JUN 09 2010

Raymond Rodriguez
Badger Creek Limited
34759 Lencioni Avenue, Suite A
Bakersfield, CA 93308

Re: Notice of Final Action - Title V Permit Renewal
District Facility # S-1250
Project # S-1083885

Dear Mr. Rodriguez:

The District has issued the Final Renewed Title V Permit for Badger Creek Limited. The preliminary decision for this project was made on April 20, 2010. No comments were received subsequent to the District preliminary decision.

The public notice for issuance of the Final Renewed Title V Permit will be published approximately three days from the date of this letter.

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

Sincerely,

David Warner
Director of Permit Services

Attachments

cc: Dennis Roberts, Permit Services Engineer
JUN 09 2010

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

Re: Notice of Final Action - Title V Permit Renewal
District Facility # S-1250
Project # S-1083885

Dear Mr. Rios:

The District has issued the Final Renewed Title V Permit for Badger Creek Limited. The preliminary decision for this project was made on April 20, 2010. No comments were received subsequent to the District preliminary decision.

The public notice for issuance of the Final Renewed Title V Permit will be published approximately three days from the date of this letter.

I would like to thank you and your staff for working with us. We appreciate your concurrence with this action. Should you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

Attachments

cc: Dennis Roberts, Permit Services Engineer
JUN 09 2010

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

Re: Notice of Final Action - Title V Permit Renewal
District Facility # S-1250
Project # S-1083885

Dear Mr. Tollstrup:

The District has issued the Final Renewed Title V Permit for Badger Creek Limited. The preliminary decision for this project was made on April 20, 2010. No comments were received subsequent to the District preliminary decision.

The public notice for issuance of the Final Renewed Title V Permit will be published approximately three days from the date of this letter.

I would like to thank you and your staff for working with us. Should you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

Attachments

cc: Dennis Roberts, 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) 230-6081

Southern Region
34046 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

www.valleyair.org www.healthyairliving.com
SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT
NOTICE OF FINAL DECISION TO ISSUE
RENEWED FEDERALLY MANDATED OPERATING PERMIT

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District has made its final decision to issue the renewed Federally Mandated Operating Permit to Badger Creek Limited for its gas turbine cogeneration operation at 535 Fano Road, Bakersfield, California.

The District's analysis of the legal and factual basis for this proposed action, project #S-1083885, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. For additional information regarding this matter, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900, or contact David Warner, Director of Permit Services, in writing at SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.
San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT
HEALTHY AIR LIVING™

Permit to Operate

FACILITY: S-1250
LEGAL OWNER OR OPERATOR: BADGER CREEK LIMITED
MAILING ADDRESS: 34759 LENCIONI AVE, SUITE A
BAKERSFIELD, CA 93308
FACILITY LOCATION: HEAVY OIL CENTRAL
OILFIELD RD, CA
FACILITY DESCRIPTION: GAS TURBINE ENGINE COGENERATION SYSTEM

EXPIRATION DATE: 03/31/2014

The Facility's Permit to Operate may include Facility-wide Requirements as well as requirements that apply to specific permit units.

This Permit to Operate remains valid through the permit expiration date listed above, subject to payment of annual permit fees and compliance with permit conditions and all applicable local, state, and federal regulations. This permit is valid only at the location specified above, and becomes void upon any transfer of ownership or location. Any modification of the equipment or operation, as defined in District Rule 2201, will require prior District approval. This permit shall be posted as prescribed in District Rule 2010.

