MAY 13, 2010

Gerardo C. Rios, Chief
Permits Office (AIR-3)
U.S. EPA - Region IX
75 Hawthorne St.
San Francisco, CA 94105

Re: Notice of Preliminary Decision – Title V Permit Renewal
District Facility # C-354
Project # C-1090322

Dear Mr. Rios:

Enclosed for your review and comment is the District's analysis of the application to renew the Federally Mandated Operating Permit for Coalinga Cogeneration Company for its cogeneration facility, 32812 W Gale Ave, Coalinga, Fresno County, California.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 45-day comment period which begins on the date of publication of the public notice.

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

Sincerely,

David Warner
Director of Permit Services

Attachments
C: Juscelino Siongco, Permit Services Engineer

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
www.valleyair.org

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: (661) 392-5500 FAX: (661) 392-5585
MAY 13 2010

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

Re: Notice of Preliminary Decision - Title V Permit Renewal
District Facility # C-354
Project # C-1090322

Dear Mr. Tollstrup:

Enclosed for your review and comment is the District’s analysis of the application to renew the Federally Mandated Operating Permit for Coalinga Cogeneration Company for its cogeneration facility, 32812 W Gale Ave, Coalinga, Fresno County, California.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 30-day comment period which begins on the date of publication of the public notice.

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

Sincerely,

David Warner
Director of Permit Services

Attachments
C: Juscelino Siongco, Permit Services Engineer

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)
1900 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000  FAX: (559) 230-6061
www.valleyair.org

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: (661) 392-5500  FAX: (661) 392-5585

Printed on recycled paper
MAY 13 2010

Kelly Lucas
Coalinga Cogeneration Company
PO Box 81078
Bakersfield, CA 93380

Re: Notice of Preliminary Decision - Title V Permit Renewal
District Facility # C-354
Project # C-1090322

Dear Mr. Lucas:

Enclosed for your review and comment is the District's analysis of the application to renew the Federally Mandated Operating Permit for Coalinga Cogeneration Company for its cogeneration facility, 32812 W Gale Ave, Coalinga, Fresno County, California.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 30-day comment period which begins on the date of publication of the public notice.

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

Sincerely,

David Warner
Director of Permit Services

Attachments
C: Juscelino Siongco, Permit Services Engineer

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)
1980 E. Gettysburg Avenue
Fresno, CA 93725-0244
Tel: (559) 230-6000 FAX: (559) 230-5061
www.valleyair.org

Southern Region
34046 Flyover Court
Bakersfield, CA 93308-9725
Tel: (661) 392-5500 FAX: (661) 392-5585
NOTICE OF PRELIMINARY DECISION
FOR THE PROPOSED RENEWAL OF
THE FEDERALLY MANDATED OPERATING PERMIT

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District solicits public comment on the proposed renewal of the Federally Mandated Operating Permit to Coalinga Cogeneration Company for its cogeneration facility, 32812 W Gale Ave, Coalinga, Fresno County, California.

The District's analysis of the legal and factual basis for this proposed action, project #C-1090322, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. There are no emission changes associated with this proposed action. This will be the public's only opportunity to comment on the specific conditions of the proposed renewal of the Federally Mandated Operating permit. If requested by the public, the District will hold a public hearing regarding issuance of this renewed permit. For additional information, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900. Written comments on the proposed renewed permit must be submitted within 30 days of the publication date of this notice to DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CALIFORNIA 93726-0244.
# SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT

Proposed Title V Permit Renewal Evaluation
Coalinga Cogeneration Co
C-354

## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>PROPOSAL</td>
<td>2</td>
</tr>
<tr>
<td>II.</td>
<td>FACILITY LOCATION</td>
<td>2</td>
</tr>
<tr>
<td>III.</td>
<td>EQUIPMENT LISTING</td>
<td>3</td>
</tr>
<tr>
<td>IV.</td>
<td>GENERAL PERMIT TEMPLATE USAGE</td>
<td>3</td>
</tr>
<tr>
<td>V.</td>
<td>SCOPE OF EPA AND PUBLIC REVIEW</td>
<td>3</td>
</tr>
<tr>
<td>VI.</td>
<td>FEDERALLY ENFORCEABLE REQUIREMENTS</td>
<td>3</td>
</tr>
<tr>
<td>VII.</td>
<td>REQUIREMENTS NOT FEDERALLY ENFORCEABLE</td>
<td>5</td>
</tr>
<tr>
<td>VIII.</td>
<td>PERMIT REQUIREMENTS</td>
<td>6</td>
</tr>
<tr>
<td>IX.</td>
<td>PERMIT SHIELD</td>
<td>16</td>
</tr>
<tr>
<td>X.</td>
<td>PERMIT CONDITIONS</td>
<td>16</td>
</tr>
<tr>
<td>XI.</td>
<td>ATTACHMENTS</td>
<td>16</td>
</tr>
</tbody>
</table>

A. DRAFT RENEWED TITLE V OPERATING PERMIT
B. PREVIOUS TITLE V OPERATING PERMIT
C. DETAILED FACILITY LIST
I. PROPOSAL

Coalinga Cogeneration Company was issued a Title V permit on January 31, 2005. As required by District Rule 2520, the applicant is requesting a permit renewal. The existing Title V permit shall be reviewed and modified to reflect all applicable District and federal rules updated, removed, or added since the issuance of the initial Title V permit.

The purpose of this evaluation is to provide the legal and factual basis for all updated applicable requirements and to determine if the facility will comply with these updated requirements. It also specifically identifies all additions, deletions, and/or changes made to permit conditions or equipment descriptions.

II. FACILITY LOCATION

Coalinga Cogeneration Company is located at 32812 W Gale Ave, Coalinga, Fresno County, CA.
III. EQUIPMENT LISTING

A detailed facility printout listing all permitted equipment at the facility is included as Attachment C.

IV. GENERAL PERMIT TEMPLATE USAGE

The applicant does not propose to use any model general permit templates.

V. SCOPE OF EPA AND PUBLIC REVIEW

The applicant is not requesting any model general permit templates. Therefore, all federally enforceable conditions in this current Title V permit will be subject to EPA and public review.

VI. FEDERALLY ENFORCEABLE REQUIREMENTS

A. Rules Updated

- District Rule 2020, Exemptions
  (amended September 21, 2006 ⇒ amended December 20, 2007)

- District Rule 2201, New and Modified Stationary Source Review Rule
  (amended December 19, 2002 ⇒ amended September 21, 2006)

- District Rule 4101, Visible Emissions
  (amended November 15, 2001 ⇒ amended February 17, 2005)

- District Rule 4601, Architectural Coatings
  (amended October 31, 2001 ⇒ amended December 17, 2009)

- District Rule 4703, Stationary Gas Turbines
  (amended August 17, 2006 ⇒ amended September 20, 2007)

- District Rule 8011, General Requirements

- District Rule 8021, Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities
• District Rule 8031, Bulk Materials  

• District Rule 8041, Carryout and Trackout  

• District Rule 8051, Open Areas  

• District Rule 8061, Paved and Unpaved Roads  

• District Rule 8071, Unpaved Vehicle/Equipment Traffic Areas  
  (adopted November 15, 2001 ⇒ amended September 16, 2004)

• 40 CFR 60, Subpart GG - Standards for Performance of Stationary Gas Turbines  
  (amended February 24, 2006)

• 40 CFR Part 63, Subpart YYYY, National Emissions Standards for Hazardous Air Pollutants for Stationary Combustion Turbines  
  (amended April 20, 2008)

• 40 CFR Part 82, Subpart B, Stratospheric Ozone  
  (amended November 9, 2007)

• 40 CFR Part 82, Subpart F, Stratospheric Ozone  
  (amended June 8, 2008)

B. Rules Added

• 40 CFR Part 72, Acid Rain Program

• 40 CFR Part 73, Sulfur Dioxide Allowance System

• 40 CFR Part 75, Continuous Emission Monitoring

• 40 CFR Part 77, Excess Emissions

C. Rules Not Updated

• District Rule 1080, Stack Monitoring (amended December 17, 1992)
Coalinga Cogeneration Co
C-354
C-1090322

- District Rule 1081, Source Sampling (amended December 16, 1993)
- District Rule 2010, Permits Required (amended December 17, 1992)
- District Rule 2031, Transfer of Permits (amended December 17, 1992)
- District Rule 2070, Standards for Granting Applications (amended December 17, 1992)
- District Rule 2080, Conditional Approval (amended December 17, 1992)
- District Rule 2520, Federally Mandated Operating Permits (amended June 21, 2001)
- District Rule 4201, Particulate Matter Concentration (amended December 17, 1992)
- 40 CFR Part 60, Subpart KKKK, Standards of Performance for Stationary Combustion Turbines
- 40 CFR Part 64, Compliance Assurance Monitoring

VII. REQUIREMENTS NOT FEDERALLY ENFORCEABLE

For each Title V source, the District issues a single permit that contains the Federally Enforceable requirements, as well as the District-only requirements. The District-only requirements are not a part of the Title V Operating Permits. The terms and conditions that are part of the facility's Title V permit are designated as "Federally Enforceable Through Title V Permit."

For this facility, the following are not federally enforceable and will not be discussed in further detail:

A. District Rule 4102, Nuisance

Condition 1 of permit unit C-354-2-7 is based on District Rule 4102 and will therefore not be discussed any further.
VIII. PERMIT REQUIREMENTS

The purpose of this evaluation is to review changes to federally enforceable requirements; therefore, this compliance section will only address rules that have been amended or added since the issuance of the initial Title V permit.

A. District Rule 2020 - Exemptions

District Rule 2020 lists equipment which are specifically exempt from obtaining permits and specifies recordkeeping requirements to verify such exemptions. The amendments to this rule do not have any affect on current permit requirements and will therefore not be addressed in this evaluation.

