MAR 15 2011

Dan Consie
Live Oak Limited
34759 Lencioni Avenue
Bakersfield, CA 93308

Re: Notice of Preliminary Decision - Title V Permit Renewal
District Facility # S-172
Project # S-1074960

Dear Mr. Consie:

Enclosed for your review and comment is the District’s analysis of the application to renew the Federally Mandated Operating Permit for Live Oak Limited for its cogeneration power plant located in the Heavy Oil Central stationary source in Kern 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW:HR/dg

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) 230-8000  FAX: (559) 230-8061

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

www.valleyair.org  www.healthyairliving.com
MAR 15 2011

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 # S-172
Project # S-1074960

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 Live Oak Limited for its cogeneration power plant located in the Heavy Oil Central stationary source in Kern 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW:HR/dg

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Modesto, CA 95355-8718
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) 230-8061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-8725
Tel: 661-392-5500 FAX: 661-392-5585

www.valleyair.org www.healthyairliving.com
MAR 15 2011

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 # S-172
   Project # S-1074960

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 Live Oak Limited for its cogeneration power plant located in the Heavy Oil Central stationary source in Kern 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW:HR/dg

Attachments

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-8475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6081

Southern Region
34846 Flyover Court
Bakersfield, CA 93308-9725
Tel: 861-392-5600 FAX: 861-392-5585

www.valleyair.org www.healthyairliving.com
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 Live Oak Limited for its cogeneration power plant located in the Heavy Oil Central stationary source in Kern County, California.

The District’s analysis of the legal and factual basis for this proposed action, project #S-1074960, 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.
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TITLE V PERMIT RENEWAL EVALUATION
Cogeneration Power Plant

Engineer: Homero Ramirez
Date: March 2, 2011

Facility Number: S-172
Facility Name: Live Oak Limited
Mailing Address: 34759 Lencioni Avenue,
Bakersfield, CA 93308

Contact Name: Raymond Rodriguez
Phone: (661) 393-6885

Responsible Official: Dan Consie
Title: Plant Manager

Project #: S-1074960
Deemed Complete: October 10, 2007

I. PROPOSAL

Live Oak Limited was issued a Title V permit on May 1, 1998. 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 last renewal of the 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

Live Oak Limited is located at 7001 Granite Road, within Kern County's Heavy Oil
Central stationary source. USGS NW/4 Section 18, Township 28S, Range 28E
MDB&M.
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 is requesting to use the following model general permit Templates:

A. Template SJV-UM-0-3 Facility Wide Umbrella

The applicant has requested to utilize template No. SJV-UM-0-2, Facility Wide Umbrella which has been updated to Template SJV-UM-0-3. Based on the information submitted in the Template Qualification Form, the applicant qualifies for the use of this template (SJV-UM-0-3).

B. Template SJV-GT-1-3 Series 1 Gas Turbines

The applicant has requested to utilize template No. SJV-GT-1-3, Series 1 Gas Turbines for the 48 MW Stewart & Stevenson General Electric LM-5000 natural gas-fired turbine for permit number S-172-1-14.

The applicant qualifies to use this template but the template has not been updated to the current version of District Rule 4703 (amended September 20, 2007). Therefore, the template SJV-GT-1-3 will not be used in this evaluation.

V. SCOPE OF EPA AND PUBLIC REVIEW

Certain segments of the proposed Renewed Operating Permit are based on model general permit templates that have been previously subject to EPA and public review. The terms and conditions from the model general permit templates are included in the proposed permit and are not subject to further EPA and public review.

For permit applications utilizing model general permit templates, public and agency comments on the District's proposed actions are limited to the applicant's eligibility for model general permit template, applicable requirements not covered by the model general permit template, and the applicable procedural requirements for issuance of Title V Operating Permits.
The following permit conditions, including their underlying applicable requirements, originate from model general permit templates and are not subject to further EPA or public review:

- Conditions 1 through 40 of permit unit S-172-0.

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 September 21, 2006 ⇒ December 18, 2008)

- 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 4663, Organic Solvent Cleaning, Storage, and Disposal
  (amended December 20, 2001 ⇒ amended September 20, 2007)

- 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)

  (amended December 22, 2008)

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

B. Rules Not Updated

- District Rule 1070, Inspections (amended December 17, 1992)

- District Rule 1080, Stack Monitoring (amended December 17, 1992)

- District Rule 1081, Source Sampling (amended December 16, 1993)

- District Rule 1160, Emission Statements (adopted November 18, 1992)

- District Rule 2010, Permits Required (amended December 17, 1992)

- District Rule 2031, Transfer of Permits (amended December 17, 1992)

- District Rule 2040, Applications (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 51, Appendix P, Minimum Emissions Monitoring Requirements

• 40 CFR Part 60, Subpart KKKK, Standards of Performance for Stationary Combustion Turbines


• 40 CFR Part 64, Compliance Assurance Monitoring


• 40 CFR Part 82, Subpart B, Stratospheric Ozone (amended November 30, 1997)

• 40 CFR Part 82, Subpart F, Stratospheric Ozone (amended September 18, 2003)

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

   S-172-0-2: Facility-Wide Requirements

   • Condition 42 of the proposed permit is based on this rule.

   S-172-1-14: 48 MW Gas Turbine Engine Cogeneration System

   • Conditions 29 and 43 of the proposed permits are based on this rule.
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 last renewal of the Title V permit.

A. District Rule 2020 - Exemptions

District Rule 2020 lists equipment which is specifically exempt from obtaining permits and specifies recordkeeping requirements to verify such exemptions. This rule was amended on December 20, 2007. 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 3.24, 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 2520 - Federally Mandated Operating Permits

District Rule 2520 has not been amended since the last renewal of the facility's Title V permit. There are no federally applicable Greenhouse Gas (GHG) requirements for this source. It should be noted that the Mandatory
Greenhouse Gas Reporting rule (40CFR Part 98) is not included in the
definition of an applicable requirement within Title V (per 40CFR 71.2).
Therefore, there will be no further discussion of GHG in this evaluation.