Seyed Sadredin
Executive Director / APCO

David Warner
Director of Permit Services
FACILITY: S-1250-0-2  EXPIRATION DATE: 03/31/2014

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 (12/20/07). [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

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: BADGER CREEK LIMITED
Location: HEAVY OIL CENTRAL,OILFIELD RD, CA
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, 9.13.2.3] 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 (2/17/05). 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.
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 Table of Standards 1 effective until 12/30/10 or Table of Standards 2 effective on and after 1/1/11 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. 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. 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 Part 82, Subpart B. [40 CFR Part 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 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 (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: Rule 401 (Madera, Fresno, 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); 4601, sections 5.1, 5.2, 5.3, 5.8 and 8.0 (12/17/09). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

41. No air contaminant shall be released into the atmosphere that causes a public nuisance. [District Rule 4102]

42. The facility shall comply with all applicable requirements of Rule 4663 (9/20/07). [District Rule 4663]

43. On October 22, 2004, the initial Title V permit was issued. 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

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

1. Compliance with permit conditions in the Title V permit shall be deemed compliance with following subsumed
   requirements: Rule 108 (San Joaquin), Rule 108.1 (San Joaquin), and Rule 407 (San Joaquin) as of the date of permit
   issuance. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following
   applicable requirements: 40 CFR 60.332(a), (a)(1), (a)(2), (b), and (f); 60.333 (a) and (b); 60.334(a), (b)(2), (c)(1),
   (c)(2), and (c)(3); and 60.335(b), (c)(2), (c)(3), and (d); District Rule 4703 (as amended April 25, 2002), Sections
   5.1.1, 5.2, 6.1, 6.3.1, 6.3.3, 6.4, 6.4.5, and 6.4.6; 40 CFR 60.7 (b), 60.8, 60.8(d), 60.13, and 60.13(b); District Rule
   1080 (as amended December 17, 1992), 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 District
   Rule 1081 (as amended December 16, 1993) as of the date of permit issuance. A permit shield is granted from these
   requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

2. Operations during periods of startup and shutdown shall not constitute representative conditions for the purpose of a
   performance test nor shall emissions in excess of the level of the emission limit shown in this permit during periods of
   startup and shutdown be considered a violation of the applicable emission limit unless otherwise specified in the
   applicable standard. [40 CFR 6.8 (c)] Federally Enforceable Through Title V Permit

3. Start up time shall be defined as a time during the period of time during which a unit is brought from a shutdown status
   to its operating temperature and pressure, including the time required by the unit's emission control system to reach full
   operation. Shut down shall be defined as the period of time during which a unit is taken from an operational to a non-
   operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply
   to the unit is completely turned off. The start up and shutdown time shall not to exceed two hours. [40 CFR Subpart A
   60.2; District NSR Rule and District Rule 4703, 3.26 and 3.29] Federally Enforceable Through Title V Permit

4. Gas-fired turbine shall be equipped with combustor steam injection and an SCR system utilizing ammonia as the
   reducing agent for NOx controls. [District NSR Rule and District Rule 4703, 5.1] Federally Enforceable Through Title V Permit

5. Gas-fired turbine shall be equipped with CO reactor of sufficient catalyst volume to meet CO and VOC emissions
   limits. [District NSR Rule and District Rule 4703, 5.2] Federally Enforceable Through Title V Permit

6. All gas turbine engine exhaust shall flow through catalyst bed. [40 CFR 60.7(c) and District NSR Rule] Federally
   Enforceable Through Title V Permit

7. Gas turbine combustor steam injection system shall be equipped with continuously recording steam-to-fuel injection
   rate monitoring system. [40 CFR 60.334(a); District Rule 2201; District Rule 4703, 6.2.1] Federally Enforceable
   Through Title V Permit

8. Turbine lube oil reservoir shall be equipped with mist collectors with return line to the turbine lube oil reservoir.
   [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.
9. Turbine air/oil separator shall be equipped with a heat exchanger and an air/oil final separator with return lines to turbine lube oil reservoir. [District NSR Rule] Federally Enforceable Through Title V Permit

10. Generator lube oil reservoir shall be equipped with a mist collector and two vent breathers with collection piping from generator bearings and return piping to generator lube oil reservoir. [District NSR Rule] Federally Enforceable Through Title V Permit