B. District Rule 2201 - New and Modified Stationary Source Review Rule

District Rule 2201 has been amended since this facility’s initial Title V permit was issued. This Title V permit renewal does not constitute a modification per section 3.26, defined as an action including at least one of the following items:

1) Any change in hours of operation, production rate, or method of operation of an existing emissions unit, which would necessitate a change in permit conditions.
2) Any structural change or addition to an existing emissions unit which would necessitate a change in permit conditions. Routine replacement shall not be considered to be a structural change.
3) An increase in emissions from an emissions unit caused by a modification of the Stationary Source when the emissions unit is not subject to a daily emissions limitation.
4) Addition of any new emissions unit which is subject to District permitting requirements.
5) A change in a permit term or condition proposed by an applicant to obtain an exemption from an applicable requirement to which the source would otherwise be subject.

Therefore, the updated requirements of this rule are not applicable at this time.

C. District Rule 4101 - Visible Emissions

District Rule 4101 prohibits the discharge of any air contaminant for a period or periods aggregating more than 3 minutes in any one hour which is as dark or darker in shade as that designated as No. 1 on the Ringelmann Chart; or is of such opacity as to obscure an observer’s view to a degree equal to or
greater than the smoke described in Section 5.1 of Rule 4101. The rule was amended in February 17, 2005.

a. C-354-0-2 – Facility-Wide Requirements

- Condition 22 on the proposed permit assures compliance with the requirements of this rule.

D. District Rule 4601 - Architectural Coatings

This rule limits the emissions of VOCs from architectural coatings. It requires limiting the application of any architectural coating to no more than what is listed in the Table of Standards (Section 5.0). The rule was amended in December 17, 2009. Since the following changes included in the latest rule amendment did not result in adding new requirements and/or revising current requirements in the facility-wide permit, no further evaluation is needed.

Section 2.0 – Applicability
The phrase “blends or repackages” was added to rule language to extend the applicability of rule language to facilities involved in those activities.

Section 3.0 – Definitions
Numerous definitions was added, deleted or modified in order to make the amended rule harmonize with definitions and rule requirements presented in the California Air Resources Board (ARB) Suggested Control Measures (SCM).

Section 4.0 – Exemptions
A reporting requirement was added for any architectural coating that is sold in a container with a volume of one liter or less. The exemption for architectural coatings was further defined by adding “coatings that are supplied and offered for sale” to current language, in order to make the rule consistent with the ARB SCM.

Section 5.0 – Requirements

The amended rule implements the recommended VOC limits per the ARB SCM. The following changes were as follows: 15 coating categories were eliminated, ten were added, nineteen coatings categories remained unchanged, and the VOC content limits for 19 categories were lowered.

Section 6.0 – Administrative Requirements

Section 6.1 – Labeling Requirements
Labeling requirements were updated to add new labeling standards consistent with new coatings categories per the SCM.

Section 6.2 – Reporting Requirements
A new section was added to include reporting requirements per the SCM. The SCM contains a new requirement to submit sales data. Collection of this data is authorized in the California Health and Safety Code which requires submission of data to estimate emissions.

Section 6.3 – Test Methods
New sections were added to coincide with new coating categories pursuant to the ARB SCM.

Section 7.0 – Compliance Schedule
This section was updated to account for the new amendments to rule language by adding the phrase "the dates specified within the text of the rule."

Section 8.0 – Averaging Compliance Option
This section was deleted in its entirety.

a. C-354-0-2 – Facility-Wide Requirements
   • Conditions 23, 24, and 25 on the proposed permit assure compliance with this rule.

E. District Rule 4703 - Stationary Gas Turbines

The rule limits oxides of nitrogen (NOx) emissions from stationary gas turbine systems. The provisions of this rule apply to all stationary gas turbine systems, which are subject to District permitting requirements, and with ratings equal to or greater than 0.3 megawatt (MW) or a maximum heat input rating of more than 3,000,000 Btu per hour. This rule was amended September 20, 2007.

a. C-354-2-7 – 42.7 MW Cogeneration Facility with a General Electric Frame 6 Natural Gas-Fired Turbine Driving an Electrical Generator, and a Heat Recovery Steam Generator Unit Served by Mitsubishi Selective Catalytic Reduction Unit
   • Conditions 11, 16 through 21, 27, 28, 33, 34, and 55 on the proposed permit assure compliance with the requirements of this rule.
F. District Rule 8011 - General Requirements

The provisions of this rule are applicable to specified outdoor fugitive dust sources. The definitions, exemptions, requirements, administrative requirements, recordkeeping requirements, and test methods set forth in this rule are applicable to all Rules under Regulation VIII (Fugitive PM10 Prohibitions) of the Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. The rule was amended in August 19, 2004.

a. C-354-0-2 - Facility-Wide Requirements

- Conditions 29 through 34 on the proposed permit assure compliance with this rule.

G. District Rule 8021 - Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities

The purpose of this rule is to limit fugitive dust emissions from construction, demolition, excavation, extraction, and other earthmoving activities. The rule was amended in August 19, 2004.

This rule applies to any construction, demolition, excavation, extraction, and other earthmoving activities, including, but not limited to, land clearing, grubbing, scraping, travel on site, and travel on access roads to and from the site. This rule also applies to the construction of new landfill disposal sites or modification to existing landfill disposal sites prior to commencement of landfiling activities.

Section 5.0 requires that no person shall perform any construction, demolition, excavation, extraction, or other earthmoving activities unless the appropriate requirements in sections 5.1 and 5.2 are sufficiently implemented to limit VDE to 20% opacity. In addition to the requirements of this rule, a person shall comply with all other applicable requirements of Regulation VIII.

a. C-354-0-2 - Facility-Wide Requirements

- Condition 29 on the proposed permit assures compliance with this rule.

H. District Rule 8031 - Bulk Materials

The purpose of this rule is to limit fugitive dust emissions from the outdoor handling, storage, and transport of bulk materials. The rule was amended in August 19, 2004.
This rule applies to the outdoor handling, storage, and transport of any bulk material.

Section 5.0 requires that no person shall perform any outdoor handling, storage, and transport of bulk materials unless the appropriate requirements in Table 8031-1 of this rule are sufficiently implemented to limit VDE to 20% opacity or to comply with the conditions for a stabilized surface as defined in Rule 8011. In addition to the requirements of this rule, a person shall comply with all other applicable requirements of Regulation VIII.

a. C-354-0-2 – Facility-Wide Requirements

- Condition 30 on the proposed permit assures compliance with this rule.

I. District Rule 8041 - Carryout and Trackout

The purpose of this rule is to limit fugitive dust emissions from carryout and trackout. The rule was amended in August 19, 2004.

This rule applies to all sites that are subject to Rules 8021 (Construction, Demolition, Excavation, Extraction, and other Earthmoving Activities), 8031 (Bulk Materials), and 8071 (Unpaved Vehicle and Equipment Traffic Areas) where carryout or trackout has occurred or may occur.

Section 5.0 requires that an owner/operator shall sufficiently prevent or cleanup carryout and trackout as specified in sections 5.1 through 5.8. In addition to the requirements of this rule, a person shall comply with all other applicable requirements of Regulation VIII. The use of blower devices, or dry rotary brushes or brooms, for removal of carryout and trackout on public roads is expressly prohibited. The removal of carryout and trackout from paved public roads does not exempt an owner/operator from obtaining state or local agency permits which may be required for the cleanup of mud and dirt on paved public roads.

a. C-354-0-2 – Facility-Wide Requirements

- Condition 31 on the proposed permit assures compliance with this rule.
J. District Rule 8051 - Open Areas

The purpose of this rule is to limit fugitive dust emissions from open areas. The rule was amended in August 19, 2004.

This rule applies to any open area having 3.0 acres or more of disturbed surface area that has remained undeveloped, unoccupied, unused, or vacant for more than seven days.

Section 5.0 requires that whenever open areas are disturbed or vehicles are used in open areas, the owner/operator shall implement one or a combination of control measures indicated in Table 8051-1 to comply with the conditions of a stabilized surface at all times and to limit VDE to 20% opacity. In addition to the requirements of this rule, a person shall comply with all other applicable requirements of Regulation VIII.

a. C-354-0-2 – Facility-Wide Requirements

   • Condition 32 on the proposed permit assures compliance with this rule.

K. District Rule 8061 - Paved and Unpaved Roads

The purpose of this rule is to limit fugitive dust emissions from paved and unpaved roads by implementing control measures and design criteria. The rule was amended in August 19, 2004.

This rule applies to any new or existing public or private paved or unpaved road, road construction project, or road modification project.

a. C-354-0-2 – Facility-Wide Requirements

   • Condition 33 on the proposed permit assures compliance with this rule.

L. District Rule 8071 - Unpaved Vehicle/Equipment Traffic Area

The purpose of this rule is to limit fugitive dust emissions from unpaved vehicle and equipment traffic areas by implementing control measures and design criteria. The rule was amended in September 16, 2004.
This rule applies to any unpaved vehicle/equipment traffic area of 1.0 acre or larger.

a. C-354-0-2 – Facility-Wide Requirements

- Condition 34 on the proposed permit assures compliance with this rule.

M. 40 CFR 60, Subpart GG, Standards of Performance for Stationary Gas Turbines

The provisions of this subpart are applicable to all stationary gas turbines with a heat input at peak load equal to or greater than 10 million Btu per hour. Section 60.334 and 60.335 of this Subpart was amended February 24, 2006.