D. District Rule 4663 - Organic Solvent Cleaning, Storage, and Disposal

This rule is to limit the emissions of volatile organic compounds (VOCs) from
organic solvent cleaning and from the storage and disposal of solvents and
waste solvent materials.

The provisions of this rule applies to any organic solvent cleaning performed
outside a degreaser during the production, repair, maintenance, or servicing
of parts, products, tools, machinery, equipment, or in general work areas at
stationary sources. The rule is also applicable for the storage and disposal
of all solvents and waste solvent materials at stationary sources. This rule
was amended September 20, 2007.

S-172-0-2: Facility-Wide Requirements

- Conditions 43 and 44 of the permit were revised to reflect the reduced
  VOC content in organic solvents.
- Conditions 44-49 of the permit were revised to reflect the updated Rule
  Sections.
- Conditions 43-51 of the permit ensure compliance with the revised
  requirements of 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. Sections 2, 3, 4, 5, 6, 7, and 8 of this rule have been updated.

Other than the revision to the updated rule sections and the revision date of
the rule, the amendments to this rule do not have any effect on current
permit requirements as the gas turbine engines currently meet the
requirements of the amended rule.
S-172-1-14: 48 MW Gas Turbine Engine Cogeneration System

- Condition 6 of the proposed permits was revised to reflect the updated Rule sections.
- Condition 22 of the proposed permits was revised to reflect the latest revision date of the Rule.
- Conditions 2, 4, 6, 10-12, 14, 16-19, 22, 34, 37-39, 42, 45 of the proposed permits assure compliance with the rule.

F. 40 CFR 60, Subpart A - General Provisions

Numerous EPA air emissions standards require specific work practices for equipment leak detection and repair. On April 6, 2006, EPA proposed a voluntary alternative work practice for leak detection and repair using a newly developed technology, optical gas imaging. The alternative work practice is an alternative to the current leak detection and repair work practice, which is not being revised. The proposed alternative has been amended in this final rule to add a requirement to perform monitoring once per year using the current Method 21 leak detection instrument. This action revises the General Provisions to incorporate the final alternative work practice. This subpart was amended on December 22, 2008.

Since the permit units are not subject to leak detection conditions using Method 21 leak detection instrument, the amended provisions are not applicable the subject gas turbines.

S-172-1-14: 48 MW Gas Turbine Engine Cogeneration System

- Conditions 36 and 44 of the proposed permits assure compliance with the rule.

G. 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 NO\textsubscript{x} emissions, the amended provisions are not applicable this gas turbine.

S-172-1-14: 48 MW Gas Turbine Engine Cogeneration System

- Conditions 22, 37, and 38 of the proposed permits assure compliance with the rule.

H. 40 CFR Part 64 - Compliance Assurance Monitoring

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.

S-172-1-14: 48 MW Gas Turbine Engine Cogeneration System

These permit units have emissions limits for all five criteria pollutants (NO\textsubscript{x}, SO\textsubscript{x}, PM\textsubscript{10}, CO, and VOC). There are no add-on controls for VOC, SO\textsubscript{x}, and PM\textsubscript{10}, therefore CAM is not applicable for VOC, SO\textsubscript{x} and PM\textsubscript{10}.

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. Therefore, CAM is not applicable and the equipment is exempt from CAM requirements for NO\textsubscript{x} and CO emissions.

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

1. Model General Permit Template SJV-UM-0-3

By submitting Model General Permit Template SJV-UM-0-3 qualification form, the applicant has requested that a permit shield be granted for all the applicable requirements identified by the template. Therefore, the permit shields as granted in Model General Permit Template are included as conditions 39 and 40 of the facility-wide requirements (S-172-0-2).

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 B

Previous Title V Operating Permit
ATTACHMENT C

Detailed Facility List
ATTACHMENT A

Draft Renewed Title V Operating 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; 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. (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 Rules 2010, 3.0 and 4.0; 2020 and Kern County Rule 201] 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. (2292) 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. (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

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.
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 all records required to be kept by the permittee 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

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 Kern County Rules 401] Federally Enforceable Through Title V Permit

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 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 Rule 8011] Federally Enforceable Through Title V Permit

34. Any unpaved vehicle/equipment area that anticipates more than 50 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 150 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 (8/19/04) or Rule 8011 (8/19/04). [District Rule 8071 and Rule 8011] Federally Enforceable Through Title V Permit

35. (2319) 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. (2320) 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. (2321) 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. (2322) 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: SJVUAAPCD 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 (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 (8/19/04). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

41. 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 8 hours after detection of a breakdown in monitoring equipment and 24 hours prior to a planned shut down of monitoring equipment. [District Rule 2520, 9.6.2; Rule 1080, 9.0 and 10.0; Kern County Rule 198; 40 CFR 60.334(c) and 40 CFR Part 64] Federally Enforceable Through Title V Permit

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

43. An owner or operator shall not use organic solvents for cleaning operations that exceed the VOC content limits specified as follows: A) Product cleaning during manufacturing process or surface preparation for adhesive application; 1) general, 25 g/l (0.21 lb/gal) and 2) electrical apparatus components and electronic components, 100 g/l (0.84 lbgal); B) repair and maintenance cleaning, 1) 25 g/l (0.21 lb/gal) and 2) electrical apparatus components and electronic components 100 g/l (0.84 lb/gal); C) cleaning of coating or adhesive application equipment, 25 g/l (0.21 lb/gal) [District Rule 4663, 5.1] Federally Enforceable Through Title V Permit