11. VOC emissions at gas turbine exhaust shall not exceed 5.37 lbs/hour and 128.9 lbs/day, except during periods of startup and shutdown as defined in this permit. The maximum VOC emission rate from turbine lube oil cooler/accumulating vents shall not exceed 1.9 lbs/day. [District NSR Rule] Federally Enforceable Through Title V Permit

12. The maximum VOC emissions concentration (as CH4) at turbine exhaust shall not exceed 5.33 ppmv dry at 15% O2, except during periods of startup and shutdown, and as defined in this permit. [District NSR Rule] Federally Enforceable Through Title V Permit

13. The emission rate from the gas turbine exhaust shall not exceed the following: 79.0 lbs-PM10/day, 147.9 lbs-NOx/day (as NO2), 7.0 lbs-SOx/day (SO2), and 264.0 lbs-CO/day. [District NSR Rule and District Rule 4201.] Federally Enforceable Through Title V Permit

14. The owner or operator shall not operate the gas turbine under load conditions, excluding start up, shut down, or reduced load period, which results in the measured NOx emissions concentration exceeding 3.8 ppmv @ 15% O2. [40 CFR 60.332(a)(1), (a)(2) and District Rule 4703, 5.1.2] [District NSR Rule; 40 CFR 60.332(a)(1), (a)(2) and District Rule 4703, 5.1.2] Federally Enforceable Through Title V Permit

15. The owner or operator shall not operate the gas turbine under load conditions, excluding start up, shut down, or reduced load period, which results in the measured CO emissions concentration exceeding 11 ppmv @ 15% O2. [District NSR Rule and District Rule 4703, 5.2] Federally Enforceable Through Title V Permit

16. The total particulate matter (PM) emissions from the gas turbine exhaust shall not exceed 0.1 gr/dscf. Calculations done by the SJVUAPCD show that natural gas-fired turbine emissions do not exceed this standard. No monitoring of PM is required. [District Rule 4201] Federally Enforceable Through Title V Permit

17. Ammonia slip shall not exceed 20 ppmv, and daily compliance with ammonia slip limit shall be demonstrated by means of the calculation procedure set forth as follows: \[\text{Slip} = (a - (b \times c / 1,000,000)) \times 1,000,000 / b,\] Where \(a\) = ammonia injection rate (lb/hr) / 17 (lb/lb-mol), \(b\) = dry exhaust gas flow rate (lb/hr) / 29 (lb/lb mol), and \(c\) = change in measured NOx concentration ppmv at stack O2. [District NSR Rule] Federally Enforceable Through Title V Permit

18. Compliance with NOx (ppmv), CO (ppmv), VOC (hourly), and ammonia (ppmv) emissions limits shall be demonstrated by District witnessed sample collection by independent testing laboratory annually within 60 days prior to permit anniversary date. [District NSR Rule] Federally Enforceable Through Title V Permit

19. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. Official test results and field data collected by source tests required by conditions on this permit shall be submitted to the District within 60 days of testing. [District Rule 1081, 7.0 and District Rule 4703, 6.3] Federally Enforceable Through Title V Permit

20. All CEMS data required to comply with the conditions in this permit shall be rounded to the same number of significant digits as the specified limits, but not less than two significant digits. [40 CFR 60.13 (h)] Federally Enforceable Through Title V Permit

21. Inlet gas temperature to catalyst bed shall be maintained within range recommended by catalyst manufacturer except during periods of startup and shutdown as defined in this permit. [District NSR Rule] Federally Enforceable Through Title V Permit

22. Gas turbine engine shall be fired exclusively with PUC regulated quality natural gas. The fuel gas sulfur content shall not exceed 0.25 gr H2S/100 scf. [District NSR Rule and District Rule 4801] Federally Enforceable Through Title V Permit
23. The gas turbine steam injection rate shall be maintained at a steam-to-fuel ratio that results in compliance with emissions limits except during periods of startup, shutdown, and malfunction as defined in this permit. Only malfunctions as defined in 40 CFR Part 60 qualify for this exemption. Startup and shutdown of gas turbine engine, as defined in 40 CFR Subpart A 60.2, shall not exceed a time period of three hours and one hour, respectively, per occurrence. [40 CFR Part 60, Subpart A; District NSR Rule; District Rule 4001] Federally Enforceable Through Title V Permit