The amended provisions, 40 CFR 60.334(c), (e), and (f) clarify that the monitoring methods are options rather than requirements for turbines that do not use water or steam to control NOx emissions. In addition, the introductory text of 46 CFR 60.334(j), 60.334(j)(1)(iv), and 40 CFR 60.335(b)(8) were also revised to reflect the amended provisions of 40 CFR 60.334(c), (e), and (f). Since this permit unit uses water/steam injection to control NOx emissions, the amended provisions are not applicable this gas turbine.

a. C-354-2-7 – 42.7 MW Cogeneration Facility with a General Electric Frame 6 Natural Gas-Fired Turbine Driving an Electrical Generator, and a Heat Recovery Steam Generator Unit Served by Mitsubishi Selective Catalytic Reduction Unit

- Conditions 3 through 7, 11, 16, 21, 22, 23, and 29 on the proposed permit assure compliance with the requirements of this rule.

N. 40 CFR 60, Subpart KKKK, Standards of Performance for Stationary Combustion Turbines

This subpart establishes emission standards and compliance schedules for the control of emissions from stationary combustion turbines that commenced construction, modification or reconstruction after February 18, 2005.

This permit unit is not subject to this subpart since the permit unit had not undergone construction, modification or reconstruction after the February 18, 2005.
O. 40 CFR Part 61, Subpart M, National Emission Standard for Asbestos

These regulations apply to demolition or renovation activity, as defined in 40 CFR 61.141. 40 CFR Section 61.150 of this Subpart was amended September 18, 2003.

a. C-354-0-2 – Facility-Wide Requirements

- Condition 35 on the proposed permit assures compliance with this rule.


This subpart establishes national emission limitations and operating limitations for hazardous air pollutants (HAP) emissions from stationary combustion turbines located at major sources of HAP emissions, and requirements to demonstrate initial and continuous compliance with the emission and operating limitations.

The facility is not a major or area source of HAP emissions and is not subject to this subpart.

Q. 40 CFR Part 64, CAM

40 CFR Part 64 requires Compliance Assurance Monitoring (CAM) for units that meet the following three criteria:

1) the unit must have an emission limit for the pollutant;
2) the unit must have add-on controls for the pollutant; these are devices such as flue gas recirculation (FGR), baghouses, and catalytic oxidizers; and
3) the unit must have a pre-control potential to emit of greater than the major source thresholds.

a. C-354-2-7 – 42.7 MW Cogeneration Facility with a General Electric Frame 6 Natural Gas-Fired Turbine Driving an Electrical Generator, and a Heat Recovery Steam Generator Unit Served by Mitsubishi Selective Catalytic Reduction Unit

The permit unit has emissions limits for all five criteria pollutants (NOx, SOx, PM10, CO, and VOC. There are no add-on controls for SOx and PM10, therefore CAM is not applicable for SOx and PM10.
Based on 40 CFR 64.2(b)(1)(vi), NO\textsubscript{X} and CO emissions limits are exempt from CAM since the Part 70 permit already specifies a continuous compliance determination method for both NO\textsubscript{X} and CO. This permit unit may be subject to CAM for VOC since there is a VOC limit and it has add-on control in the form of an oxidation catalytic system. However, the pre-control VOC potential to emit is less than the major source threshold of 50,000 lb-VOC/year as shown below. Therefore, this unit is not subject to CAM.

The natural gas uncontrolled emission factor is $5.5 \text{ lb-VOC/MMscf}$ or $0.006 \text{ lb-VOC/MMBtu}$ (Ap-42, 1.4-2, July 1998). This unit's rating is approximately $474.2 \text{ MMBtu/hr}$ (HHV).

$$474.2 \text{ MMBtu/hr} \times 0.006 \text{ lb-VOC/MMBtu} \times 8,760 \text{ hr/yr} = 24,924 \text{ lb-VOC/yr}$$

R. 40 CFR Part 72, Acid Rain Program

The purpose of this part is to establish certain general provisions and the operating permit program requirements for affected sources and affected units under the Acid Rain Program,

a. C-354-2-7 – 42.7 MW Cogeneration Facility with a General Electric Frame 6 Natural Gas-Fired Turbine Driving an Electrical Generator, and a Heat Recovery Steam Generator Unit Served by Mitsubishi Selective Catalytic Reduction Unit

- Conditions 36, 41, 42, 44, 45, 46, and 49 on the proposed permit assure compliance with the requirements of this rule.

S. 40 CFR Part 73, Sulfur Dioxide Allowance System

The purpose of this part is to establish the requirements and procedures for the following:

(a) The allocation of sulfur dioxide emissions allowances;
(b) The tracking, holding, and transfer of allowances;
(c) The deduction of allowances for purposes of compliance and for purposes of offsetting excess emissions pursuant to parts 72 and 77;
(d) The sale of allowances through EPA-sponsored auctions and a direct sale, including the independent power producers written guarantee program; and
(e) The application for, and distribution of, allowances from the Conservation and Renewable Energy Reserve.
(f) The application for, and distribution of, allowances for desulfurization of fuel by small diesel refineries.

a. C-354-2-7 – 42.7 MW Cogeneration Facility with a General Electric Frame 6 Natural Gas-Fired Turbine Driving an Electrical Generator, and a Heat Recovery Steam Generator Unit Served by Mitsubishi Selective Catalytic Reduction Unit

   • Conditions 39 and 43 on the proposed permit assure compliance with the requirements of this rule.

T. 40 CFR Part 75, Continuous Emission Monitoring

The purpose of this part is to establish requirements for the monitoring, recordkeeping, and reporting of sulfur dioxide (SO₂), nitrogen oxides (NOₓ), and carbon dioxide (CO₂) emissions, volumetric flow, and opacity data from affected units under the Acid Rain Program.

a. C-354-2-7 – 42.7 MW Cogeneration Facility with a General Electric Frame 6 Natural Gas-Fired Turbine Driving an Electrical Generator, and a Heat Recovery Steam Generator Unit Served by Mitsubishi Selective Catalytic Reduction Unit

   • Conditions 37, 38, 41, 50, and 51 on the proposed permit assure compliance with the requirements of this rule.

U. 40 CFR Part 77, Excess Emissions

This part sets forth the excess emissions offset planning and offset penalty requirements under section 411 of the Clean Air Act. These requirements shall apply to the owners and operators and, to the extent applicable, the designated representative of each affected unit and affected source under the Acid Rain Program.

a. C-354-2-7 – 42.7 MW Cogeneration Facility with a General Electric Frame 6 Natural Gas-Fired Turbine Driving an Electrical Generator, and a Heat Recovery Steam Generator Unit Served by Mitsubishi Selective Catalytic Reduction Unit

   • Conditions 40, 47, and 48 on the proposed permit assure compliance with the requirements of this rule.
IX. PERMIT SHIELD

A permit shield legally protects a facility from enforcement of the shielded regulations when a source is in compliance with the terms and conditions of the Title V permit. Compliance with the terms and conditions of the Operating Permit is considered compliance with all applicable requirements upon which those conditions are based, including those that have been subsumed.

A. Requirements Addressed by Model General Permit Templates

The applicant does not propose to use any model general permit templates.

B. Obsolete Permit Shields From Existing Permit Requirements

a. C-354-2-7 – 42.7 MW Cogeneration Facility with a General Electric Frame 6 Natural Gas-Fired Turbine Driving an Electrical Generator, and a Heat Recovery Steam Generator Unit Served by Mitsubishi Selective Catalytic Reduction Unit

Condition 53 on the current permit was revised to remove the permit shield for sections 5.1.1, 5.2, 6.1, 6.3.1, 6.3.3, 6.4, 6.4.5, and 6.4.6 of District Rule 4703 (amended 8/17/06). The permit shield is obsolete since it was granted based on the previous amended version of District Rule 4703 which had been superseded by the current version (amended 9/20/07).

X. PERMIT CONDITIONS

See Attachment A - Draft Renewed Title V Operating Permit.

XI. ATTACHMENTS

A. Draft Renewed Title V Operating Permit
B. Previous Title V Operating Permit
C. Detailed Facility List
ATTACHMENT A

Draft Renewed Title V Operating Permit
San Joaquin Valley
Air Pollution Control District

FACILITY: C-354-0-2
EXPIRATION DATE: 06/30/2009

FACILITY-WIDE REQUIREMENTS

1. The owner or operator shall notify the District of any breakdown condition as soon as reasonably possible, but no later than one hour after its detection, unless the owner or operator demonstrates to the District's satisfaction that the longer reporting period was necessary. [District Rule 1100, 6.1; Fresno County Rule 110] Federally Enforceable Through Title V Permit

2. The District shall be notified in writing within ten days following the correction of any breakdown condition. The breakdown notification shall include a description of the equipment malfunction or failure, the date and cause of the initial failure, the estimated emissions in excess of those allowed, and the methods utilized to restore normal operations. [District Rule 1100, 7.0; Fresno County Rule 110] Federally Enforceable Through Title V Permit

3. (2287) The owner or operator of any stationary source operation that emits more than 25 tons per year of nitrogen oxides or reactive organic compounds, shall provide the District annually with a written statement in such form and at such time as the District prescribes, showing actual emissions of nitrogen oxides and reactive organic compounds from that source. [District Rule 1160, 5.0] Federally Enforceable Through Title V Permit

4. Any person building, altering or replacing any operation, article, machine, equipment, or other contrivance, the use of which may cause the issuance of air contaminants or the use of which may eliminate, reduce, or control the issuance of air contaminants, shall first obtain an Authority to Construct (ATC) from the District unless exempted by District Rule 2020 (12/20/07). [District Rule 2010, 3.0 and 4.0; and 2020] Federally Enforceable Through Title V Permit

5. (2289) The permittee must comply with all conditions of the permit including permit revisions originated by the District. All terms and conditions of a permit that are required pursuant to the Clean Air Act (CAA), including provisions to limit potential to emit, are enforceable by the EPA and Citizens under the CAA. Any permit noncompliance constitutes a violation of the CAA and the District Rules and Regulations, and is grounds for enforcement action, for permit termination, revocation, reopening and reissuance, or modification; or for denial of a permit renewal application. [District Rules 2070, 7.0; 2080; and 2520, 9.8.1 and 9.12.1] Federally Enforceable Through Title V Permit

6. (2290) A Permit to Operate or an Authority to Construct shall not be transferred unless a new application is filed with and approved by the District. [District Rule 2031] Federally Enforceable Through Title V Permit

7. (2291) Every application for a permit required under Rule 2010 (12/17/92) shall be filed in a manner and form prescribed by the District. [District Rule 2040] Federally Enforceable Through Title V Permit

8. The operator shall maintain records of required monitoring that include: 1) the date, place, and time of sampling or measurement; 2) the date(s) analyses were performed; 3) the company or entity that performed the analysis; 4) the analytical techniques or methods used; 5) the results of such analysis; and 6) the operating conditions at the time of sampling or measurement. Support information includes copies of all reports required by the permit and, for continuous monitoring instrumentation, all calibration and maintenance records and all original strip-chart recordings. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate. Any amendments to these Facility-wide Requirements that affect specific Permit Units may constitute modification of those Permit Units.