44. Cleaning activities that use solvents with a VOC content greater than 25 g/l (0.21 lb/gallon) shall be performed by one or more of the following methods: 1) wipe cleaning; 2) application of solvent from hand-held spray bottles from which solvents are dispensed without a propellant-induced force; 3) non-atomized solvent flow method in which the cleaning solvent is collected in a container or a collection system which is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container, or, 4) solvent flushing method in which the cleaning solvent is discharged into a container that is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container. The discharged solvent from the equipment must be collected into containers without atomizing into the open air. The solvent may be flushed through the system by air or hydraulic pressure, or by pumping. [District Rule 4663, 5.2.5] Federally Enforceable Through Title V Permit

45. Solvent shall not be atomized into the open air unless it is vented to a VOC emission control system. This provision shall not apply to the cleaning of nozzle tips of automated spray equipment systems, except for robotic systems, and cleaning with spray bottles or containers described elsewhere in this permit. [District Rule 4663, 5.2.6] 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.
46. An owner or operator shall not use VOC-containing materials to clean spray equipment used for the application of coatings, adhesives, or ink, unless an enclosed system or equipment that is proven to be equally effective at controlling emissions is used for cleaning. If an enclosed system is used, it must totally enclose spray guns, cups, nozzles, bowls, and other parts during washing, rinsing and draining procedures, and it must be used according to the manufacturer's recommendations and must be closed when not in use. [District Rule 4663, 5.2.7] Federally Enforceable Through Title V Permit

47. All fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, etc., coatings, adhesives, catalysts and thinners shall be stored in closed, non-absorbent and non-leaking containers. [District Rule 4663, 5.4] Federally Enforceable Through Title V Permit

48. In lieu of complying with the requirements in Table 1, an owner or operator may comply with this rule by using a VOC emission collection and control system in association with the solvent cleaning operation as provided in District Rule 4663, 5.2 (Adopted September 20, 2007). [District Rule 4663, 5.3] Federally Enforceable Through Title V Permit

49. An owner or operator shall maintain the records required by District Rule 4663, Sections 6.2.2 through 6.2.6 (Amended September 20, 2007) at the stationary source for a period of five years. The records shall be made available to the APCO upon request. [District Rules 1070 and 4663, 6.2.1] Federally Enforceable Through Title V Permit

50. The VOC content of solvents and organic materials shall be determined by using United States Environmental Protection Agency (EPA) Test Method 24 or 24A, or South Coast Air Quality Management District (SCAQMD) Method 304 (Determination of Volatile Organic compounds in Various Materials), or by using the manufacturer's product formulation data and the formula for "Grams of VOC per liter of Material" in Section 3.0. [District Rule 4663, 6.3.1.1] Federally Enforceable Through Title V Permit

51. The content of exempt halogenated VOCs shall be determined by using the California Air Resources Board (ARB) Test Method 432 or SCAQMD Test Method 303 (Determination of Exempt Compounds). [District Rule 4663, 6.3.1.2] Federally Enforceable Through Title V Permit

52. The facility shall comply with all applicable requirements regarding preparation and implementation of a Risk Management Plan and shall abide by all applicable sections of 40 CFR Part 68. [40 CFR Part 68] Federally Enforceable Through Title V Permit

53. The reporting periods for the Report of Required Monitoring and the Compliance Certification Report begins May 1 of each 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
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: S-172-1-14
EXPIRATION DATE: 04/30/2008
SECTION: NW1/8  TOWNSHIP: 28S  RANGE: 28E
EQUIPMENT DESCRIPTION:
NOMINALLY RATED 48 MW G.T.E. COGENERATION SYSTEM WITH SCR INCLUDING STEWART & STEVENSON GE
LM-5000 GAS TURBINE GENERATOR, HEAT RECOVERY STEAM GENERATOR, AND INLET AIR ABSORPTION
CHILLER AND HEAT EXCHANGER

PERMIT UNIT REQUIREMENTS

1. Gas-fired turbine shall be equipped with combustor steam injection and a selective catalytic reduction (SCR) system utilizing ammonia as the reducing agent for NOx controls. [District Rules 2201 and 4703, 5.1] Federally Enforceable Through Title V Permit

2. Gas-fired turbine shall be equipped with carbon monoxide (CO) catalytic oxidizer of sufficient catalyst volume to meet CO and VOC emissions limits. [District Rules 2201 and 4703, 5.2] Federally Enforceable Through Title V Permit

3. The gas turbine steam injection rate shall be maintained at a steam to fuel ratio which 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 60 qualify for this exemption. [40 CFR Part 60, Subpart A and 40 CFR Part 64] Federally Enforceable Through Title V Permit

4. Gas turbine combustor steam injection system shall be equipped with continuously recording steam and fuel injection rate monitoring system, accurate to within +/- 5%. [District Rules 2201 and 4703, 6.2; 40 CFR 60.334(a) and 40 CFR Part 64] Federally Enforceable Through Title V Permit

5. The gas turbine shall be fired exclusively with PUC regulated or FERC regulated natural gas, with fuel gas sulfur content not to exceed 1 grain S/100 scf. [District Rules 2201 and 4801; 40 CFR Part 60.332(a) and 60.333(a) & (b); and Kern County Rule 407] Federally Enforceable Through Title V Permit

6. Startup and shutdown and reduced load period of the gas turbine, as defined in this permit, in 40 CFR Subpart A 60.2, and in Rule 4703 shall not exceed a time period of two hours and one hour, respectively, per occurrence. Emission concentrations subsequent to this startup period shall not exceed the limits specified in this permit, except during shutdown. [District Rules 2201 and 4703, 3.23, 3.26, 3.29 and 40 CFR Subpart A 60.2] Federally Enforceable Through Title V Permit

7. 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. This requirement only applies to the subsumed NOx and SO2 emission standards under NSPS subpart GG for Stationary Gas Turbines. [40 CFR Part 60.8(c)] Federally Enforceable Through Title V Permit

