OCT 10 2011

Kelly Lucas
Mid-Set Cogeneration Company
P O Box 80178
Bakersfield, CA 93380

Re: Notice of Final Action - Title V Permit Renewal
District Facility # S-2592
Project # S-1074574

Dear Mr. Lucas:

The District has issued the Final Title V Permit for Mid-Set Cogeneration Company. The preliminary decision for this project was made on August 30, 2011. No comments were received subsequent to the District preliminary decision. Enclosed are the Renewed Final Title V Permit and public notice to 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: HR/cm

Attachments

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

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

www.valleyair.org    www.healthyairliving.com
OCT 10 2011

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-2592
Project # S-1074574

Dear Mr. Rios:

The District has issued the Final Title V Permit Renewal for Mid-Set Cogeneration Company. The preliminary decision for this project was made on August 30, 2011. No comments were received subsequent to the District preliminary decision. Enclosed are the Renewed Final Title V Permit and public notice to 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: HR/cm

Attachments

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www.valleyair.org  www.healthyairliving.com
OCT 10 2011

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-2592
Project # S-1074574

Dear Mr. Tollstrup:

The District has issued the Final Title V Permit for Mid-Set Cogeneration Company. The preliminary decision for this project was made on August 30, 2011. No comments were received subsequent to the District preliminary decision. Enclosed are the Renewed Final Title V Permit and public notice to 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: HR/cm

Attachments
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 Mid-Set Cogeneration Company for its cogeneration power plant located in the Heavy Oil Western stationary source in Kern County, California.

The District's analysis of the legal and factual basis for this proposed action, project #S-1074574, 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500, 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-2592                                          EXPIRATION DATE: 02/29/2016
LEGAL OWNER OR OPERATOR: MID-SET COGENERATION COMPANY
MAILING ADDRESS: PO BOX 80178
                BAKERSFIELD, CA 93224
FACILITY LOCATION: 13705 SHALE RD
                 FELLOWS, CA
FACILITY DESCRIPTION: OIL AND NATURAL GAS PRODUCTION

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 David Warner
Executive Director / APCO

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585

APCO Director of Permit Services
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; Kern County Rule 111] 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 and Kern County Rule 111] 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, 9.9.1 and 9.13.1] 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
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 (02/17/05). 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 Kern County Rules 401] 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 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 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 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 area that anticipates more than 50 Average annual daily Trips (AADT) shall comply with the requirements of Section 5.1.1 of District Rule 8071. Any unpaved vehicle/equipment area that anticipates more than 150 vehicle trips per day (VDT) shall comply with the requirements of Section 5.1.2 of District Rule 8071. On each day that 25 or more VDT with 3 or more axles will occur on an unpaved vehicle/equipment traffic area, the owner/operator shall comply with the requirements of Section 5.1.3 of District Rule 8071. On each day when a special event will result in 1,000 or more vehicles that will travel/park on an unpaved area, the owner/operator shall comply with the requirements of Section 5.1.4 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 (9/16/2004) or Rule 8011 (8/19/2004). [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

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

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 compliance with the following outdated SIP requirements: Kern County Rule 401, Kern County Rule 111, Kern County Rules 201, 202, 203, 204, 208, and 209, Kern County Rule 410.1, and Kern County Rule 423. 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 (12/17/09); 8021 (8/19/2004); 8031 (8/19/2004); 8041 (8/19/2004); 8051 (8/19/2004); 8061 (8/19/2004); and 8071 (9/16/2004). 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 begin on 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

42. All permits for facilities #S-1128, S-1129, S-1141, and S-2592 are included in the same Heavy Oil Western stationary source. [District Rule 2201] Federally Enforceable Through Title V Permit

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

1. Operator shall maintain a stationary gas turbine operating log that includes, on a daily basis the actual local start-up and stop time, length and reason for reduced load periods, total hours of operation and quantity of fuel used. [District Rule 4703, 6.2.6; 40 CFR 60.332(a),(b) and 40 CFR Part 64] Federally Enforceable Through Title V Permit

2. A violation of NOx emission standards indicated by the NOx CEM shall be reported by the operator to the APCO within 96 hours. [District Rule 1080, 9.0 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

3. Operator shall notify the APCO no later than eight hours after the detection of a breakdown of the CEM. Operator shall inform the APCO of the intent to shut down the CEM at least 24 hours prior to the event. [District Rule 1080, 10.0 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

4. Cogeneration unit shall include General Electric, Frame 6, model PG6531(B), natural gas fired turbine engine, Pneumafil PVC media type inlet air evaporative cooler and turbine combustor water injection system for NOx control. [District NSR Rule] Federally Enforceable Through Title V Permit

5. Cogeneration unit shall include 215,000 pounds per hour unfired heat recovery steam generator, Mitsubishi selective catalytic reduction NOx control system with ammonia injection and continuously recorded emission monitors for NOx, CO and CO2. [District NSR Rule and 40 CFR Part 64] Federally Enforceable Through Title V Permit