Facility Name: COALINGA COGENERATION CO
Location: 32812 W GALE AVE, COALINGA, CA 93210
C-354-0-2, May 8 2010 11:54AM - D3036024
9. {2293} The operator shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, or report. Support information includes copies of all reports required by the permit and, for continuous monitoring instrumentation, all calibration and maintenance records and all original strip-chart recordings. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

10. (2294) The operator shall submit reports of any required monitoring at least every six months unless a different frequency is required by an applicable requirement. All instances of deviations from permit requirements must be clearly identified in such reports. [District Rule 2520, 9.5.1] Federally Enforceable Through Title V Permit

11. (2295) Deviations from permit conditions must be promptly reported, including deviations attributable to upset conditions, as defined in the permit. For the purpose of this condition, promptly means as soon as reasonably possible, but no later than 10 days after detection. The report shall include the probable cause of such deviations, and any corrective actions or preventive measures taken. All required reports must be certified by a responsible official consistent with section 10.0 of District Rule 2520 (6/21/01). [District Rules 2520, 9.5.2 and 1100, 7.0] Federally Enforceable Through Title V Permit

12. (2296) If for any reason a permit requirement or condition is being challenged for its constitutionality or validity by a court of competent jurisdiction, the outcome of such challenge shall not affect or invalidate the remainder of the conditions or requirements in that permit. [District Rule 2520, 9.7] Federally Enforceable Through Title V Permit

13. (2297) It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit. [District Rule 2520, 9.8.2] Federally Enforceable Through Title V Permit

14. (2298) The permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition. [District Rule 2520, 9.8.3] Federally Enforceable Through Title V Permit

15. (2299) The permit does not convey any property rights of any sort, or any exclusive privilege. [District Rule 2520, 9.8.4] Federally Enforceable Through Title V Permit

16. (2300) The Permittee shall furnish to the District, within a reasonable time, any information that the District may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the District copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee may furnish such records directly to EPA along with a claim of confidentiality. [District Rule 2520, 9.8.5] Federally Enforceable Through Title V Permit

17. (2301) The permittee shall pay annual permit fees and other applicable fees as prescribed in Regulation III of the District Rules and Regulations. [District Rule 2520, 9.9] Federally Enforceable Through Title V Permit

18. (2302) Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 2520, 9.13.2.1] Federally Enforceable Through Title V Permit

19. (2303) Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 2520, 9.13.2.2] Federally Enforceable Through Title V Permit

20. (2304) Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to inspect at reasonable times any facilities, equipment, practices, or operations regulated or required under the permit. [District Rule 2520, 9.13.2.3] Federally Enforceable Through Title V Permit

21. (2305) Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or applicable requirements. [District Rule 2520, 9.13.2.4] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.
22. No air contaminants shall be discharged into the atmosphere for a period or periods aggregating more than 3 minutes in any one hour which is as dark or darker than Ringelmann #1 or equivalent to 20% opacity and greater, unless specifically exempted by District Rule 4101 (2/17/05), by using EPA method 9. If the equipment or operation is subject to a more stringent visible emission standard as prescribed in a permit condition, the more stringent visible emission limit shall supersede this condition. [District Rule 4101] Federally Enforceable Through Title V Permit

23. No person shall manufacture, blend, repackage, supply, sell, solicit or apply any architectural coating with a VOC content in excess of the corresponding limit specified in the Table of Standards of District Rule 4601 (12/17/09) for use or sale within the District. [District Rule 4601, 5.1] Federally Enforceable Through Title V Permit

24. All VOC-containing materials for architectural coatings subject to Rule 4601 (12/17/09) shall be stored in closed containers when not in use. [District Rule 4601, 5.4] Federally Enforceable Through Title V Permit

25. The permittee shall comply with all the Labeling and Test Methods requirements outlined in Rule 4601 sections 6.1 and 6.3 (12/17/09). [District Rule 4601, 6.1 and 6.3] Federally Enforceable Through Title V Permit

26. (2310) With each report or document submitted under a permit requirement or a request for information by the District or EPA, the permittee shall include a certification of truth, accuracy, and completeness by a responsible official. [District Rule 2520, 9.13.1 and 10.0] Federally Enforceable Through Title V Permit

27. (2311) If the permittee performs maintenance on, or services, repairs, or disposes of appliances, the permittee shall comply with the standards for Recycling and Emissions Reduction pursuant to 40 CFR 82, Subpart F. [40 CFR 82 Subpart F] Federally Enforceable Through Title V Permit

28. (2312) If the permittee performs service on motor vehicles when this service involves the ozone-depleting refrigerant in the motor vehicle air conditioner (MVAC), the permittee shall comply with the standards for Servicing of Motor Vehicle Air Conditioners pursuant to all the applicable requirements as specified in 40 CFR 82, Subpart B. [40 CFR 82 Subpart B] Federally Enforceable Through Title V Permit

29. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8021 and 8011] Federally Enforceable Through Title V Permit

30. Outdoor handling, storage and transport of any bulk material which emits dust shall comply with the requirements of District Rule 8031, unless specifically exempted under Section 4.0 of Rule 8031 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8031 and 8011] Federally Enforceable Through Title V Permit

31. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8041 and 8011] Federally Enforceable Through Title V Permit

32. Whenever open areas are disturbed or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8051 and 8011] Federally Enforceable Through Title V Permit

33. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8061 and 8011] Federally Enforceable Through Title V Permit

34. Any unpaved vehicle/equipment traffic area that anticipates more than 50 or more Average Annual Daily Trips (AADT) shall comply with the requirements of Section 5.1.1 of District Rule 8071. Any unpaved vehicle/equipment traffic area that anticipates 150 vehicle daily trips (VDT), or 150 VDT that are utilized intermittently for a period of 30 days or less during the calendar year shall comply with the requirements of Section 5.1.2 of District Rule 8071. All sources shall comply with the requirements of Section 5.0 of District Rule 8071 unless specifically exempted under Section 4.0 of Rule 8071 (9/16/04) or Rule 8011 (8/19/04). [District Rule 8071 and Rule 8011] Federally Enforceable Through Title V Permit
35. Any owner or operator of a demolition or renovation activity, as defined in 40 CFR 61.141, shall comply with the applicable inspection, notification, removal, and disposal procedures for asbestos containing materials as specified in 40 CFR 61.145 (Standard for Demolition and Renovation). [40 CFR 61 Subpart M] Federally Enforceable Through Title V Permit

36. The permittee shall submit certifications of compliance with the terms and standards contained in Title V permits, including emission limits, standards and work practices, to the District and the EPA annually (or more frequently as specified in an applicable requirement or as specified by the District). The certification shall include the identification of each permit term or condition, the compliance status, whether compliance was continuous or intermittent, the methods used for determining the compliance status, and any other facts required by the District to determine the compliance status of the source. [District Rule 2520, 9.16] Federally Enforceable Through Title V Permit

37. The permittee shall submit an application for Title V permit renewal to the District at least six months, but not greater than 18 months, prior to the permit expiration date. [District Rule 2520, 5.2] Federally Enforceable Through Title V Permit

38. When a term is not defined in a Title V permit condition, the definition in the rule cited as the origin and authority for the condition in a Title V permits shall apply. [District Rule 2520, 9.1.1] Federally Enforceable Through Title V Permit

39. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following outdated SIP requirements: Fresno County Rule 401, Fresno County Rule 110. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

40. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following applicable requirements: SJVUAPCD Rules 1100, sections 6.1 and 7.0 (12/17/92); 2010, sections 3.0 and 4.0 (12/17/92); 2031 (12/17/92); 2040 (12/17/92); 2070, section 7.0 (12/17/92); 2080 (12/17/92); 4101 (2/17/05); 4601, sections 5.1, 5.2, 5.3, and 5.8 (12/17/09); 8021 (8/19/04); 8031 (8/19/04); 8041 (8/19/04); 8051 (8/19/04); 8061 (8/19/04); and 8071 (9/16/04). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

41. The reporting periods for the Report of Required Monitoring and the Compliance Certification Report begin January 1 of every year, unless alternative dates are approved by the District Compliance Division. These reports are due within 30 days after the end of the reporting period. [District Rule 2520] Federally Enforceable Through Title V Permit
PERMIT UNIT REQUIREMENTS

1. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]

2. {2256} Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201, 3.1] Federally Enforceable Through Title V Permit

