San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

August 6, 2021

Ms. Andrea Vasquez
Delicato Vineyards
12001 S Highway 99
Manteca, CA 95336

Re: Proposed ATC / Certificate of Conformity (Significant Mod)
Facility Number: N-266
Project Number: N-1204545

Dear Ms. Vasquez:

Enclosed for your review is the District's analysis of an application for Authorities to Construct for the facility identified above. You requested that Certificates of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. This project authorizes the installation of 8 wine storage tanks.

The notice of preliminary decision for this project has been posted on the District's website (www.valleyair.org). After addressing all comments made during the 30-day public notice and the 45-day EPA comment periods, the District intends to issue the Authorities to Construct with Certificates of Conformity. Please submit your comments within the 30-day public comment period, as specified in the enclosed public notice. Prior to operating with modifications authorized by the Authorities to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

If you have any questions, please contact Mr. Errol Villegas, Permit Services Manager, at (559) 230-5900.

Thank you for your cooperation in this matter.

Sincerely,

Brian Clements
Director of Permit Services

Enclosures

cc: Courtney Graham, CARB (w/enclosure) via email
cc: Laura Yannayon, EPA (w/enclosure) via EPS

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www.valleyair.org www.healthyairliving.com

San Joaquin Valley Air Pollution Control District
Authority to Construct Application Review

8 New Wine Storage Tanks

Facility Name:	Delicato Vineyards	Date:	August 6, 2021
Mailing Address:	12001 S Highway 99 Manteca, CA 95336	Engineer:	Jesse A. Garcia
		Lead Engineer:	Derek Fukuda
Contact Person:	Andrea Vasquez		
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E-Mail:	andrea.vasquez@delicato.com		
Application #(s):	N-266-958-0 through -965-0		
Project #:	N-1204545		
Deemed Complete:	April 21, 2021		

I. Proposal

Delicato Vineyards has requested Authority to Construct (ATC) permits for the installation of eight (8) new 350,000 gallon stainless steel wine storage tanks. The new tanks will be used solely for wine storage and will each be insulated and equipped with a pressure/vacuum relief valve. Although Delicato Vineyards has an existing facility-wide Specific Limiting Condition (SLC), which limits the annual VOC emissions from all wine fermentation and wine storage operations at this facility, the proposed tanks will not be included in the existing SLC. Therefore, the following condition will be included on each ATC issued in this project:

- Total annual VOC emissions from this wine storage tank shall not exceed 490 lb/year, calculated on a twelve (12) month rolling basis. This tank is not permitted under the facility-wide Specific Limiting Condition for wine fermentation and storage operations. VOC emissions from this tank shall not be counted against the facility's Specific Limiting Condition for total annual VOC emissions from its wine fermentation and storage operations. [District Rule 2201]

Delicato Vineyards has received their Title V Permit. This modification can be classified as a Title V minor modification pursuant to Rule 2520, and can be processed with a Certificate of Conformity (COC). Since the facility has specifically requested that this project be processed in that manner, the 45-day EPA comment period will be satisfied prior to the issuance of the Authority to Construct. Delicato Vineyards must apply to administratively amend their Title V permit.

II. Applicable Rules

Rule 2201	New and Modified Stationary Source Review Rule (8/15/19)
Rule 2410	Prevention of Significant Deterioration (6/16/11)
Rule 2520	Federally Mandated Operating Permits (8/15/19)
Rule 4001	New Source Performance Standards (4/14/99)
Rule 4002	National Emissions Standards for Hazardous Air Pollutants (5/20/04)
Rule 4102	Nuisance (12/17/92)
Rule 4623	Storage of Organic Liquids (5/19/05)
Rule 4694	Wine Fermentation and Storage Tanks (12/15/05)
CH&SC 41700	Health Risk Assessment
CH&SC 42301.6	School Notice

Public Resources Code 21000-21177: California Environmental Quality Act (CEQA)
California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387: CEQA Guidelines

III. Project Location

The facility is located at 12001 S Highway 99 in Manteca, CA. The equipment is not located within 1,000 feet of the outer boundary of a K-12 school. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to this project.