8. The maximum VOC emission concentration at turbine exhaust shall not exceed 0.6 ppmv dry at 15% O2, except during periods of startup and shutdown, and as defined in 40 CFR 60, Subpart A [District Rule 2201] Federally Enforceable Through Title V Permit

9. Total VOC emissions, including those from the gas turbine exhaust and lube oil vents shall not exceed 0.58 lb/hr and 14.0 lb/day, except during periods of startup and shutdown. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.
10. The emission rate from the gas turbine exhaust shall not exceed the following: PM10: 66.3 lb/day, NOx (as NO2): 138.7 lb/day, SOx (as SO2): 31.1 lb/day, and CO: 261.6 lb/day. [District Rules 2201 and 4201; 4703, 5.1, 5.2 and 40 CFR Part 60.332(a) and 333(b)] Federally Enforceable Through Title V Permit

11. Nitrogen oxides (as NO2) concentration from the gas turbine exhaust stack shall not exceed 3.6 ppmv dry calculated to 15% O2, except during periods of startup and shutdown. [District Rules 2201 and 4703, 5.1 and 40 CFR Part 60.332(a)] Federally Enforceable Through Title V Permit

12. Carbon monoxide (CO) concentration from the gas turbine exhaust stack shall not exceed 11 ppmv dry calculated to 15% O2, except during periods of startup and shutdown. [District Rules 2201 and 4703, 5.2] Federally Enforceable Through Title V Permit

13. The total particulate matter (PM) emissions from the gas turbine exhaust shall not exceed 0.1 gr/dscf. [District Rule 4201; Kern County Rule 404] Federally Enforceable Through Title V Permit

14. The circular cross section exhaust stack (after SCR unit) shall be equipped with permanent provisions to allow collection of stack gas samples consistent with 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 16, 1993). [District Rules 2201 and 1081; 4703, 6.2; Kern County Rule 108.1 and 40 CFR Part 60] Federally Enforceable Through Title V Permit

15. CEM data can be used in addition to stack testing to determine compliance with the NOx and CO concentrations and daily emission rates. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

16. Unfired heat recovery steam generator turbine exhaust for the unit shall be equipped with continuous emissions monitors (CEM) for NOx, CO, and O2. The continuous NOx monitoring system shall meet the performance specification requirements in 40 CFR, Part 60, Appendix B, Spec 2, 40 CFR Part 60, Appendix F, 40 CFR Part 51, Appendix P, and 40 CFR Part 60.7(c), 60.7(d) and 60.13 or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rules 2201 and 1080; 4703, 6.2.1, 6.2.3; Kern County Rule 108; 40 CFR Part 60 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

17. The facility shall comply with the applicable requirements for quality assurance testing and maintenance of the CEM equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rules 1080, 6.0; 4703, 6.2.3; 40 CFR Part 60 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

18. CEM results shall be reduced according to the procedure established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. [District Rules 1080, 7.2; 4703, 6.2.3; Kern County Rule 108 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

19. Except for NOx and CO emission data obtained for compliance demonstration purposes, CEM 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, 6.2.3 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

20. Facility shall maintain on file copies of all natural gas fuel invoices, natural gas bills, gas purchase contracts, supplier certifications, and test results used to determine compliance with the requirements of this permit unit. [District Rule 2520, 9.3.2 and 40 CFR Part 60.334(b)2 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

21. 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 CEM 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. [District Rules 1080, 8.0; 2520, 9.6.1; Rule Kern County Rule 108; 40 CFR 60.7(c) and 40 CFR Part 64] Federally Enforceable Through Title V Permit
22. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: SJVUAPCD Rules 1080, sections 4.0, 6.5, 7.2, 7.3, 8.0, 9.0, and 10.0 (Amended December 17, 1992); 1081 (Amended December 16, 1993); 4201 (Amended December 17, 1992); 4703 sections 5.0, 5.1, 5.2, 6.2.1, 6.2.2, 6.2.4, 6.3, and 6.4 (Amended September 20, 2007); 4801 (Amended December 17, 1992); 40 CFR 60.332(a),(b), 60.333(a),(b),(c); 60.334(a),(c); and 60.335(b),(c); and 40 CFR 64. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

23. The requirements of 40 CFR 72.6(b) (Acid Rain Provisions) do not apply to this source because it is a cogeneration facility that meets the exemption definition of 40 CFR Part 72.6(b)(4) and (b)(5). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

24. All permits issued to facilities S-172, S-1118, S-1119, S-1120 and S-2049 are included in the same heavy oil central stationary source. [District Rule 2201] Federally Enforceable Through Title V Permit

25. Unfired heat recovery steam generator shall not be designed for supplementary firing. [District Rule 2201] Federally Enforceable Through Title V Permit

26. Gas turbine and generator lube oil atmospheric vents shall be equipped with mist eliminators. [District Rule 2201] Federally Enforceable Through Title V Permit

27. Gas temperature at SCR catalyst section inlet shall be monitored by operational temperature indicator. [District Rule 2201] Federally Enforceable Through Title V Permit

28. Ammonia injection grid shall be equipped with operational ammonia flowmeter and injection pressure indicator. [District Rule 2201] Federally Enforceable Through Title V Permit

29. Ammonia slip shall not exceed 20 ppmv and daily compliance with ammonia slip shall be demonstrated by means of the calculation procedure set forth as follows: Ammonia slip shall be calculated as: slip = (a-(bxc/1,000,000)) x 1,000,000/b, where a = ammonia injection rate (lb/hr)/17(lb/lb.mol), and b= dry exhaust gas flow rate (lb/hr)/29(lb/lb.mol), and c = change in measured NOx concentration ppmv at stack O2. The "daily compliance" requirement can be met with a daily average ammonia slip value, as calculated pursuant to this condition. [District Rule 4102]

30. Inlet gas temperature to catalyst bed shall be maintained within range recommended by catalyst manufacturer except during periods of startup and shutdown as defined herein. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