24. The circular cross section exhaust stack (after SCR unit) shall be equipped with permanent provisions to allow collection of stack gas samples consistent with U.S. EPA test methods and equipped with flow straighteners, if necessary, to minimize turbulence. The facility shall comply with this and all applicable compliance testing procedures described in District Rule 1081 (amended December 17, 1992). [40 CFR Part 60; District Rule 4703; District Rule 1081, 3.0, 5.0, and 6.0]

25. Unfired heat recovery boiler shall be equipped with continuously recording NOx emissions monitors (CEMS) located ahead of SCR catalyst and continuously recording NOx, CO, and O2 emissions monitors located in boiler exhaust stack. CEMS shall meet the performance specification requirements in 40 CFR Part 60, Appendix B, 40 CFR Part 51, Appendix P, and Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the U.S. EPA. CEMS data can be used to determine compliance with emission limits. Continuous emission monitoring for NOx, CO, and O2 serving the exhaust gas stream shall conform to District Rule 1080. [District Rule 1080, 4.0 and 5.0; District NSR Rule, District Rule 4703; 40 CFR 60.13] Federally Enforceable Through Title V Permit

26. The facility shall comply with the applicable requirements for quality assurance testing and maintenance of the CEMS equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080, 6.0 and 40 CFR Part 60] Federally Enforceable Through Title V Permit

27. NOx concentrations from gas turbine exhaust shall be determined using U.S. EPA Method 7E or 20; O2 concentration shall be determined using U.S. EPA Method 3, 3A, or 20. CO emissions shall be determined using U.S. EPA Method 10 or 10B. Source test results will be provided to the District annually. U.S. EPA approved alternate test methods may also be used to address the source testing requirement of this permit. [District Rule 1081; District Rule 2520, 9.3.1; District Rule 4703, 5.1, 6.3, & 6.4; 40 CFR Subpart GG 60.335(b) and (c); 40 CFR Subpart A 60.8] Federally Enforceable Through Title V Permit

28. CEMS results shall be reduced according to the procedure established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.1.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the U.S. EPA. [District Rule 1080, 7.2] Federally Enforceable Through Title V Permit

29. Except NOx and CO emission data obtained for compliance demonstration purposes, CEMS data shall be averaged in accordance with the requirements specified under 40 CFR Part 60.13. Compliance results for NOx and CO shall be averaged over a three-hour period. [District Rule 4703, 5.0 and 6.2, 40 CFR 60.13] Federally Enforceable Through Title V Permit

30. On days of turbine engine startup/shutdown, permittee shall demonstrate compliance with NOx and CO daily emissions limits with CEMS data, fuel rate data, and daily hours of operation data. A written record of the compliance demonstration shall be maintained and made available for District inspection for a period of five years. [District Rule 1080, 7.1; District NSR Rule; District Rule 2520, 9.3.2, 9.4.2] Federally Enforceable Through Title V Permit

31. Except during system breakdowns, repairs and maintenance, calibration checks, and zero and span adjustments, the CEMS shall be in continuous operation while the turbine is operating. NOx emissions in ppmv (corrected to 15% O2) and CO and O2 concentrations must be recorded continuously (except as noted elsewhere) and data shall be reduced to 15-minute averages per 40 CFR Part 60.13 (e)(2). [District NSR Rule; 40 CFR 60.486 (b), (c), & (d)] Federally Enforceable Through Title V Permit
32. Records shall be maintained and shall contain the occurrence and duration 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, maintenance of any CEMS that have been installed pursuant to District Rule 1080; emission measurements; and daily actual local startup and stop time, length and reason for reduced load periods, daily and total hours of operation and quantity of fuel used. [District Rule 1080, 4.0 and 7.3; District NSR Rule; District Rule 4703; 40 CFR 60.332(a), (b); 40 CFR 60.7(b)] Federally Enforceable Through Title V Permit