IV. Process Description

Delicato Vineyards produces both red and white table wines, as well as other specialty wine products, from the fermentation of grapes. During the “crush season”, typically from late August to late November, both red and white grapes are received by truck and delivered to a crusher-stemmer which serves to crush the grapes and remove the stems. In the case of red wines, the resultant juice (which is termed “must” and contains the grape skins, pulp and seeds) is pumped to red wine fermentation tanks for fermentation, which is a batch process. The red wine fermentation tanks are specifically designed to ferment the must in contact with the skins and to allow the separation of the skins and seeds from the wine after fermentation. In the case of white wines, the must is first sent to screens and presses for separation of grape skins and seeds prior to fermentation. After separation of the skins and seeds, the white must is transferred to a fermentation tank. White wine fermentation can be carried out in a tank without design provisions for solids separation since the skins and seeds have already been separated.

After transfer of the must (red or white) to the fermentation tanks, the must is inoculated with yeast which initiates the fermentation reactions. During fermentation, the yeast metabolizes the sugar in the grape juice, converting it to ethanol and carbon dioxide and releasing heat. Although fermentation temperatures vary widely depending upon the specific quality and style of the wine, temperature is typically controlled to maintain a temperature of 45-70^{o} F for white wine fermentation and 70-85^{o} F for red wine fermentation. The sugar content of the fermentation mass is measured in ^{o}Brix (weight %) and is typically 22-26^{o} for unfermented grape juice, dropping to 4^{o} or less for the end of fermentation. Finished ethanol concentration is approximately 10 to 14 percent by volume. Batch fermentation requires 3-5 days per batch for red wine and 1-2 weeks per batch for white

wine. VOC's are emitted during the fermentation process along with the CO_2. The VOCs consist primarily of ethanol along with minor fermentation byproducts.

Following the completion of fermentation, white wine is transferred directly to storage tanks. Red wine is first directed to the presses for separation of solids and then routed to the storage tanks. All tanks in the winery typically operate as two separate emissions units; 1) a fermentation operation during which the tank is vented directly to the atmosphere to release the evolved CO_2 byproduct from the fermentation reaction; and 2) a storage operation where the tank is closed to minimize contact with air and the contents is often refrigerated. Post-fermentation operations are conducted in the tanks including cold stabilization, racking, filtration, etc. which result in a number of inter-tank transfers of the wine during this period leading up to the bottling or bulk shipment of the finished product. Storage operations are conducted year-round. VOC emissions occur primarily as a result of the inter-tank wine transfers which occur during the post fermentation operations.

The new tanks will be used solely for wine storage.

V. Equipment Listing

N-266-958-0: 350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

N-266-959-0: 350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

N-266-960-0: 350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

N-266-961-0: 350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

N-266-962-0: 350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

N-266-963-0: 350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

N-266-964-0: 350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

N-266-965-0: 350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

The specific tank dimensions and nominal volumes will be included as a permit condition on the ATCs.

- The nominal tank dimensions are 39.08 feet in diameter and 43 feet in height with a proposed volume of 350,000 gallons. The permittee shall submit to the District the gauge volume of the tank within 30 days of the actual tank capacity measurement. [District Rule 2201]

VI. Emission Control Technology Evaluation

VOCs (ethanol) are emitted from wine storage tanks as a result of both working losses (which occur when the liquid level in the tank changes) and breathing losses (expansion and contraction effects due to temperature variations). The proposed pressure/vacuum valves limit these emissions by requiring the maximum amount of variation in tank pressure before allowing the tanks to vent to the atmosphere or allowing air admission to the tanks.