6. Gas turbine engine shall not burn more than 11.76 MMscf/day of natural gas. [District NSR Rule] Federally Enforceable Through Title V Permit

7. All gas turbine engine exhaust shall flow through catalyst bed. [District NSR Rule] Federally Enforceable Through Title V Permit

8. Compliance with ammonia slip limit shall be demonstrated by continuously recording the following parameters and calculating the ammonia slip using the following equation: ammonia slip ppm @ 15% O2 = FNH3/ FExhaust - (NOxin - NOxout), where FNH3 = ammonia injection rate(scf/hr), FExhaust = dry exhaust gas flow rate (MMSCF/hr), NOxin = NOx into the SCR catalyst (ppm), NOxout = NOx concentration out of the SCR catalyst (ppm) at 15% O2, NH3 slip = Ammonia Slip (ppm). [District Rule 4102]

9. Turbine maximum heat input rate shall not exceed 500 MMBtu/hr (LHV) when fired on natural gas. [District NSR Rule] Federally Enforceable Through Title V Permit

10. Maximum daily emission limitations (DEL) shall not exceed the following: PM-10: 60.0 lb./day, SOx (as SO2): 14.4 lb./day, NOx (as NO2): 259.7 lb./day, VOC: 24.0 lb./day and CO: 259.2 lb./day. [District NSR Rule and District Rule 4201, 3.1] Federally Enforceable Through Title V Permit

11. Startup and shutdown of gas turbine engine, as defined in 40 CFR Subpart 60.2, shall not exceed a time period of two hours and two hours, respectively, per occurrence. [40 CFR Subpart 60.2] 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/shutdown, gas turbine engine emission rates (three-hour average) shall not exceed:
PM10: 2.50 lb/hr, SOx as SO2: 0.6 lb/hr, NOx as NO2: 9 lb/hr, VOC: 1.00 lb/hr and CO: 10.8 lb/hr. [District NSR Rule and District Rule 4201, 3.1] Federally Enforceable Through Title V Permit

13. Permittee shall report the following emission exceedances to the District: emission rates of NOx & CO on a three hour average, NSPS emission rate on one hour average, and DEL of NOx & CO during days of gas turbine engine startup/shutdown. [District NSR Rule] Federally Enforceable Through Title V Permit

14. Except during periods of gas turbine engine startup/shutdown, inlet gas temperature to catalyst bed shall be maintained within the range recommended by catalyst manufacturer of 392 degrees and 752 degrees F. [District NSR Rule and 40 CFR Part 64] Federally Enforceable Through Title V Permit

15. Except during periods of gas turbine engine startup/shutdown, gas turbine engine shall not be operated unless water injection and SCR system are operating. [District NSR Rule] Federally Enforceable Through Title V Permit

16. If water injection or SCR system are inoperative, gas turbine engine operation shall be curtailed such that compliance with emission limits is achieved. [District NSR Rule] Federally Enforceable Through Title V Permit

17. Except during periods of gas turbine engine startup/shutdown, gas temperature at ammonia injection grid shall be maintained below 2000 F. [District NSR Rule and 40 CFR Part 64] Federally Enforceable Through Title V Permit

18. On days of gas turbine engine startup/shutdown, permittee shall demonstrate compliance with NOx and CO daily emission limitations by records of calculations using CEM data, fuel rate data, and daily hours of operation data. [District NSR Rule and 40 CFR Part 64] Federally Enforceable Through Title V Permit


20. Ammonia concentration in exhaust stream shall not exceed 20 ppmv @15% O2 (three hour average). [District Rule 4102]

21. The Relative Accuracy Audit and annual compliance tests shall be conducted by an independent laboratory in accordance with EPA guidelines, and witnessed by the District. [District NSR Rule] Federally Enforceable Through Title V Permit

22. Non-compliance with emission limits shall result in either shutdown or curtailment (reduced fuel consumption) for the permit unit, and an Authority to Construct to modify emission limits shall be required. A variance from this requirement cannot be obtained. [District Rule 1100, 6.3] Federally Enforceable Through Title V Permit

23. Failure of catalysts to perform as required because of catalyst poisoning or fouling shall not be recognized as basis for Rule 1100, Section 4.0 (amended 12/17/92) enforcement exemptions. [District Rule 1100, 4.0] Federally Enforceable Through Title V Permit

24. Compliance source testing for NOx, CO, SOx, VOCs & ammonia shall be conducted annually (or as approved by the District) within 60 days prior to permit anniversary and official test results & field data submitted within 60 days thereafter. [District NSR Rule] Federally Enforceable Through Title V Permit

