be maintained only by the addition of caustic unless prior approval for an alternative pH maintenance method is received from the District. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
16. Daily average pH of scrubber liquor (calculated from hourly averages) shall be maintained with a minimum pH of 6 in the first stage scrubber and a minimum pH of 7 in the second stage scrubber, and shall be continuously monitored. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
17. PUC quality natural gas is any gaseous fuel where the sulfur content is no more than one-fourth (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet, no more than five (5) grains of total sulfur per one hundred (100) standard cubic feet) and at least 80% methane by volume. [District Rule 4320] Federally Enforceable Through Title V Permit
18. Fuel H2S, total sulfur, and methane content shall be determined semi-annually using the following test methods H2S: ASTM D6228; total sulfur; ASTM D1072; ASTM D3246, double GC for H2S and mercaptans or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320] Federally Enforceable Through Title V Permit
19. Each fuel source shall be tested semi-annually for sulfur content and higher heating value. If a fuel content test fails to show compliance, weekly testing is required until compliance is demonstrated for 8 consecutive weeks, after which semi-annual testing may resume. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
20. 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 Rules 2201 and 4320] Federally Enforceable Through Title V Permit
21. If the unit 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 Rules 2201 and 4320] Federally Enforceable Through Title V Permit
22. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by: ASTM D 1826 or D1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
23. The unit shall only be fired on gaseous fuel that includes PUC quality natural gas, waste gas (tank vapor recovery gas, and gas produced during thermally enhanced oil recovery (TEOR) operation) or a mixture of any of these fuels. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Waste gas H2S concentration shall not exceed 55,000 ppmv. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Units S-1327-162, '163 and '164 shall not consume greater than a combined total of 3000 Mscf/day of waste gas. [District Rule 2201] Federally Enforceable Through Title V Permit
26. When fired solely on PUC quality natural gas emission rates shall not exceed: PM10: 0.0076 lb/MMBtu, VOC: 0.0055 lb/MMBtu, NOx (as NO2): 7 ppmvd NOx @ 3% O2, or CO: 25 ppmv @ 3% O2. [District Rules 2201, 4305, 4306, and 4320] 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.

27. When fired on a mixture of waste gas and PUC-quality natural gas, with less than 50% by volume PUC-quality natural gas, emission rates shall not exceed any of the following: PM10: 0.0076 lb/MMBtu, VOC: 0.0055 lb/MMBtu, NOx (as NO2): 9 ppmvd NOx @ 3% O2, or CO: 25 ppmv @ 3% O2. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. When any unit is connected to scrubber/wet ESP and is burning TEOR/TVR gas, scrubber/wet ESP shall be operating and permittee shall demonstrate compliance with PM10 and sulfur oxide emissions limit by stack source testing within 60 days of initial scrubbing date and annually thereafter. If compliance is demonstrated on two consecutive annual source tests, testing shall be required not less than once every 36 months unless testing is required by scrubber operational mode change as noted above. Annual source testing shall resume if any test fails to show compliance. Sulfur removal efficiency of scrubber/wet ESP shall be demonstrated during initial stack source test and calculated with subsequent tests. Ongoing compliance with sulfur oxide emissions limit shall be by calculation using the scrubber liquid pH, the demonstrated sulfur removal efficiency, and the fuel gas sulfur content. Fuel gas sulfur content shall be obtained by sample analysis at least semi-annually. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
29. When complying with PM10 and SOx emission limits by testing of stack emissions, testing shall be performed using EPA Methods 5 or 201A, 6, 6B, 8, or ARB 100 or ARB Methods 1-6. When operating unscrubbed, a grab sample analysis by double GC performed in the laboratory and EPA Method 19 may be used to calculate SOx emissions. [District Rules 2201 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. 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 2201, 4305, 4306, and 4320] 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.

35. Source testing to measure NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months or when the fuel source is changed. 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
36. 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
37. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
40. SOx emissions for source test purposes shall be determined using EPA Method 6, EPA Method 6C, EPA Method 8, or ARB 100. [District Rule 2201] Federally Enforceable Through Title V Permit
41. 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 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
42. 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
43. The permittee shall maintain cumulative monthly records of heat input in MMBtu to demonstrate compliance with the permitted annual heat input rate. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
44. 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, 2201, 4305, 4306, 4320] Federally Enforceable Through Title V Permit

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