31. All gas turbine exhaust shall flow through catalyst bed. [District Rule 2201] Federally Enforceable Through Title V Permit

32. The operator shall monitor and record exhaust gas temperature at oxidation catalyst inlet, and if average temperature exceeds 800 deg. F., shall establish that VOC control satisfies BACT requirement. [District Rule 2201] Federally Enforceable Through Title V Permit

33. Compliance with fuel gas sulfur limit shall be demonstrated by fuel gas sample analysis by independent testing laboratory taken at time of annual stack gas sampling. Official test results and field data collected to comply with this condition and shall be submitted to the District within 60 days of testing. Certification of the sulfur content by the gas supplier is an acceptable alternative for verifying compliance. [District Rules 2201 and 2520, 9.3.2] Federally Enforceable Through Title V Permit

34. Facilities shall demonstrate compliance with NOx and CO daily emissions limits by use of CEM data, fuel rate data, and daily hours of operation data. A written record of the required compliance demonstrations shall be maintained and made available for District inspection for a period of five years. [District Rules 2201 and 2520, 9.3.2 and 9.4.2 and 4703, 6.2.4 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

35. Any lube oil cooler/accumulating vent having visible emissions with an opacity of 5% or greater shall be tested to demonstrated compliance with lube oil cooler/accumulating vent VOC hourly emissions limit. Official test results and field data collected shall be submitted within 60 days of testing. [District Rule 2201] Federally Enforceable Through Title V Permit
36. 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) and 40 CFR Part 64] Federally Enforceable Through Title V Permit

37. 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 CEM 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, total hours of operation and daily quantity of fuel used. [District Rules 1080; 4703, 6.2.6, 7.3; Kern County Rule 108; 40 CFR 60.332(a), (b); and 40 CFR Part 64] Federally Enforceable Through Title V Permit

38. The concentration of nitrogen oxides (NOx) from the gas turbine streams shall be determined using EPA Method 7E or 20, and oxygen (O2) concentration shall be determined using EPA Method 3, 3A, or 20. Carbon monoxide (CO) emissions shall be determined using EPA Test Methods 10 or 10B. Source test results will be provided to the District annually. EPA approved alternative test methods may also be used to address the source testing requirements of this permit. [District Rule 1081; District Rule 2520, 9.3; District Rule 4703, 5.1, 5.2 & 6.4; 40 CFR Subpart GG 60.335(b) and (c); 40 CFR Subpart A 60.8 and 40 CFR 60.332(a) & (b)] Federally Enforceable Through Title V Permit

39. A written record of the compliance demonstration with NOx and CO daily emissions limits during gas turbine engine startup/shutdown shall be maintained and made available for District inspection for a period of five years. [District Rules 2201 and 2520, 9.4.2 and 4703, 6.2.4] Federally Enforceable Through Title V Permit

40. Audits of monitors shall be conducted quarterly, except during quarters in which RATA 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 the quarterly compliance reports to the District. [District Rule 2201] Federally Enforceable Through Title V Permit

41. Compliance with the VOC (hourly) emission limit shall be demonstrated by sample collection taken by independent testing laboratory annually within 60 days prior to permit anniversary date. The District shall be notified prior to the completion of any sampling event. [District Rule 2201] Federally Enforceable Through Title V Permit

42. 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 Rules 1081, 7.0; 4703, 6.3 and Kern County Rule 108.1] Federally Enforceable Through Title V Permit

43. Compliance with the ammonia slip (ppmv) emission limits shall be demonstrated by sample collection taken by independent testing laboratory annually within 60 days prior to permit anniversary date. The District shall be notified prior to the completion of any sampling event. Official test results and field data collection shall be submitted to the District within 60 days of testing. [District Rule 4102]

44. Except during system breakdowns, repairs and maintenance, calibration checks, and zero and span adjustments, the continuous emission monitoring system shall be in continuous operation. NOx emissions in ppmv (corrected to 15% O2) and O2 concentrations must be recorded continuously (except as noted before) and data shall be reduced to 15 minute averages per 40 CFR Part 60.13(c)(2). [District Rule 2201; 40 CFR 60.486 paragraph b, c and d and 40 CFR Part 64] Federally Enforceable Through Title V Permit

45. Gas turbine engine shall not be operated unless steam injection system, selective catalytic reduction system, and oxidation catalyst system are operating, except during periods of startup and shutdown as defined herein. [District Rules 2080, 4703, 5.1, 5.2 and 40 CFR Part 60] Federally Enforceable Through Title V Permit

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

Previous Title V Operating Permit
Permit to Operate

FACILITY: S-172
LEGAL OWNER OR OPERATOR: LIVE OAK LIMITED
MAILING ADDRESS: 34759 LENCIONI AVE, SUITE A
BAKERSFIELD, CA 93308
FACILITY LOCATION: HEAVY OIL CENTRAL
7001 GRANITE RD, CA 93308
FACILITY DESCRIPTION: OIL & GAS PRODUCTION

EXPIRATION DATE: 04/30/2008

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-172-0-1  EXPIRATION DATE: 04/30/2008

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 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

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: LIVE OAK LIMITED
Location: HEAVY OIL CENTRAL 7001 GRANITE RD, CA 93308

S-172-0-1 / Feb 16 2013 3:55PM - ZAMMET18
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 (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.
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 10.0] 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 (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 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 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 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); 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. 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 8 hours after detection of a breakdown in monitoring equipment and 24 hours prior to a planned shut down of monitoring equipment. [District Rule 2520, 9.6.2; Rule 1080, 9.0 and 10.0; Kern County Rule 108; 40 CFR 60.334(c) and 40 CFR part 64] Federally Enforceable Through Title V Permit