3. Sulfur compound emissions shall not exceed 0.015% by volume, 150 ppmv @ 15% O2, on a dry basis averaged over 15 consecutive minutes. [40 CFR 60.333(a), Fresno County Rule 406] Federally Enforceable Through Title V Permit

4. This unit shall be fired exclusively on PUC-regulated natural gas which has a sulfur content of less than or equal to 0.017% by weight. [District NSR rule, 40 CFR 60.333(b), Fresno County Rule 406] Federally Enforceable Through Title V Permit

5. The sulfur content of each fuel source shall be documented in a valid purchase contract, a supplier certification, tariff or transportation contract, or tested daily in accordance with the requirements of 40 CFR 60.334 (h) and (i). [40 CFR 60.334(h) and 40 CFR 60.334(i)] Federally Enforceable Through Title V Permit

6. The operator shall submit a quarterly report of excess emissions and monitor downtime as defined and specified in 40 CFR 60.334 (b)(3) and (j). Excess emissions shall be reported for all periods of unit operation, including startup, shutdown and malfunction. [40 CFR 60.334(b)(3) and 40 CFR 60.334(j)] Federally Enforceable Through Title V Permit

7. If the sulfur content of the natural gas being fired in the turbine is determined using daily testing, then ASTM D1072, D3246, D4468, or D6667 shall be used to make this determination. [40 CFR 60.335(b)(10)] Federally Enforceable Through Title V Permit

8. {2262} If this unit is fired on PUC-regulated natural gas, then maintain on file copies of natural gas bills. [District Rule 2520, 9.3.21] Federally Enforceable Through Title V Permit

9. Fuel consumption rate shall not exceed 11,381 MMBtu (LHV) in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit

10. The Heat Recovery Steam Generator unit shall operate under the following conditions: Water feed rate - 10,000 to 20,000 BWPD, Steam quality - 60% to 100%, Steam pressure - 800 to 1500 psi, and Steam temperature - 518 to 596 degrees F. [District NSR Rule] Federally Enforceable Through Title V Permit

11. Except during periods of startup and shutdown, the gas turbine engine emission rates (three-hour average) shall not exceed either of the following limits: NOx: 5.0 ppmvd @ 15% O2 or CO: 9 ppmvd @ 15% O2. [40 CFR 60.332(c) and District Rule 4703, 5.1.21] Federally Enforceable Through Title V Permit

12. Except during periods of startup and shutdown, gas turbine engine hourly emissions (three-hour average) shall not exceed any of the following limits: 8.6 lb NOx/hr, 10.00 lb CO/hr, 3.00 lb PM10/hr, 0.48 lb SOx/hr, or 1.0 lb VOC/hr. [District NSR Rule] 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. Daily emissions shall not exceed any of the following limits: 248.6 lb-NOx/day, 240.0 lb-CO/day, 72.0 lb-PM10/day, 11.5 lb-SOx/day, or 24.0 lb-VOC/day. [District NSR Rule] Federally Enforceable Through Title V Permit

14. Ammonia Slip shall be monitored by using the approved calculation methods. [District Rule 1080] Federally Enforceable Through Title V Permit

15. The ammonia concentration in exhaust stream shall not exceed 15 ppmv corrected to 15% oxygen averaged over a three-hour period. [District NSR Rule] Federally Enforceable Through Title V Permit

16. Source testing to measure the NOx and CO emission rates (lb/hr and ppmvd @ 15% O2) shall be conducted at least once every twelve months. [District Rules 1081, 4703, and 40 CFR 60.4400(a)] Federally Enforceable Through Title V Permit

17. The following test methods shall be used: NOx - EPA Method 7E or 20, CO - EPA Method 10 or 10B, O2 - EPA Method 3, 3A, or 20. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. The request to utilize EPA approved alternative source testing methods must be submitted in writing and written approval received from the District prior to the submission of the source test plan. [District Rules 1081 and 4703 and 40 CFR 60.4400(1)(i)] Federally Enforceable Through Title V Permit

18. Startup shall be defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operations. Shutdown shall be defined as the period of time during which a unit is taken from an operational to a non-operational status as the fuel supply to the unit is completely turned off. [District NSR Rule and 4703] Federally Enforceable Through Title V Permit

19. The duration of each startup or shutdown shall not exceed two hours. Startup and shutdown emissions shall be counted toward all applicable emission limits. [District NSR Rule and 4703] Federally Enforceable Through Title V Permit

20. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rule 4703] Federally Enforceable Through Title V Permit

21. The owner or operator shall install, certify, maintain, operate and quality-assure a Continuous Emission Monitoring System (CEMS) which continuously measures and records the exhaust gas NOX, CO and O2 concentrations. Continuous emissions monitor(s) shall be capable of monitoring emissions during normal operating conditions, and during startups and shutdowns provided the CEMS pass the relative accuracy requirement for startups and shutdowns specified herein. If relative accuracy of CEMS cannot be demonstrated during startup conditions, CEMS results during startup and shutdown events shall be replaced with startup emission rates obtained from source testing to determine compliance with emission limits contained in this document. [District NSR Rule, 1080, 4703, and 40 CFR 60.4335(b)(1)] Federally Enforceable Through Title V Permit

22. CEM cycling times shall be those specified in 40 CFR Part 51, Appendix P, Sections 3.4 and 3.4.2, or shall meet equivalent specifications established by mutual agreement of the District, the ARB and the EPA. [40 CFR 60.334(b)(2) and District Rule 1080, 6.4] Federally Enforceable Through Title V Permit

23. The continuous NOx and O2 monitoring system shall meet the performance specification requirements in 40 CFR 60, Appendix F, 40 CFR 51, Appendix P, and Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [40 CFR 60.334(b)(1), 40 CFR 64 and District Rule 1080, 6.3, 6.5, 6.6 and 7.2] Federally Enforceable Through Title V Permit

24. Audits of continuous emission monitors shall be conducted quarterly, except during quarters in which relative accuracy and total accuracy testing is performed, in accordance with EPA guidelines. The District shall be notified prior to completion of the audits. Audit reports shall be submitted along with quarterly compliance reports to the District. [District Rule 1080] Federally Enforceable Through Title V Permit

25. The owner/operator shall perform a relative accuracy test audit (RATA) for the NOx, CO, and O2 CEMS as specified by 40 CFR Part 60, Appendix F, 5.11, at least once every four calendar quarters. The permittee shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.
26. The owner or operator shall, upon written notice from the APCO, provide a summary of the data obtained from the CEM systems. This summary of data shall be in the form and the manner prescribed by the APCO. [40 CFR 64 and District Rule 1080, 7.1] Federally Enforceable Through Title V Permit

27. The permittee shall maintain the following records: date and time, duration, and type of any startup, shutdown, or malfunction; performance testing; evaluations, calibrations, checks, adjustments, any period during which a continuous monitoring system or monitoring device was inoperative, and maintenance of any continuous emission monitor. [District NSR Rule, 1080, 4703, and 40 CFR 60.8(d)] Federally Enforceable Through Title V Permit

28. The permittee shall maintain the following records: fuel consumption (scf/hr and scf/rolling twelve month period), continuous emission monitor measurements, calculated ammonia slip, and calculated NOx mass emission rates (lb/hr and lb/twelve month rolling period). [District NSR Rule and 4703] Federally Enforceable Through Title V Permit

29. The owner or operator shall submit a written report of CEM operations for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: Time intervals, data and magnitude of excess emissions, nature and cause of excess (if known), corrective actions taken and preventive measures adopted; Averaging period used for data reporting corresponding to the averaging period specified in the emission test method used to determine compliance with an emission standard; Applicable time and date of each period during which the CEM system was inoperative, except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. [40 CFR 60.334(j)(5), 40 CFR 64 and District Rule 1080, 8.0] Federally Enforceable Through Title V Permit

30. The APCO or an authorized representative shall be allowed to inspect, as he or she determines to be necessary, the monitoring devices required by this rule to ensure that such devices are functioning properly. [District Rule 1080, 11.0] Federally Enforceable Through Title V Permit

31. (2255) The owner or operator shall be required to conform to the compliance testing and sampling procedures described in District Rule 1081 (as amended 12/16/93). [District Rule 1081] Federally Enforceable Through Title V Permit

32. (2270) All continuous monitoring systems and monitoring devices shall be installed and operational prior to conducting performance tests. Verification of operational status shall, as a minimum, include completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the device. [40 CFR 60.13(b)] Federally Enforceable Through Title V Permit

33. (2272) Results of the CEM system shall be averaged over a three hour period, using consecutive 15-minute sampling periods in accordance with either EPA Method 7E or EPA Method 20 for NOx, EPA Test Methods 10 or 10B for CO, or EPA Methods 3, 3A, or 20 for O2, or, if continuous emission monitors are used, all applicable requirements of CFR 60.13. [40 CFR 60.13 and District Rule 4703, 5.1, 6.4] Federally Enforceable Through Title V Permit

34. The HHV and LHV of the fuel combusted shall be determined using ASTM D3588, ASTM 1826, or ASTM 1945. [District Rule 4703, 6.4.5] Federally Enforceable Through Title V Permit

35. The continuous emissions monitoring equipment shall be linked to a data logger which is compatible with the District's Data acquisition system. Upon notice by the District that the facility's CEM system is not providing polling data, the facility may continue to operate without providing automated data for a maximum of 30 days per calendar year provided the CEM data is sent to the District by a District-approved alternative method. [District Rule 1080] Federally Enforceable Through Title V Permit

36. The owners and operators of each affected source and each affected unit at the source shall: (i) Operate the unit in compliance with a complete Acid Rain permit application or a superceding Acid Rain permit issued by the permitting authority; and (ii) Have an Acid Rain permit. [40 CFR 72] Federally Enforceable Through Title V Permit