VII. General Calculations

A. Assumptions

- Only VOCs will be emitted from the proposed tanks.
- The proposed tanks will only be used for red and white wine storage.
- The maximum ethanol content of stored wine is 20% (per applicant).
- Typically, for enclosed tanks with refrigeration and/or insulation (or equivalent) and P/V valves, breathing losses from storage of wine are assumed to be negligible.
- Daily storage throughput is limited to 350,000 gallons for each tank (per applicant).
- Annual storage throughput is limited to 2,800,000 gallons for each tank (per applicant).

B. Emission Factors

Per District practice for establishing VOC emission factors for wine storage tanks located in Manteca (Northern Region of the District), the emission factors are as follows:

Wine Type	Vol% Ethanol	EF (lb-VOC/1,000 gallon of wine)	
		Daily	Annual
White/Red	20	0.303	0.175

C. Calculations

1. Pre-Project Potential to Emit (PE1)

Since these are new emissions units, PE1 = 0 for all pollutants, for each permit.

2. Post-Project Potential to Emit (PE2)

The daily PE2 for each tank/permit unit is calculated as follows:

Daily PE2 = EF (lb-VOC/1,000 lb gallons) x Throughput (gallons/day)
= (0.303 lb/1,000 gal) x 350,000 gal/day
= 106.1 lb/day

Annual PE2 = EF (lb-VOC/1,000 lb gallons) x Throughput (gallons/yr)
= (0.175 lb/1,000 gal) x 2,800,000 gal/yr
= 490 lb/yr

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

Pursuant to District Rule 2201, the SSPE1 is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of Emission Reduction Credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions (AER) that have occurred at the source, and which have not been used on-site.

VOC is the only pollutant emitted from the proposed equipment. Since facility emissions are already above the Offset and Major Source Thresholds for VOC emissions; therefore, SSPE1 calculations are not necessary.

4. Post-Project Stationary Source Potential to Emit (SSPE2)

Pursuant to District Rule 2201, the SSPE2 is the PE from all units with valid ATCs or PTOs at the Stationary Source and the quantity of ERCs which have been banked since September 19, 1991 for AER that have occurred at the source, and which have not been used on-site.

VOC is the only pollutant emitted from the proposed equipment. Since facility emissions are already above the Offset and Major Source Thresholds for VOC emissions, SSPE2 calculations are not necessary.

5. Major Source Determination

Rule 2201 Major Source Determination:

Pursuant to District Rule 2201, a Major Source is a stationary source with a SSPE2 equal to or exceeding one or more of the following threshold values. For the purposes of determining major source status the following shall not be included:

- any ERCs associated with the stationary source
- Emissions from non-road IC engines (i.e. IC engines at a particular site at the facility for less than 12 months), pursuant to the Clean Air Act, Title 3, Section 302, US Codes 7602(j) and (z)
- Fugitive emissions, except for the specific source categories specified in

40 CFR 70.2

This source is an existing Major Source for VOC emissions and will remain a Major Source for VOC. No change in other pollutants are proposed or expected as a result of this project.

Rule 2410 Major Source Determination:

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(iii). Therefore the PSD Major Source threshold is 250 tpy for any regulated NSR pollutant.

The estimated facility PE before this project is taken from project N-1202530 and summarized in the following table.

PSD Major Source Determination					
Source	**NO_X**	**SO_X**	**PM_{10}***	**CO**	**VOC**
Estimated Facility PE Before Current Project (lb/year)	718	147	601	1,727	395,255
Estimated Facility PE Before Project (tons/year)	**0.4**	**0.1**	**0.3**	**0.9**	**197.6**
PSD Major Source Thresholds	**250**	**250**	**250**	**250**	**250**
PSD Major Source?	**No**	**No**	**No**	**No**	**No**

* It is assumed the $PM_{2.5}$ emisssions equal PM_{10}.

As shown above, the facility is not an existing PSD major source for any regulated NSR pollutant expected to be emitted at this facility.