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

43. An owner or operator shall not use organic solvents for cleaning operations that exceed the VOC content limits specified as follows: A) Product cleaning during manufacturing process or surface preparation for adhesive application; 1 general, 50 g/l (0.42 lb/gal) and 2 electrical apparatus components and electronic components, 500 g/l (4.2 lb/gal); B) repair and maintenance cleaning, 1) 50 g/l (0.42 lb/gal) and 2) electrical apparatus components and electronic components 900 g/l (7.5 lb/gal); C) cleaning of coating or adhesive application equipment, 550 g/l (4.6 lb/gal) [District Rule 4663, 5.1.2] Federally Enforceable Through Title V Permit

44. Cleaning activities that use solvents with a VOC content greater than 50 g/l (0.42 lb/gallon) shall be performed by one or more of the following methods: 1) wipe cleaning; 2) application of solvent from hand-held spray bottles from which solvents are dispensed without a propellant-induced force; 3) non-atomized solvent flow method in which the cleaning solvent is collected in a container or a collection system which is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container, or; 4) solvent flushing method in which the cleaning solvent is discharged into a container that is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container. The discharged solvent from the equipment must be collected into containers without atomizing into the open air. The solvent may be flushed through the system by air or hydraulic pressure, or by pumping. [District Rule 4663, 5.2.1] Federally Enforceable Through Title V Permit

45. Solvent shall not be atomized into the open air unless it is vented to a VOC emission control system. This provision shall not apply to the cleaning of nozzle tips of automated spray equipment systems, except for robotic systems, and cleaning with spray bottles or containers described elsewhere in this permit. [District Rule 4663, 5.2.2] 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.
46. An owner or operator shall not use VOC-containing materials to clean spray equipment used for the application of coatings, adhesives, or ink, unless an enclosed system or equipment that is proven to be equally effective at controlling emissions is used for cleaning. If an enclosed system is used, it must totally enclose spray guns, cups, nozzles, bowls, and other parts during washing, rinsing and draining procedures, and it must be used according to the manufacturer's recommendations and must be closed when not in use. [District Rule 4663, 5.2.3] Federally Enforceable Through Title V Permit

47. All fresh or spent solvents, waste solvent cleaning materials such as cloth, paper, etc., coatings, adhesives, catalysts and thinners shall be stored in closed, non-absorbent and non-leaking containers. [District Rule 4663, 5.3] Federally Enforceable Through Title V Permit

48. In lieu of complying with the requirements in Sections 5.1.2, an owner or operator may comply with this rule by using a VOC emission collection and control system in association with the solvent cleaning operation as provided in District Rule 4663, 5.4.1 and 5.4.2 (Adopted December 30, 2001). [District Rule 4663, 5.4] Federally Enforceable Through Title V Permit

49. An owner or operator shall maintain the records required by District Rule 4663, Sections 6.2.2 through 6.2.5 (Adopted December 20, 2001) at the stationary source for a period of five years. The records shall be made available to the APCO upon request. [District Rules 1070 and 4663, 6.2.1] Federally Enforceable Through Title V Permit

50. The VOC content of solvents and organic materials shall be determined by using United States Environmental Protection Agency (EPA) Test Method 24 or 24A, or South Coast Air Quality Management District (SCAQMD) Method 304 (Determination of Volatile Organic compounds in Various Materials), or by using the manufacturer's product formulation data and the formula for "Grams of VOC per liter of Material" in Section 3.0. [District Rule 4663, 6.3.1.1] Federally Enforceable Through Title V Permit

51. The content of exempt halogenated VOCs shall be determined by using the California Air Resources Board (ARB) Test Method 432 or SCAQMD Test Method 303 (Determination of Exempt Compounds). [District Rule 4663, 6.3.1.2] Federally Enforceable Through Title V Permit

52. The facility shall comply with all applicable requirements regarding preparation and implementation of a Risk Management Plan and shall abide by all applicable sections of 40 CFR Part 68. [40 CFR Part 68] Federally Enforceable Through Title V Permit

53. The reporting periods for the Report of Required Monitoring and the Compliance Certification Report begins May 1, of each 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

54. The facility shall comply with all applicable requirements regarding preparation and implementation of a Risk Management Plan by June 21, 1999 and shall abide by all applicable sections of 40 CFR Part 68. [40 CFR 68] 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-172-1-13
EXPIRATION DATE: 04/30/2008
SECTION: NW18  TOWNSHIP: 28S  RANGE: 28E

EQUIPMENT DESCRIPTION:
NOMINALLY RATED 48 MW G.T.E. COGENERATION SYSTEM WITH SCR INCLUDING STEWART & STEVENSON GE
LM-5000 GAS TURBINE GENERATOR, HEAT RECOVERY STEAM GENERATOR, AND INLET AIR ABSORPTION
CHILLER AND HEAT EXCHANGER

PERMIT UNIT REQUIREMENTS

1. Gas-fired turbine shall be equipped with combustor steam injection and a selective catalytic reduction (SCR) system utilizing ammonia as the reducing agent for NOx controls. [District Rules 2201 and 4703, 5.1] Federally Enforceable Through Title V Permit

2. Gas-fired turbine shall be equipped with carbon monoxide (CO) catalytic oxidizer of sufficient catalyst volume to meet CO and VOC emissions limits. [District Rules 2201 and 4703, 5.2] Federally Enforceable Through Title V Permit

3. The gas turbine steam injection rate shall be maintained at a steam to fuel ratio which 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 60 qualify for this exemption. [40 CFR Part 60, Subpart A and 40 CFR Part 64] Federally Enforceable Through Title V Permit

4. Gas turbine combustor steam injection system shall be equipped with continuously recording steam and fuel injection rate monitoring system, accurate to within +/- 5%. [District Rules 2201 and 4703, 6.2.1; 40 CFR 60.334(a) and 40 CFR Part 64] Federally Enforceable Through Title V Permit