37. The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75. [40 CFR 75] Federally Enforceable Through Title V Permit

38. The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit

Permit Unit Requirements continue on next page
39. The owners and operators of each source and each affected unit at the source shall: (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide. [40 CFR 73] Federally Enforceable Through Title V Permit

40. Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act. [40 CFR 77] Federally Enforceable Through Title V Permit

41. An affected unit shall be subject to the sulfur dioxide requirements starting on the later of January 1, 2000, or the deadline for monitoring certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3) that is not a substitution or compensating unit. [40 CFR 72, 40 CFR 75] Federally Enforceable Through Title V Permit

42. Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program. [40 CFR 72] Federally Enforceable Through Title V Permit

43. An allowance shall not be deducted in order to comply with the requirements under 40 CFR part 73, prior to the calendar year for which the allowance was allocated. [40 CFR 73] Federally Enforceable Through Title V Permit

44. An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization. [40 CFR 72] Federally Enforceable Through Title V Permit

45. An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right. [40 CFR 72] Federally Enforceable Through Title V Permit

46. The owners and operators of each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides. [40 CFR 72] Federally Enforceable Through Title V Permit

47. The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77. [40 CFR 77] Federally Enforceable Through Title V Permit

48. The owners and operators of an affected unit that has excess emissions in any calendar year shall: (i) Pay without demand the penalty required, and pay up on demand the interest on that penalty; and (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77. [40 CFR 77] Federally Enforceable Through Title V Permit

49. The owners and operators of the each affected unit at the source shall keep on site the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Administrator or permitting authority: (i) The certificate of representation for the designated representative for the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site beyond such five-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative. [40 CFR 72] Federally Enforceable Through Title V Permit

50. The owners and operators of each affected unit at the source shall keep on site each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Administrator or permitting authority; (ii) All emissions monitoring information, in accordance with 40 CFR part 75; (iii) Copies of all reports, compliance certifications and other submissions and all records made or required under the Acid Rain Program; (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission that demonstrates compliance with the requirements of the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit

51. The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 75 Subpart I. [40 CFR 75] Federally Enforceable Through Title V Permit
52. Compliance with permit conditions in the Title V permit shall be deemed compliance with Fresno County Rule 406. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

53. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: 40 CFR 60.332(c), 60.333 (a) and (b); 60.334(b), (b)(1), (b)(2), (b)(3), (h)(1), (i), (j); 60.335(b)(10). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

54. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: 40 CFR 60.7(b), 60.8, 60.8(d), 60.13, and 60.13(b); District Rules 1080 (as amended 12/17/92), Sections 6.3, 6.4, 6.5, 7.0, 7.1, 7.2, 7.3, 8.0, 9.0, 10.0, and 11.0; and 1081 (as amended 12/16/93). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

55. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District NSR Rule, 1070, and 47031] Federally Enforceable Through Title V Permit
FACILITY-WIDE REQUIREMENTS

1. The owner or operator shall notify the District of any breakdown condition as soon as reasonably possible, but no later than one hour after its detection, unless the owner or operator demonstrates to the District’s satisfaction that the longer reporting period was necessary. [District Rule 1100, 6.1; County Rules 110 (Fresno, Stanislaus, San Joaquin); 109 (Merced); 113 (Madera); and 111 (Kern, Tulare, Kings)] Federally Enforceable Through Title V Permit

2. The District shall be notified in writing within ten days following the correction of any breakdown condition. The breakdown notification shall include a description of the equipment malfunction or failure, the date and cause of the initial failure, the estimated emissions in excess of those allowed, and the methods utilized to restore normal operations. [District Rule 1100, 7.0; County Rules 110 (Fresno, Stanislaus, San Joaquin); 109 (Merced); 113 (Madera); and 111 (Kern, Tulare, Kings)] Federally Enforceable Through Title V Permit

3. The owner or operator of any stationary source operation that emits more than 25 tons per year of nitrogen oxides or reactive organic compounds, shall provide the District annually with a written statement in such form and at such time as the District prescribes, showing actual emissions of nitrogen oxides and reactive organic compounds from that source. [District Rule 1160, 5.0] Federally Enforceable Through Title V Permit

4. Any person building, altering or replacing any operation, article, machine, equipment, or other contrivance, the use of which may cause the issuance of air contaminants or the use of which may eliminate, reduce, or control the issuance of air contaminants, shall first obtain an Authority to Construct (ATC) from the District unless exempted by District Rule 2020 (3/21/02). [District Rule 2010, 3.0 and 4.0; and 2020] Federally Enforceable Through Title V Permit

5. The permittee must comply with all conditions of the permit including permit revisions originated by the District. All terms and conditions of a permit that are required pursuant to the Clean Air Act (CAA), including provisions to limit potential to emit, are enforceable by the EPA and Citizens under the CAA. Any permit noncompliance constitutes a violation of the CAA and the District Rules and Regulations, and is grounds for enforcement action, for permit termination, revocation, reopening and reissuance, or modification; or for denial of a permit renewal application. [District Rules 2070, 7.0; 2080; and 2520, 9.8.1 and 9.12.1] Federally Enforceable Through Title V Permit

6. A Permit to Operate or an Authority to Construct shall not be transferred unless a new application is filed with and approved by the District. [District Rule 2031] Federally Enforceable Through Title V Permit

7. Every application for a permit required under Rule 2010 (12/17/92) shall be filed in a manner and form prescribed by the District. [District Rule 2040] Federally Enforceable Through Title V Permit

8. The operator shall maintain records of required monitoring that include: 1) the date, place, and time of sampling or measurement; 2) the date(s) analyses were performed; 3) the company or entity that performed the analysis; 4) the analytical techniques or methods used; 5) the results of such analysis; and 6) the operating conditions at the time of sampling or measurement. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit

9. The operator shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, or report. Support information includes copies of all reports required by the permit and, for continuous monitoring instrumentation, all calibration and maintenance records and all original strip-chart recordings. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate. Any amendments to these Facility-wide Requirements that affect specific Permit Units may constitute modification of those Permit Units.

Facility Name: COALINGA COGENERATION CO
Location: 32812 W GALE AVE, COALINGA, CA 93210

C-394-0-1  May 6 2010  11:54AM - DOCXCCU
10. The operator shall submit reports of any required monitoring at least every six months unless a different frequency is required by an applicable requirement. All instances of deviations from permit requirements must be clearly identified in such reports. [District Rule 2520, 9.5.1] Federally Enforceable Through Title V Permit

11. Deviations from permit conditions must be promptly reported, including deviations attributable to upset conditions, as defined in the permit. For the purpose of this condition, promptly means as soon as reasonably possible, but no later than 10 days after detection. The report shall include the probable cause of such deviations, and any corrective actions or preventive measures taken. All required reports must be certified by a responsible official consistent with section 10.0 of District Rule 2520 (6/21/01). [District Rules 2520, 9.5.2 and 1100, 7.0] Federally Enforceable Through Title V Permit

12. If for any reason a permit requirement or condition is being challenged for its constitutionality or validity by a court of competent jurisdiction, the outcome of such challenge shall not affect or invalidate the remainder of the conditions or requirements in that permit. [District Rule 2520, 9.7] Federally Enforceable Through Title V Permit

13. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit. [District Rule 2520, 9.8.2] Federally Enforceable Through Title V Permit

14. The permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition. [District Rule 2520, 9.8.3] Federally Enforceable Through Title V Permit

15. The permit does not convey any property rights of any sort, or any exclusive privilege. [District Rule 2520, 9.8.4] Federally Enforceable Through Title V Permit

16. The Permittee shall furnish to the District, within a reasonable time, any information that the District may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the District copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee may furnish such records directly to EPA along with a claim of confidentiality. [District Rule 2520, 9.8.5] Federally Enforceable Through Title V Permit

17. The permittee shall pay annual permit fees and other applicable fees as prescribed in Regulation III of the District Rules and Regulations. [District Rule 2520, 9.9] Federally Enforceable Through Title V Permit

18. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 2520, 9.13.2.1] Federally Enforceable Through Title V Permit

19. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 2520, 9.13.2.2] Federally Enforceable Through Title V Permit

20. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to inspect at reasonable times any facilities, equipment, practices, or operations regulated or required under the permit. [District Rule 2520, 9.13.3.3] Federally Enforceable Through Title V Permit

21. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or applicable requirements. [District Rule 2520, 9.13.2.4] Federally Enforceable Through Title V Permit

22. No air contaminants shall be discharged into the atmosphere for a period or periods aggregating more than 3 minutes in any one hour which is as dark or darker than Ringelmann #1 or equivalent to 20% opacity and greater, unless specifically exempted by District Rule 4101 (11/15/01). If the equipment or operation is subject to a more stringent visible emission standard as prescribed in a permit condition, the more stringent visible emission limit shall supersede this condition. [District Rule 4101, and County Rules 401 (in all eight counties in the San Joaquin Valley)] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

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

Facility Name: COALINGA COGENERATION CO
Location: 32812 W GALE AVE, COALINGA, CA 93210
C-354-0-1 May 8 2010 11:34AM - SDNCCU
23. No person shall manufacture, blend, repackage, supply, sell, solicit or apply any architectural coating with a VOC content in excess of the corresponding limit specified in the Table of Standards of District Rule 4601 (10/31/01) for use or sale within the District. [District Rule 4601, 5.1] Federally Enforceable Through Title V Permit

24. All VOC-containing materials for architectural coatings subject to Rule 4601 (10/31/01) shall be stored in closed containers when not in use. [District Rule 4601, 5.4] Federally Enforceable Through Title V Permit