25. No annual source testing shall be required for SOx emissions if the turbine is fired on PUC-regulated natural gas. [District NSR Rule and 40 CFR Part 60.334(h)(3)] Federally Enforceable Through Title V Permit

26. Samples shall be collected during maximum fuel consumption, use of water and NH3 injection at desired rates, and use of evaporative coolers (if necessary, to test at maximum fuel consumption). [District NSR Rule] Federally Enforceable Through Title V Permit

27. Each one hour period in a three-hour average shall commence upon the hour. The three hour average will be compiled from the three most recent one hour periods. [District NSR Rule] Federally Enforceable Through Title V Permit

28. This facility is part of Chevron's the heavy oil western stationary source, which includes facilities S-1128, S-1129, S-1141, S-1549, and S-2592. [District NSR Rule] Federally Enforceable Through Title V Permit

29. Permittee shall report exceedances of daily emissions limits to the District. [District NSR Rule] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
30. Source testing shall be performed for VOCs according to EPA Method 25 or 18, for CO according to EPA Method 10 or 10B, and for SOx according to EPA Method 6 or 8. [District Rule 2520, 9.3.2, District Rule 4703, 6.4] Federally Enforceable Through Title V Permit

31. The owner or operator shall install, operate and maintain in calibration a system which continuously measures and records: emissions control system operating parameters, elapsed time of operation of the turbine, the fuel consumption, and the exhaust gas NOx and O2 concentrations. [District NSR Rule, District Rules 2520, 9.3.2, 4703, 6.2.1, 6.2.3 and 40 CFR 60.334(a) and 40 CFR Part 64] Federally Enforceable Through Title V Permit

32. CEM cycling times shall be those specified in 40 CFR, Part 51, Appendix P, Sections 3.4, 3.4.1 and 3.4.2, or shall meet equivalent specifications established by mutual agreement of the District, the ARB and the EPA. [District Rule 1080, 6.4] Federally Enforceable Through Title V Permit

33. The continuous NOx and O2 monitoring system shall meet all the applicable 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. [District Rule 1080, 6.3, 6.5, 6.6 and 7.2] Federally Enforceable Through Title V Permit

34. 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. [District Rule 1080, 7.1] Federally Enforceable Through Title V Permit

35. The owner or operator shall maintain records that contain the following: the occurrence and duration of any start-up, shutdown or malfunction, performance testing, evaluations, calibrations, checks, adjustments, any periods during which a continuous monitoring system or monitoring device is inoperative, maintenance of any CEM system that has been installed pursuant to District Rule 1080, Section 4.0 (as amended 12/17/92), and emission measurements. [40 CFR 60.8(b) and District Rule 1080, 7.3] Federally Enforceable Through Title V Permit

36. Operators of CEM systems installed at the direction of the APCO 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 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 period used to determine compliance with an emission standard; Applicable time and date of each period during which the CEM was inoperative, except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. [District NSR Rule and District Rule 1080, 8.0] Federally Enforceable Through Title V Permit

37. APCO or an authorized representative shall be allowed to inspect, as he or she determines to be necessary, the monitoring devices required by District Rule 1080, Section 11.0 (amended 12/17/92) to ensure that such devices are functioning properly. [District Rule 1080, 11.0] Federally Enforceable Through Title V Permit

38. The owner or operator shall be required to conform to the compliance testing and sampling procedures described in District Rule 1081, Sections 3.0 through 7.0 (as amended 12/16/93). [District Rule 1081, 3.0 through 7.0] Federally Enforceable Through Title V Permit

39. This unit shall be fired exclusively on PUC-quality natural gas which has a sulfur content of less than or equal to 0.017% by weight. [District NSR Rule, District Rule 4801; 40 CFR 60.333(a) and (b); and Kern County Rule 407] Federally Enforceable Through Title V Permit

40. If this unit is not fired on PUC-regulated natural gas, the sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. [District NSR Rule, District Rule 4801; 40 CFR 60.334(h)(1); and Kern County Rule 407] Federally Enforceable Through Title V Permit

41. If this unit is not fired on PUC-regulated natural gas, then the sulfur content of the natural gas being fired in the turbine shall be determined using the Gas Processors Association Method 2377 or ASTM method D 1072, D 4084 or D 3246. [40 CFR 60.335(b)(10)] 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.
42. 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 and Kern County Rule 407] Federally Enforceable Through Title V Permit

43. Thermal Stabilization Period shall be defined as the start up or shut down time during which the exhaust gas is not within the normal operating temperature range, not to exceed two hours. [District Rule 4703, 3.26 and 3.29] Federally Enforceable Through Title V Permit

44. The owner or operator shall annually source test the exhaust emissions for NOx and CO concentration corrected to 15% O2 (dry). EPA Methods 7E or 20 shall be used for NOx emissions. EPA Methods 10 or 10B shall be used for CO emissions. EPA Methods 3, 3A, or 20 shall be used for Oxygen content of the exhaust gas. Results of the CEM system shall be averaged over a three hour period, using consecutive 15-minute sampling periods. [District Rule 4703, 5.1, 6.3.1, 6.4.1, 6.4.2, and 6.4.3] Federally Enforceable Through Title V Permit