5. The gas turbine shall be fired exclusively with PUC regulated or FERC regulated natural gas, with fuel gas sulfur content not to exceed 1 grain S/100 scf. [District Rules 2201 and 4801; 40 CFR Part 60.332(a) and 60.333(a) & (b); and Kern County Rule 407] Federally Enforceable Through Title V Permit

6. Startup and shutdown and reduced load period of the gas turbine, as defined in this permit, in 40 CFR Subpart A 60.2, and in Rule 4703 shall not exceed a time period of two hours and one hour, respectively, per occurrence. Emission concentrations subsequent to this startup period shall not exceed the limits specified in this permit, except during shutdown. [District Rules 2201 and 4703, 3.19, 3.25, 5.1.2 and 40 CFR Subpart A 60.2] Federally Enforceable Through Title V Permit

7. 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. This requirement only applies to the subsumed NOx and SO2 emission standards under NSPS subpart GG for Stationary Gas Turbines. [40 CFR Part 60.8(c)] Federally Enforceable Through Title V Permit

8. The maximum VOC emission concentration at turbine exhaust shall not exceed 0.6 ppmv dry at 15% O2, except during periods of startup and shutdown, and as defined in 40 CFR 60, Subpart A [District Rule 2201] Federally Enforceable Through Title V Permit

9. Total VOC emissions, including those from the gas turbine exhaust and lube oil vents shall not exceed 0.58 lb/hr and 14.0 lb/day, except during periods of startup and shutdown. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.
10. The emission rate from the gas turbine exhaust shall not exceed the following: PM10: 66.3 lb/day, NOx (as NO2): 138.7 lb/day, SOx (as SO2): 31.1 lb/day, and CO: 261.6 lb/day. [District Rules 2201 and 4201; 4703, 5.1, 5.2 and 40 CFR Part 60.332(a) and 333(b)] Federally Enforceable Through Title V Permit

11. Nitrogen oxides (as NO2) concentration from the gas turbine exhaust stack shall not exceed 3.6 ppmv dry calculated to 15% O2, except during periods of startup and shutdown. [District Rules 2201 and 4703, 5.1 and 40 CFR Part 60.332(a)] Federally Enforceable Through Title V Permit

12. Carbon monoxide (CO) concentration from the gas turbine exhaust stack shall not exceed 11 ppmv dry calculated to 15% O2, except during periods of startup and shutdown. [District Rules 2201 and 4703, 5.2] Federally Enforceable Through Title V Permit

13. The total particulate matter (PM) emissions from the gas turbine exhaust shall not exceed 0.1 gr/dscf. [District Rule 4201; Kern County Rule 404] Federally Enforceable Through Title V Permit

14. The circular cross section exhaust stack (after SCR unit) shall be equipped with permanent provisions to allow collection of stack gas samples consistent with 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). [District Rules 2201 and 1081; 4703, 6.2.1; Kern County Rule 1081.1 and 40 CFR Part 60] Federally Enforceable Through Title V Permit

15. CEM data can be used in addition to stack testing to determine compliance with the NOx and CO concentrations and daily emission rates. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

16. Unfired heat recovery steam generator turbine exhaust for the unit shall be equipped with continuous emissions monitors (CEM) for NOx, CO, and O2. The continuous NOx monitoring system shall meet the performance specification requirements in 40 CFR, Part 60, Appendix B, Spec 2, 40 CFR Part 60, Appendix F, 40 CFR Part 51, Appendix P, and 40 CFR Part 60.7(c), 60.7(d) and 60.13 or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rules 2201 and 1080; 4703, 6.2.1, 6.2.3; Kern County Rule 108; 40 CFR Part 60 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

17. The facility shall comply with the applicable requirements for quality assurance testing and maintenance of the CEM equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rules 1080, 6.0; 4703, 6.2.3; 40 CFR Part 60 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

18. CEM results shall be reduced according to the procedure established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. [District Rules 1080, 7.2; 4703, 6.2.3; Kern County Rule 108 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

19. Except for NOx and CO emission data obtained for compliance demonstration purposes, CEM 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, 6.2.3 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

20. Facility shall maintain on file copies of all natural gas fuel invoices, natural gas bills, gas purchase contracts, supplier certifications, and test results used to determine compliance with the requirements of this permit unit. [District Rule 2520, 9.3.2 and 40 CFR Part 60.334(b)2 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

21. 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 CEM 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. [District Rules 1080, 8.0; 2520, 9.6.1; Rule Kern County Rule 108; 40 CFR 60.7(c) and 40 CFR Part 64] Federally Enforceable Through Title V Permit
22. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following applicable requirements: SVJUAPCD Rules 1080, sections 4.0, 6.5, 7.2, 7.3, 8.0, 9.0, and 10.0 (Amended December 17, 1992); 1081 (Amended December 16, 1993); 4201 (Amended December 17, 1992); 4703 sections 5.0, 5.1, 5.2, 5.2.1, 5.2.2, 6.2.4, 6.3, and 6.4 (Amended April 25, 2002); 4801 (Amended December 17, 1992); 40 CFR 60.332(a),(b); 60.333(a),(b),(c); 60.334(a),(c); and 60.335(b),(c); and 40 CFR 64. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

23. The requirements of 40 CFR 72.6(b) (Acid Rain Provisions) do not apply to this source because it is a cogeneration facility that meets the exemption definition of 40CFR Part 72.6 (b)(4) and (b)(5). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

24. All permits issued to facilities S-172, S-1118, S-1119, S-1120 and S-2049 are included in the same heavy oil central stationary source. [District Rule 2201] Federally Enforceable Through Title V Permit

25. Unfired heat recovery steam generator shall not be designed for supplementary firing. [District Rule 2201] Federally Enforceable Through Title V Permit

26. Gas turbine and generator lube oil atmospheric vents shall be equipped with mist eliminators. [District Rule 2201] Federally Enforceable Through Title V Permit

