



JUN 26 2013

Raymond Rodriguez
Occidental of Elk Hills, Inc.
10800 Stockdale Hwy
Bakersfield, CA 93311

**Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-2234
Project # S-1131727**

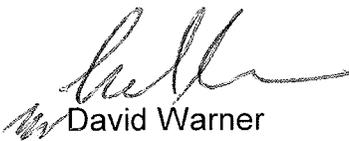
Dear Mr. Rodriguez:

The Air Pollution Control Officer has modified the Title V permit for Occidental of Elk Hills, Inc. by incorporating S-2234-1-18. Occidental of Elk Hills, Inc. is incorporating Authority to Construct document S-2234-1-18 into the Title V Operating Permit. The ATC authorizes designating two process heaters in the Low Temperature Separation Plant #2 as compliant dormant emissions units.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on June 7, 2013. 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,



David Warner
Director of Permit Services

DW:spl

Enclosures

cc: Gerardo C. Rios, EPA (w/enclosure) via email
Seyed Sadreidin
Executive Director/Air Pollution Control Officer

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Tel: (209) 557-6400 FAX: (209) 557-6475

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San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-2234-1-19

EXPIRATION DATE: 10/31/2016

SECTION: 35 **TOWNSHIP:** 30S **RANGE:** 23E

EQUIPMENT DESCRIPTION:

LOW TEMPERATURE SEPARATION PLANT #2 INCLUDING PROCESS PUMPS, HEAT EXCHANGER(S)/COOLER(S), COOLING TOWER, FUEL GAS/LIQUID K.O. VESSEL(S) VENTED TO FLARE, AND DE-ETHANIZER, DE-BUTANIZER, DE-PROPANIZER COLUMNS VENTED TO FLARE, AND INLET HEAT EXCHANGER