33. Compliance with the requirements for fuel gas sulfur content and PUC regulated quality gas shall be by fuel gas sample analysis by independent testing laboratory taken at time of annual stack gas sampling. [District NSR Rule]

34. Operators of CEMS shall submit a written report 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 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 period used to determine compliance with an emission standard; applicable time and date of each period during which the CEMS was inoperative (except for zero and span checks) and the nature of system repairs and adjustments; and a negative declaration when no excess emissions occurred. For clarification, operator shall use the same averaging periods as written into the permit for demonstrating compliance. [60.7(c); District Rule 1080, 8.0] Federally Enforceable Through Title V Permit

35. Facility shall notify the APCO of a violation of any emission standards indicated by the CEMS within 96 hours of occurrence. The APCO shall be notified within eight hours after the detection of a breakdown of CEMS monitoring equipment and 24 hours prior to a planned shutdown of monitoring equipment greater than 4 hours in duration. [40 CFR 60.334(c); District Rule 1080, 9.0 and 10.0; District Rule 2520, 9.5.2] Federally Enforceable Through Title V Permit

36. Gas temperature at SCR catalyst section inlet shall be monitored by an operational temperature indicator. [District NSR Rule] Federally Enforceable Through Title V Permit

37. The operator shall monitor and record exhaust gas temperature at oxidation catalyst inlet. [District NSR Rule] Federally Enforceable Through Title V Permit

38. Ammonia injection grid shall be equipped with operational ammonia flow meter and injection pressure indicator. [District NSR Rule] Federally Enforceable Through Title V Permit

39. The requirements of 40 CFR 72.6 (b) (Acid Rain Provisions) do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

40. Any lube oil cooler/accumulating vent having visible emissions with an opacity of 5% or greater shall be tested to demonstrate compliance with VOC hourly emissions limit. Official test results/field data shall be submitted within 60 days of testing. [District NSR Rule] Federally Enforceable Through Title V Permit

41. Maximum heat input rating of General Electric LM-5000 gas-fired turbine engine, S/N 474-144, shall not exceed 457.8 MMBtu/hr and nominal generator output shall not exceed 48.5 MW. [District NSR Rule] Federally Enforceable Through Title V Permit

42. Unfired heat recovery steam generator shall not be designed for supplementary firing. [District NSR Rule] Federally Enforceable Through Title V Permit

43. Gas turbine engine shall be equipped with continuously recording fuel gas flowmeter. [District NSR Rule] Federally Enforceable Through Title V Permit

44. Installed SCR unit shall provide space for additional catalyst if source operation cannot achieve sampling limits. [District NSR Rule] Federally Enforceable Through Title V Permit

45. Steam produced at this facility for use in oil production operations shall affect only wells connected to well vent vapor recovery systems approved by District. [District NSR Rule] Federally Enforceable Through Title V Permit

46. The facility shall install and maintain equipment, facilities, and systems compatible with the District's CEM data polling software system and shall make CEM data available to the District's automated polling system on a daily basis. [District Rule 1080 and District Rule 2520] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

Facility Name: BADGER CREEK LIMITED
Location: HEAVY OIL CENTRAL, OILFIELD RD, CA
47. 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 and District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

48. Audits of monitors shall be conducted semi-annually by independent laboratory in accordance with EPA guidelines, witnessed by District, and reports shall be submitted to District within 30 days of such audit. [District NSR] Federally Enforceable Through Title V Permit

49. A written record of the compliance demonstrations for NOx and CO daily emissions limits, as required in the condition above, shall be maintained and made available for District inspection for a period of two years. [District NSR Rule]

50. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070 and 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.