45. 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

46. The owner or operator of a stationary gas turbine system shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 2520, 9.4.2 and 4703, 6.2.4] Federally Enforceable Through Title V Permit

47. Results of the CEM system shall be averaged over a one hour period, using consecutive 15-minute sampling periods in accordance with 40 CFR 60.13(e)(2) and (h). [40 CFR 60.13(e)(2) and (h); 40 CFR 60.334(a), (b)(2), (c) and District Rule 4703, 6.2.2 and 6.2.3 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

48. The owner or operator shall not operate the gas turbine under load conditions, excluding the thermal stabilization period or reduced load period, which results in the measured NOx emissions concentration exceeding the following: 5 ppmv @ 15% O2 averaged over a three hour period, for the standard option. [District Rule 4703, 5.1] Federally Enforceable Through Title V Permit

49. The owner or operator shall not operate the gas turbine under load conditions, excluding the thermal stabilization period or reduced load period, which results in the measured CO emissions concentration exceeding 200 ppmv @ 15% O2 averaged over a three hour period. [District Rule 4703, 5.2] Federally Enforceable Through Title V Permit

50. The HHV and LHV of the fuel combusted shall be determined using ASTM D3588, ASTM 1826, or ASTM 1945. [40 CFR 60.332(a) and (b) and District Rule 4703, 6.4.5] Federally Enforceable Through Title V Permit

51. Compliance with permit conditions in the Title V permit shall be deemed compliance with Kern County Rule 407 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

52. 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) and (b), 60.333 (a) and (b); 60.334(a), (c)(2), (c)(3), and 60.335(b), (c)(3), and (d); District Rule 4201 (as amended 12/17/92), Section 3 and 4703 (as amended 9/20/07), Sections 5.1.2, 5.2, 6.1, 6.2.1, 6.3.1, 6.3.3, 6.4.1, 6.4.2, 6.4.3, and 6.4.5 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

53. 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) 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

These terms and conditions are part of the Facility-wide Permit to Operate.
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: S-2592-2-2
EXPIRATION DATE: 02/29/2016

EQUIPMENT DESCRIPTION:
TRANSPORTABLE TIER-3 CERTIFIED DIESEL-FIRED IC ENGINE UP TO 532 HP POWERING AN ELECTRICAL GENERATOR

PERMIT UNIT REQUIREMENTS

1. Permittee shall provide written notification to the District within 48 hours of operating an IC engine under this permit (if unit is located onsite longer than 24 hours). Such notification shall include the date the engine was brought onsite, the manufacturer, model number, maximum rated horsepower, and emissions information that documents that the engine meets the emission limits and requirements specified in the permit. [District Rule 1070] Federally Enforceable Through Title V Permit

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

3. This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702] Federally Enforceable Through Title V Permit

4. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit

5. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit

6. The engine shall be equipped with an operational nonresettable elapsed time meter or other APCO approved alternative. [District Rule 4702] Federally Enforceable Through Title V Permit

7. This nonroad transportable engine shall not be operated at one location for more than 12 consecutive months and shall meet all the requirements of a nonroad transportable engine, per CFR Title 40 Part 89. [CCR, Title 17 and District Rule 4701] Federally Enforceable Through Title V Permit

8. The engine shall not operate unless the gas turbine engine operating under permit S-2592-1 is shutdown. [District Rule 2201] Federally Enforceable Through Title V Permit

9. During periods of operation, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702] Federally Enforceable Through Title V Permit

10. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]

11. Operation of the engine shall not exceed 200 hours per year, as determined by an operational nonresettable elapsed operating time meter or other APCO approved alternative. [District Rules 2201, 4102, and 4702] Federally Enforceable Through Title V Permit

12. Emissions from the IC engine shall not exceed any of the following limits: 2.80 g-NOx/bhp-hr, 2.61 g-CO/bhp-hr, or 0.20 g-VOC/bhp-hr. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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13. The PM10 emissions rate from the engine shall not exceed 0.15 g/hp-hr based on US EPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit

14. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight shall be consumed by the engine. [District Rule 4801 and 17 CCR 93115] Federally Enforceable Through Title V Permit

15. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit

16. The permittee shall maintain an engine-operating log to demonstrate compliance. The engine operating log shall include, on a monthly basis, the following information: total hours of operation, type of fuel used, maintenance or modifications performed, monitoring data, and any other information necessary to demonstrate compliance with Rule 4702. [District Rule 4702] Federally Enforceable Through Title V Permit

17. 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 Rule 4702] Federally Enforceable Through Title V Permit

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