27. Gas temperature at SCR catalyst section inlet shall be monitored by operational temperature indicator. [District Rule 2201] Federally Enforceable Through Title V Permit

28. Ammonia injection grid shall be equipped with operational ammonia flowmeter and injection pressure indicator. [District Rule 2201] Federally Enforceable Through Title V Permit

29. Ammonia slip shall not exceed 20 ppmv and daily compliance with ammonia slip shall be demonstrated by means of the calculation procedure set forth as follows: Ammonia slip shall be calculated as: slip = (a-(bxc/1,000,000)) x 1,000,000/b, where a = ammonia injection rate (lb/hr)/17(lb/lb.mol), and b = dry exhaust gas flow rate (lb/hr)/29(lb/lb.mol), and c = change in measured NOx concentration ppmv at stack 02. The "daily compliance" requirement can be met with a daily average ammonia slip value, as calculated pursuant to this condition. [District Rule 4102]

30. Inlet gas temperature to catalyst bed shall be maintained within range recommended by catalyst manufacturer except during periods of startup and shutdown as defined herein. [District Rule 2201 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

31. All gas turbine exhaust shall flow through catalyst bed. [District Rule 2201] Federally Enforceable Through Title V Permit

32. The operator shall monitor and record exhaust gas temperature at oxidation catalyst inlet, and if average temperature exceeds 800 deg. F., shall establish that VOC control satisfies BACT requirement. [District Rule 2201] Federally Enforceable Through Title V Permit

33. Compliance with fuel gas sulfur limit shall be demonstrated by fuel gas sample analysis by independent testing laboratory taken at time of annual stack gas sampling. Official test results and field data collected to comply with this condition and shall be submitted to the District within 60 days of testing. Certification of the sulfur content by the gas supplier is an acceptable alternative for verifying compliance. [District Rules 2201 and 2520, 9.3.2] Federally Enforceable Through Title V Permit

34. Facilities shall demonstrate compliance with NOx and CO daily emissions limits by use of CEM data, fuel rate data, and daily hours of operation data. A written record of the required compliance demonstrations shall be maintained and made available for District inspection for a period of five years. [District Rules 2201 and 2520, 9.3.2 and 9.4.2 and 4703, 6.2.4 and 40 CFR Part 64] Federally Enforceable Through Title V Permit

35. Any lube oil cooler/accumulating vent having visible emissions with an opacity of 5% or greater shall be tested to demonstrated compliance with lube oil cooler/accumulating vent VOC hourly emissions limit. Official test results and field data collected shall be submitted within 60 days of testing. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
36. 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) and 40 CFR Part 64] Federally Enforceable Through Title V Permit

37. 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 CEM 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, total hours of operation and daily quantity of fuel used. [District Rules 1080; 4703, 6.2.6, 7.3; Kern County Rule 108; 40 CFR 60.332(a), (b); and 40 CFR Part 64] Federally Enforceable Through Title V Permit

38. The concentration of nitrogen oxides (NOx) from the gas turbine streams shall be determined using EPA Method 7E or 20, and oxygen (O2) concentration shall be determined using EPA Method 3, 3A, or 20. Carbon monoxide (CO) emissions shall be determined using EPA Test Methods 10 or 10B. Source test results will be provided to the District annually. EPA approved alternative test methods may also be used to address the source testing requirements of this permit. [District Rule 1081; District Rule 2520, 9.3; District Rule 4703, 5.1, 5.2 & 6.4; 40 CFR Subpart GG 60.335(b) and (c); 40 CFR Subpart A 60.8 and 40 CFR 60.332(a) & (b)] Federally Enforceable Through Title V Permit

39. A written record of the compliance demonstration with NOx and CO daily emissions limits during gas turbine engine startup/shutdown shall be maintained and made available for District inspection for a period of five years. [District Rules 2201 and 2520, 9.4.2 and 4703, 6.2.4] Federally Enforceable Through Title V Permit

40. Audits of monitors shall be conducted quarterly, except during quarters in which RATA 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 the quarterly compliance reports to the District. [District Rule 2201] Federally Enforceable Through Title V Permit

41. Compliance with the VOC (hourly) emission limit shall be demonstrated by sample collection taken by independent testing laboratory annually within 60 days prior to permit anniversary date. The District shall be notified prior to the completion of any sampling event. [District Rule 2201] Federally Enforceable Through Title V Permit

42. 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 Rules 1081, 7.0; 4703, 6.3 and Kern County Rule 108.1] Federally Enforceable Through Title V Permit

43. Compliance with the ammonia slip (ppmv) emission limits shall be demonstrated by sample collection taken by independent testing laboratory annually within 60 days prior to permit anniversary date. The District shall be notified prior to the completion of any sampling event. Official test results and field data collection shall be submitted to the District within 60 days of testing. [District Rule 4102]

44. Except during system breakdowns, repairs and maintenance, calibration checks, and zero and span adjustments, the continuous emission monitoring system shall be in continuous operation. NOx emissions in ppmv (corrected to 15% O2) and O2 concentrations must be recorded continuously (except as noted before) and data shall be reduced to 15 minute averages per 40 CFR Part 60.13(e)(2). [District Rule 2201; 40 CFR 60.486 paragraph b, c and d and 40 CFR Part 64] Federally Enforceable Through Title V Permit

45. Gas turbine engine shall not be operated unless steam injection system, selective catalytic reduction system, and oxidation catalyst system are operating, except during periods of startup and shutdown as defined herein. [District Rules 2080, 4703, 5.1, 5.2 and 40 CFR Part 60] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.
<table>
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<tr>
<th>PERMIT NUMBER</th>
<th>FEE DESCRIPTION</th>
<th>FEE RULE</th>
<th>QTY</th>
<th>FEE AMOUNT</th>
<th>FEE TOTAL</th>
<th>PERMIT STATUS</th>
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Number of Facilities Reported: 1