PERMIT UNIT REQUIREMENTS

1. While dormant, the fuel lines to heaters F-44-301 and F-44-302 shall be physically disconnected from the units. [District Rule 2080] Federally Enforceable Through Title V Permit
2. Permittee shall submit written notification to the District upon designating the unit as dormant or active. [District Rule 2080] Federally Enforceable Through Title V Permit
3. While dormant, normal source testing shall not be required. [District Rule 2080] Federally Enforceable Through Title V Permit
4. Upon recommencing operation of this dormant unit, normal source testing shall resume. [District Rule 2080] Federally Enforceable Through Title V Permit
5. Any source testing required by this permit shall be performed within 60 days of recommencing operation of this dormant unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080] Federally Enforceable Through Title V Permit
6. Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070]
7. Operation shall include refrigerant regeneration system, glycol dehydration system, and two compliant dormant 27.5 MMBtu/hr process heaters F-44-301 & F-44-302 (shared with S-2234-3). [District Rule 2201] Federally Enforceable Through Title V Permit
8. Two process heaters F-44-301 & F-44-302 shall be used on a standby basis, only during periods when one or both gas turbines (S-2234-52 & '53) are inoperative. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Fugitive VOC emission rate from the control system added to control emissions from glycol dehydrator reboiler vent, calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c less than or equal to 10,000 ppm (Feb 1999), shall not exceed 0.20 lb/day. Permittee shall demonstrate compliance with specified emissions limit by calculation using the installed components and emissions factors specified above. Permittee shall maintain with the permit an accurate record by number and type of the installed fugitive components and shall make such record available for inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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10. Fugitive VOC emission rate from the propane compressor calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c less than or equal to 10,000 ppm (Feb 1999), shall not exceed 1.9 lb/day. Permittee shall demonstrate compliance with specified emissions limit by calculation using the installed components and emissions factors specified above. Permittee shall maintain with the permit an accurate record by number and type of the installed fugitive components and shall make such record available for inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Control system(s) employed to control emissions from glycol dehydration system vent(s) shall be maintained in a leak free condition, as defined in Rule 4408. [District Rule 4408] Federally Enforceable Through Title V Permit
12. The propane compressor shall be maintained in a gas-tight condition. A gas-tight condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4409 and shall be reported as a deviation. [District Rules 2201 and 4409] Federally Enforceable Through Title V Permit
13. Permittee shall maintain monthly records of amount of gas dehydrated and other records as required by Rule 4408. The permittee shall make such records readily available for District inspection upon request and shall be retained on the premises for a period of not less than five years. [District Rule 4408] Federally Enforceable Through Title V Permit
14. Process heaters shall be fired exclusively by PUC quality natural gas. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
15. Permittee shall maintain operational records of standby process heaters FF-44-301 & FF-44-302, including date, time, and total amount of natural gas consumed. These records shall be made readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
16. All process vessels and lines handling volatile organic compounds shall vent only to other process vessels, District-approved flare, or substrata injection system. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Total duration of process heater startup shall not exceed 2 hr/day. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
18. Total duration of process heater shutdown shall not exceed 2 hr/day. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
19. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
20. Except during start-up and shutdown, emissions rates from process heater exhaust shall not exceed any of the following limits: 6 ppmvd NOx @ 3% O2 or 0.007 lb-NOx/MMBtu, 0.002 lb-SOx/MMBtu, 0.014 lb-PM10/MMBtu, 47 ppmvd @ 3% O2 or 0.037 lb-CO/MMBtu, or 0.003 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
22. Ammonia (NH3) emissions shall not exceed 10 ppmvd @ 3% O2 over a 15 minute averaging period. [District Rule 4102]
23. Exhaust stack shall be equipped with adequate provisions facilitating the collection of samples consistent with EPA test methods. [District Rule 1081] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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24. Source testing to measure natural gas-combustion NO_x and CO emissions, and NH₃ emissions, from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4102, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
25. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Continuous Emissions Monitoring (CEM) equipment shall be in place and operating whenever process heater is operating, except for CEM systems breakdowns, repairs, and required calibration checks and zero and span adjustments, in accordance with 40 CFR 60.13(e). NO_x (as NO₂) and O₂ must be recorded continuously when the CEM equipment is operating. [District Rules 1080, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. Operation, calibration and data reduction for the CEM equipment shall be in accordance with the requirements of 40 CFR Part 51, 40 CFR Parts 60.7 and 60.13 (except subsection h), 40 CFR Part 60 Appendix B (Performance Specifications) and 40 CFR Part 60 Appendix F (Quality Assurance Procedures, and applicable provisions of Rule 1080 (Stack Monitoring). [District Rules 1080, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. CEM records shall be retained for at least 5 years. Records shall include occurrence and duration of start-up, shutdown or malfunction; performance testing, calibrations, checks, and maintenance of CEM; and emission measurements. [District Rule 1080] Federally Enforceable Through Title V Permit
29. Daily summaries of CEM records for each calendar quarter shall be submitted to the District within 30 days of the end of the calendar quarter. Hourly fuel stack gas flow rates and/or hourly fuel flow rates shall be measured during operation and included in quarterly reports. [District Rule 1080] Federally Enforceable Through Title V Permit
30. A report shall be submitted to the District within 30 days of the end of each calendar quarter identifying the time and date of each exceedance of emission limits, the excess emissions generated, and any conversion factor used to calculate emissions. [District Rule 1080] Federally Enforceable Through Title V Permit
31. The quarterly report shall identify each period of excess emissions that occurs during startups, shutdowns, or malfunctions. The nature and cause of each malfunction, corrective action taken, and preventative measures adopted shall also be reported. [District Rule 1080] Federally Enforceable Through Title V Permit
32. Heat exchangers utilizing cooling water shall be properly maintained to prevent VOC emissions from cooling towers. [District Rule 2201] Federally Enforceable Through Title V Permit
33. The operator shall test the circulating water from the cooling tower at least every six months to determine the concentration of hexavalent chromium. The District shall be notified 48 hours in advance of any sampling of cooling water for testing. Required testing may be discontinued and an exemption sought when two consecutive required tests show hexavalent chromium concentrations less than 0.15 mg/l. [District Rule 7012] Federally Enforceable Through Title V Permit
34. Operator shall comply with other applicable requirements of District Rule 7012 (amended 12/17/92). [District Rule 7012] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source. [District Rules 1081 and 4320] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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37. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4320. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
38. Continuous Emissions Monitoring System (CEMS) emissions measurements shall be averaged over a period of 15 consecutive minutes to demonstrate compliance with the applicable emission limits. Any 15-consecutive-minute block average CEMS measurement exceeding the applicable emission limits shall constitute a violation. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Copies of all fuel invoices, gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520] Federally Enforceable Through Title V Permit
40. Particulate matter emissions shall not exceed 0.1 grain/dscf, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201 and 4301] Federally Enforceable Through Title V Permit
41. Nitrogen oxide (NO_x) emissions shall not exceed 140 lb/hr, calculated as NO₂. [District Rules 4301] Federally Enforceable Through Title V Permit
42. 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
43. 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
44. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, 4320] Federally Enforceable Through Title V Permit
45. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, 4320] Federally Enforceable Through Title V Permit
46. Stack gas oxygen shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
47. SO_x emissions shall be determined using EPA Method 6C, EPA Method 8, or ARB Method 100. [District Rule 4320] Federally Enforceable Through Title V Permit
48. If fuel analysis is used to demonstrate compliance with the conditions of this permit, the fuel higher heating value for each fuel shall be certified by third party fuel supplier or determined by: ASTM D 240-87 or D 2382-88 for liquid hydrocarbon fuels; ASTM D 1826-88 or D 1945-81 in conjunction with ASTM D 3588-89 for gaseous fuels. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
49. NH₃ emissions for source test purposes shall be determined using BAAQMD method ST-1B. [District Rule 4301] Federally Enforceable Through Title V Permit
50. Emissions of sulfur compounds from this unit shall not exceed 200 lb per hour, calculated as SO₂. Compliance with this requirement may be demonstrated by firing the unit only on PUC or FERC regulated natural gas or by testing the sulfur content of each fuel and determining the maximum hourly emissions of sulfur compounds by multiplying the sulfur content of each fuel in lb/MMBtu by the maximum heat input rating of the unit; or by source testing in combination with fuel analysis. [District Rules 2520 and 4301] Federally Enforceable Through Title V Permit
51. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested for sulfur content (as hydrogen sulfide). [District Rule 2520] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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52. When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6B; or Method 8; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD performed in the laboratory and EPA Method 19 to calculated emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months, however annual source testing shall resume if any test fails to show compliance. [District Rule 2520] Federally Enforceable Through Title V Permit
53. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content (as hydrogen sulfide) of the gaseous fuel being fired in the unit shall be calculated using a continuous monitor averaged over a daily basis in accordance with SCAQMD Rule 431.1 Attachment A (as amended June 12, 1998). [District Rule 2520] Federally Enforceable Through Title V Permit
54. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall do one of the following: fire the unit only on PUC or FERC regulated natural gas; or test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels; or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [District Rule 2520; County Rules 404 (Madera), 406 (Fresno), and 407 (Kern, Kings, Merced, San Joaquin, Stanislaus, and Tulare)] Federally Enforceable Through Title V Permit
55. The requirements of 40 CFR 60 Subpart LLL do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520] Federally Enforceable Through Title V Permit

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