25. The permittee shall comply with all the Labeling and Test Methods requirements outlined in Rule 4601 sections 6.1 and 6.3 (10/31/01). [District Rule 4601, 6.1 and 6.3] Federally Enforceable Through Title V Permit

26. With each report or document submitted under a permit requirement or a request for information by the District or EPA, the permittee shall include a certification of truth, accuracy, and completeness by a responsible official. [District Rule 2520, 9.13.1 and 10.01 Federally Enforceable Through Title V Permit

27. If the permittee performs maintenance on, or services, repairs, or disposes of appliances, the permittee shall comply with the standards for Recycling and Emissions Reduction pursuant to 40 CFR 82, Subpart F. [40 CFR 82 Subpart F] Federally Enforceable Through Title V Permit

28. If the permittee performs service on motor vehicles when this service involves the ozone-depleting refrigerant in the motor vehicle air conditioner (MVAC), the permittee shall comply with the standards for Servicing of Motor Vehicle Air Conditioners pursuant to all the applicable requirements as specified in 40 CFR 82, Subpart B. [40 CFR 82, Subpart B] Federally Enforceable Through Title V Permit

29. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 (11/15/01) or Rule 8011 (11/15/01). [District Rule 8021 and 8011] Federally Enforceable Through Title V Permit

30. Outdoor handling, storage and transport of any bulk material which emits dust shall comply with the requirements of District Rule 8031, unless specifically exempted under Section 4.0 of Rule 8031 (11/15/01) or Rule 8011 (11/15/01). [District Rule 8031 and 8011] Federally Enforceable Through Title V Permit

31. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (11/15/01) or Rule 8011 (11/15/01). [District Rule 8041 and 8011] Federally Enforceable Through Title V Permit

32. Whenever open areas are disturbed or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 (11/15/01) or Rule 8011 (11/15/01). [District Rule 8051 and 8011] Federally Enforceable Through Title V Permit

33. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 (11/15/01) or Rule 8011 (11/15/01). [District Rule 8061 and Rule 8011] Federally Enforceable Through Title V Permit

34. Any unpaved vehicle/equipment area that anticipates more than 75 vehicle trips per day shall comply with the requirements of Section 5.1.1 of District Rule 8071. Any unpaved vehicle/equipment area that anticipates more than 100 vehicle trips per day shall comply with the requirements of Section 5.1.2 of District Rule 8071. All sources shall comply with the requirements of Section 5.0 of District Rule 8071 unless specifically exempted under Section 4.0 of Rule 8071 (11/15/01) or Rule 8011 (11/15/01). [District Rule 8071 and Rule 8011] Federally Enforceable Through Title V Permit

35. Any owner or operator of a demolition or renovation activity, as defined in 40 CFR 61.141, shall comply with the applicable inspection, notification, removal, and disposal procedures for asbestos containing materials as specified in 40 CFR 61.145 (Standard for Demolition and Renovation). [40 CFR 61 Subpart M] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.
36. The permittee shall submit certifications of compliance with the terms and standards contained in Title V permits, including emission limits, standards and work practices, to the District and the EPA annually (or more frequently as specified in an applicable requirement or as specified by the District). The certification shall include the identification of each permit term or condition, the compliance status, whether compliance was continuous or intermittent, the methods used for determining the compliance status, and any other facts required by the District to determine the compliance status of the source. [District Rule 2520, 9.16] Federally Enforceable Through Title V Permit

37. The permittee shall submit an application for Title V permit renewal to the District at least six months, but not greater than 18 months, prior to the permit expiration date. [District Rule 2520, 5.2] Federally Enforceable Through Title V Permit

38. When a term is not defined in a Title V permit condition, the definition in the rule cited as the origin and authority for the condition in a Title V permits shall apply. [District Rule 2520, 9.1.1] Federally Enforceable Through Title V Permit

39. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following outdated SIP requirements: Rule 401 (Madera, Kern, Kings, San Joaquin, Stanislaus, Tulare and Merced), Rule 110 (Fresno, Stanislaus, San Joaquin), Rule 109 (Merced), Rule 113 (Madera), and Rule 111 (Kern, Tulare, Kings). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

40. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following applicable requirements: SJVUAPCD Rules 1100, sections 6.1 and 7.0 (12/17/92); 2010, sections 3.0 and 4.0 (12/17/92); 2031 (12/17/92); 2040 (12/17/92); 2070, section 7.0 (12/17/92); 2080 (12/17/92); 4101 (11/15/01); 4601, sections 5.1, 5.2, 5.3, 5.8 and 8.0 (10/31/01); 8021 (11/15/01); 8031 (11/15/01); 8041 (11/15/01); 8051 (11/15/01); 8061 (11/15/01); and 8071 (11/15/01). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

41. On January 31, 2005, the initial Title V permit was issued. The reporting periods for the Report of Required Monitoring and the Compliance Certification Report are based upon this initial permit issuance date, unless alternative dates are approved by the District Compliance Division. These reports are due within 30 days after the end of the reporting period. [District Rule 2520] Federally Enforceable Through Title V Permit
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-354-2-6
EXPIRATION DATE: 06/30/2009

EQUIPMENT DESCRIPTION:
42.7 MW Cогeneration facility with a General Electric Frame 6 natural gas-fired turbine engine driving an electrical generator, and a heat recovery steam generator unit served by Mitsubishi Selective Catalytic Reduction unit

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201, 3.1] Federally Enforceable Through Title V Permit
3. Sulfur compound emissions shall not exceed 0.015% by volume, 150 ppmv @ 15% O2, on a dry basis averaged over 15 consecutive minutes. [40 CFR 60.333(a), County Rules 404 (Madera), 406 (Fresno), and 407 (Kings, Merced, San Joaquin, Tulare, Kern, and Stanislaus)] Federally Enforceable Through Title V Permit
4. This unit shall be fired exclusively on PUC-regulated natural gas which has a sulfur content of less than or equal to 0.017% by weight. [District NSR rule, 40 CFR 60.333(b), County Rules 404 (Madera), 406 (Fresno), and 407 (Kings, Merced, San Joaquin, Tulare, Kern, and Stanislaus County)] Federally Enforceable Through Title V Permit
5. The sulfur content of each fuel source shall be documented in a valid purchase contract, a supplier certification, tariff or transportation contract, or tested daily in accordance with the requirements of 40 CFR 60.334 (h) and (i). [40 CFR 60.334(h) and 40 CFR 60.334(i)] Federally Enforceable Through Title V Permit
6. The operator shall submit a quarterly report of excess emissions and monitor downtime as defined and specified in 40 CFR 60.334 (b)(3) and (j). Excess emissions shall be reported for all periods of unit operation, including startup, shutdown and malfunction. [40 CFR 60.334(b)(3) and 40 CFR 60.334(j)] Federally Enforceable Through Title V Permit
7. If the sulfur content of the natural gas being fired in the turbine is determined using daily testing, then ASTM D1072, D3246, D4468, or D6667 shall be used to make this determination. [40 CFR 60.335(b)(10)] Federally Enforceable Through Title V Permit
8. If this unit is fired on PUC-regulated natural gas, then maintain on file copies of natural gas bills. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
9. Fuel consumption rate shall not exceed 11,381 MMBtu (LHV) in any one day. [District NSR Rule] Federally Enforceable Through Title V Permit
10. The Heat Recovery Steam Generator unit shall operate under the following conditions: Water feed rate - 10,000 to 20,000 BWPD, Steam quality - 60% to 100%, Steam pressure - 800 to 1500 psi, and Steam temperature - 518 to 596 degrees F. [District NSR Rule] Federally Enforceable Through Title V Permit
11. Except during periods of startup and shutdown, the gas turbine engine emission rates (three-hour average) shall not exceed either of the following limits: NOx: 5.0 ppmvd @ 15% O2 or CO: 9 ppmvd @ 15% O2. [40 CFR 60.332(c) and District Rule 4703, 5.1.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.
12. Except during periods of startup and shutdown, gas turbine engine hourly emissions (three-hour average) shall not exceed any of the following limits: 8.6 lb NOx/hr, 10.00 lb CO/hr, 3.00 lb PM10/hr, 0.48 lb SOx/hr, or 1.0 lb VOC/hr. [District NSR Rule] Federally Enforceable Through Title V Permit

13. Daily emissions shall not exceed any of the following limits: 248.6 lb-NOx/day, 240.0 lb-CO/day, 72.0 lb-PM10/day, 11.5 lb-SOx/day, or 24.0 lb-VOC/day. [District NSR Rule] Federally Enforceable Through Title V Permit

14. Ammonia Slip shall be monitored by using the approved calculation methods. [District Rule 1080] Federally Enforceable Through Title V Permit

15. The ammonia concentration in exhaust stream shall not exceed 15 ppmv corrected to 15% oxygen averaged over a three-hour period. [District NSR Rule] Federally Enforceable Through Title V Permit

16. Source testing to measure the NOx and CO emission rates (lb/hr and ppmv @ 15% O2) shall be conducted at least once every twelve months. [District Rules 1081 and 4703 and 40 CFR 60.4400(a)] Federally Enforceable Through Title V Permit

17. The following test methods shall be used: NOx - EPA Method 7E or 20, CO - EPA Method 10 or 10B, O2 - EPA Method 3, 3A, or 20. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. The request to utilize EPA approved alternative source testing methods must be submitted in writing and written approval received from the District prior to the submission of the source test plan. [District Rules 1081 and 4703 and 40 CFR 60.4400(1)(i)] Federally Enforceable Through Title V Permit

18. Startup shall be defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operations. Shutdown shall be defined as the period of time during which a unit is taken from an operational to a non-operational status as the fuel supply to the unit is completely turned off. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit

19. The duration of each startup or shutdown shall not exceed two hours. Startup and shutdown emissions shall be counted toward all applicable emission limits. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit

20. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rule 4703] Federally Enforceable Through Title V Permit

21. The owner or operator shall install, certify, maintain, operate and quality-assure a Continuous Emission Monitoring System (CEMS) which continuously measures and records the exhaust gas NOX, CO and O2 concentrations. Continuous emissions monitor(s) shall be capable of monitoring emissions during normal operating conditions, and during startups and shutdowns provided the CEMS pass the relative accuracy requirement for startups and shutdowns specified herein. If relative accuracy of CEMS cannot be demonstrated during startup conditions, CEMS results during startup and shutdown events shall be replaced with startup emission rates obtained from source testing to determine compliance with emission limits contained in this document. [District Rules 1080, 2201, and 4703 and 40 CFR 60.4335(b)(1)(i)] Federally Enforceable Through Title V Permit

22. CEM cycling times shall be those specified in 40 CFR, Part 51, Appendix P, Sections 3.4 and 3.4.2, or shall meet equivalent specifications established by mutual agreement of the District, the ARB and the EPA. [40 CFR 60.334(b)(2) and District Rule 1080, 6.4] Federally Enforceable Through Title V Permit

23. The continuous NOx and O2 monitoring system shall meet the performance specification requirements in 40 CFR 60, Appendix F, 40 CFR 51, Appendix P, and Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [40 CFR 60.334(b)(1), 40 CFR 64 and District Rule 1080, 6.3, 6.5, 6.6 and 7.2] Federally Enforceable Through Title V Permit

24. Audits of continuous emission monitors shall be conducted quarterly, except during quarters in which relative accuracy and total accuracy testing is performed, in accordance with EPA guidelines. The District shall be notified prior to completion of the audits. Audit reports shall be submitted along with quarterly compliance reports to the District. [District Rule 1080] Federally Enforceable Through Title V Permit
25. The owner/operator shall perform a relative accuracy test audit (RATA) for the NOx, CO, and O2 CEMs as specified by 40 CFR Part 60, Appendix F, 5.11, at least once every four calendar quarters. The permittee shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080]

26. The owner or operator shall, upon written notice from the APCO, provide a summary of the data obtained from the CEM systems. This summary of data shall be in the form and the manner prescribed by the APCO. [40 CFR 64 and District Rule 1080, 7.1] Federally Enforceable Through Title V Permit

27. The permittee shall maintain the following records: date and time, duration, and type of any startup, shutdown, or malfunction; performance testing; evaluations, calibrations, checks, adjustments, any period during which a continuous monitoring system or monitoring device was inoperative, and maintenance of any continuous emission monitor. [District Rules 1080, 2201, and 4703 and 40 CFR 60.8(d)] Federally Enforceable Through Title V Permit

28. The permittee shall maintain the following records: fuel consumption (scf/ hr and scf/rolling twelve month period), continuous emission monitor measurements, calculated ammonia slip, and calculated NOx mass emission rates (lb/hr and lb/twelve month rolling period). [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit

29. The owner or operator shall submit a written report of CEM operations for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: Time intervals, data and magnitude of excess emissions, nature and cause of excess (if known), corrective actions taken and preventive measures adopted; Averaging period used for data reporting corresponding to the averaging period specified in the emission test method used to determine compliance with an emission standard; Applicable time and date of each period during which the CEM system was inoperative, except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. [40 CFR 60.334(j)(5), 40 CFR 64 and District Rule 1080, 8.0] Federally Enforceable Through Title V Permit

30. The APCO or an authorized representative shall be allowed to inspect, as he or she determines to be necessary, the monitoring devices required by this rule to ensure that such devices are functioning properly. [District Rule 1080, 11.0] Federally Enforceable Through Title V Permit

31. The owner or operator shall be required to conform to the compliance testing and sampling procedures described in District Rule 1081 (as amended 12/16/93). [District Rule 1081] Federally Enforceable Through Title V Permit

32. All continuous monitoring systems and monitoring devices shall be installed and operational prior to conducting performance tests. Verification of operational status shall, as a minimum, include completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the device. [40 CFR 60.13(b)] Federally Enforceable Through Title V Permit

33. Results of the CEM system shall be averaged over a three hour period, using consecutive 15-minute sampling periods in accordance with either EPA Method 7E or EPA Method 20 for NOx, EPA Test Methods 10 or 10B for CO, or EPA Methods 3, 3A, or 20 for O2, or, if continuous emission monitors are used, all applicable requirements of CFR 60.13. [40 CFR 60.13 and District Rule 4703, 5.1, 6.4] Federally Enforceable Through Title V Permit

34. The HHV and LHV of the fuel combusted shall be determined using ASTM D3588, ASTM 1826, or ASTM 1945. [District Rule 4703, 6.4.5] Federally Enforceable Through Title V Permit

35. The continuous emissions monitoring equipment shall be linked to a data logger which is compatible with the District's Data acquisition system. Upon notice by the District that the facility's CEM system is not providing polling data, the facility may continue to operate without providing automated data for a maximum of 30 days per calendar year provided the CEM data is sent to the District by a District-approved alternative method. [District Rule 1080] Federally Enforceable Through Title V Permit

36. The owners and operators of each affected source and each affected unit at the source shall: (i) Operate the unit in compliance with a complete Acid Rain permit application or a superceding Acid Rain permit issued by the permitting authority; and (ii) Have an Acid Rain permit. [40 CFR 72] Federally Enforceable Through Title V Permit

37. The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75. [40 CFR 75] 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.
38. The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program. [40 CFR 75] Federally Enforceable Through Title V Permit

39. The owners and operators of each source and each affected unit at the source shall: (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide. [40 CFR 73] Federally Enforceable Through Title V Permit

40. Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act. [40 CFR 77] Federally Enforceable Through Title V Permit

41. An affected unit shall be subject to the sulfur dioxide requirements starting on the later of January 1, 2000, or the deadline for monitoring certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3) that is not a substitution or compensating unit. [40 CFR 72, 40 CFR 75] Federally Enforceable Through Title V Permit

42. Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program. [40 CFR 72] Federally Enforceable Through Title V Permit

43. An allowance shall not be deducted in order to comply with the requirements under 40 CFR part 73, prior to the calendar year for which the allowance was allocated. [40 CFR 73] Federally Enforceable Through Title V Permit

44. An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization. [40 CFR 72] Federally Enforceable Through Title V Permit

45. An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right. [40 CFR 72] Federally Enforceable Through Title V Permit

46. The owners and operators of each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides. [40 CFR 72] Federally Enforceable Through Title V Permit

47. The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77. [40 CFR 77] Federally Enforceable Through Title V Permit

48. The owners and operators of an affected unit that has excess emissions in any calendar year shall: (i) Pay without demand the penalty required, and pay up on demand the interest on that penalty; and (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77. [40 CFR 77] Federally Enforceable Through Title V Permit

49. The owners and operators of each affected unit at the source shall keep on site the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Administrator or permitting authority: (i) The certificate of representation for the designated representative for the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site beyond such five-year period until such documents are superceded because of the submission of a new certificate of representation changing the designated representative. [40 CFR 72] Federally Enforceable Through Title V Permit

50. The owners and operators of each affected unit at the source shall keep on site each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time prior to the end of five years, in writing by the Administrator or permitting authority; (ii) All emissions monitoring information, in accordance with 40 CFR part 75; (iii) Copies of all reports, compliance certifications and other submissions and all records made or required under the Acid Rain Program; (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission that demonstrates compliance with the requirements of the Acid Rain Program. [40 CFR 75] 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.
Permit Unit Requirements for C-354-2-6 (continued)

51. The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 75 Subpart I. [40 CFR 75] Federally Enforceable Through Title V Permit

52. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirements: Rules 404 (Madera), 406 (Fresno), and 407 (Kings, Merced, San Joaquin, Tulare, Kern, and Stanislaus). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

53. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: 40 CFR 60.332(c), 60.333 (a) and (b); 60.334(b), (b)(1), (b)(2), (b)(3), (b)(1), (i), (j); 60.335(b)(10); and District Rule 4703 (as amended 8/17/06), Sections 5.1.1, 5.2, 6.1, 6.3.1, 6.3.3, 6.4, 6.4.5, and 6.4.6. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

54. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: 40 CFR 60.7(b), 60.8, 60.8(d), 60.13, and 60.13(b); District Rules 1080 (as amended 12/17/92), Sections 6.3, 6.4, 6.5, 7.0, 7.1, 7.2, 7.3, 8.0, 9.0, 10.0, and 11.0; and 1081 (as amended 12/16/93). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

55. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070, 2201, and 4703] Federally Enforceable Through Title V Permit

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

Detailed Facility List
### Detailed Facility Report

Central Facility = 354 and excluding Deleted Permits
Sorted by Facility Name and Permit Number

<table>
<thead>
<tr>
<th>PERMIT NUMBER</th>
<th>FEE DESCRIPTION</th>
<th>FEE RULE</th>
<th>QTY</th>
<th>AMOUNT</th>
<th>TOTAL</th>
<th>STATUS</th>
<th>EQUIPMENT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-354-2-6</td>
<td>42.7 MW</td>
<td>3020-08A</td>
<td>1</td>
<td>10,215</td>
<td>10,215</td>
<td>A</td>
<td>42.7 MW COGENERATION FACILITY WITH A GENERAL ELECTRIC FRAME 6 NATURAL GAS-FIRED TURBINE ENGINE DRIVING AN ELECTRICAL GENERATOR, AND A HEAT RECOVERY STEAM GENERATOR UNIT SERVED BY MITSUBISHI SELECTIVE CATALYTIC REDUCTION UNIT</td>
</tr>
</tbody>
</table>

Number of Facilities Reported: 1