6. Baseline Emissions (BE)

The BE calculation (in lb/year) is performed pollutant-by-pollutant for each unit within the project to calculate the QNEC, and if applicable, to determine the amount of offsets required.

Pursuant to District Rule 2201, BE = PE1 for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to District Rule 2201.

Since these are new emissions units, BE = PE1 = 0 for all pollutants, for each unit.

7. SB 288 Major Modification

40 CFR Part 51.165 defines a SB 288 Major Modification as any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act.

Since this facility is not a major source for any of the pollutants addressed in this project, this project does not constitute an SB 288 major modification and no further discussion is required.

Since this facility is a major source for VOCs, the project's PE2 is compared to the SB 288 Major Modification Thresholds in the following table in order to determine if further SB 288 Major Modification calculation is required.

SB 288 Major Modification Thresholds			
Pollutant	**Project PE2 (lb/year)**	**Threshold (lb/year)**	**SB 288 Major Modification Calculation Required?**
VOC	490 lb/year x 8 tanks = 3,920 lb/year	50,000	No

Since none of the SB 288 Major Modification Thresholds are surpassed with this project, this project does not constitute an SB 288 Major Modification and no further discussion is required.

8. Federal Major Modification / New Major Source

Federal Major Modification

District Rule 2201 states that a Federal Major Modification is the same as a "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

As defined in 40 CFR 51.165, Section (a)(1)(v) and part D of Title I of the CAA, a Federal Major Modification is any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act. The significant net emission increase threshold for each criteria pollutant is included in Rule 2201.

The determination of Federal Major Modification is based on a two-step test. For the first step, only the emission *increases* are counted. In step 1, emission decreases can not cancel out the increases. Step 2 allows consideration of the project's net emissions

increase as described in 40 CFR 51.165 and the Federal Clean Air Act Section 182 (e), as applicable.

Step 1: Project Emissions Increase

For new emissions units, the increase in emissions is equal to the PE2 for each new unit included in this project:

Emission Increase = ∑PE2 = 490 lb-VOC/year x 8 tanks = 3,920 lb-VOC/year

In conclusion, the project's combined total emission increases are summarized in the following table and are compared to the Federal Major Modification Thresholds in the following table.

Federal Major Modification Thresholds for Emission Increases			
Pollutant	**Total Emissions Increases (lb/yr)**	**Thresholds (lb/yr)**	**Federal Major Modification?**
VOC*	3,920	0	Yes

*If there is any emission increases in VOC, this project is a Federal Major Modification and no further analysis is required.

Since there is an increase in VOC emissions, this project constitutes a Federal Major Modification. Consequently, as discussed below in the offset section of this evaluation, pursuant to Section 7.4.2.1 of District Rule 2201, VOC Emission Reduction Credits (ERCs) used to satisfy the offset quantity required under District Rule 2201 must surplus at the time of use (ATC issuance).

Separately, Federal Offset Quantity is calculated below.

New Major Source

As demonstrated above, this facility is not becoming a Major Source as a result of this project, therefore, this facility is not a New Major Source pursuant to 40 CFR 51.165 a(1)(iv)(A)(3).

Federal Offset Quantity Calculation

In accordance with the Clean Air Act, Section 182(e)(2), the offset requirements of this part shall not be applicable in areas designated as Extreme non-attainment to a modification of an existing source if such modification consists of installation of equipment required to comply with an applicable attainment implementation plan or permit.

The Federal Offset Quantity (FOQ) is only calculated for the pollutants for which a project is a Federal Major Modification or a New Major Source as determined above.

Pursuant to 40 CFR 51.165(a)(3)(ii)(J), the federal offset quantity is the sum of the annual emission changes for all new and modified emission units in a project calculated as the potential to emit after the modification (PE2) minus the actual emissions (AE) for each emission unit times the applicable federal offset ratio.

FOQ = ∑(PE2 – AE) x Federal offset ratio

Actual Emissions

As described in 40 CFR 51.165(a)(1)(xii), actual emissions (AE), as of a particular date, shall equal the average rate, in tons per year, at which the unit actually emitted the pollutant during a consecutive 24-month period which precedes the particular date and which is representative of normal source operation. The reviewing authority shall allow the use of a different time period upon a determination that it is more representative of normal source operation.

Since this project includes only new units, AE = 0

Federal Offset Ratio

According the CAA 182(e), the federal offset ratio for VOC and NOx is 1.5 to 1 (due to the District extreme non-attainment status for ozone). Otherwise, the federal offset ratio for PM2.5, PM10, and SOx is 1.0 to 1.

Federal Offset Quantity (FOQ)

Since this project only include new units

FOQ = PE2 x Federal offset ratio

VOC **Federal Offset Ratio** **1.5**

Permit No.	Post-Project Potential to Emit (PE2) (lb/year)	Actual Emissions (lb/year)	Emissions Change (lb/yr)
N-266-958-0	490	0	490
N-266-959-0	490	0	490
N-266-960-0	490	0	490
N-266-961-0	490	0	490
N-266-962-0	490	0	490
N-266-963-0	490	0	490
N-266-964-0	490	0	490
N-266-965-0	490	0	490
		∑(PE2 – AE) (lb/year):	**3,920**
		Federal Offset Quantity (lb/year): ∑(PE2 – AE) x 1.5	**5,880**
		Federal Offset Quantity (tons/year): ∑(PE2 – AE) x 1.5 ÷ 2,000	**2.94**

9. Rule 2410 – Prevention of Significant Deterioration (PSD) Applicability Determination

Rule 2410 applies to any pollutant regulated under the Clean Air Act, except those for which the District has been classified nonattainment. The pollutants which must be addressed in the PSD applicability determination for sources located in the SJV and which are emitted in this project are: (See 52.21 (b) (23) definition of significant)

- VOC

I. Project Emissions Increase - New Major Source Determination

The post-project potentials to emit from all new and modified units are compared to the PSD major source thresholds to determine if the project constitutes a new major source subject to PSD requirements.

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(i). The PSD Major Source threshold is 250 tpy for any regulated NSR pollutant.

PSD Major Source Determination: Potential to Emit (tons/year)						
	NO_2	VOC	SO_2	CO	PM	PM_{10}
Total PE from New and Modified Units	0	1.96	0	0	0	0
PSD Major Source threshold	250	250	250	250	250	250
New PSD Major Source?	No	No	No	No	No	No

As shown in the table above, the potential to emit for the project, by itself, does not exceed any PSD major source threshold. Therefore Rule 2410 is not applicable and no further analysis is required.

10. Quarterly Net Emissions Change (QNEC)

The QNEC is calculated solely to establish emissions that are used to complete the District's PAS emissions profile screen. Detailed QNEC calculations are included in Appendix G.

VIII. Compliance Determination

Rule 2201 New and Modified Stationary Source Review Rule

A. Best Available Control Technology (BACT)

1. BACT Applicability

Pursuant to District Rule 2201, Section 4.1, BACT requirements are triggered on a pollutant-by-pollutant basis and on an emissions unit-by-emissions unit basis. Unless specifically exempted by Rule 2201, BACT shall be required for the following actions*:

a. Any new emissions unit with a potential to emit exceeding two pounds per day,
b. The relocation from one Stationary Source to another of an existing emissions unit with a potential to emit exceeding two pounds per day,
c. Modifications to an existing emissions unit with a valid Permit to Operate resulting in an Adjusted Increase in Permitted Emissions (AIPE) exceeding two pounds per day, and/or
d. Any new or modified emissions unit, in a stationary source project, which results in an SB 288 Major Modification or a Federal Major Modification, as defined by the rule.

*Except for CO emissions from a new or modified emissions unit at a Stationary Source with an SSPE2 of less than 200,000 pounds per year of CO.

a. New emissions units – PE > 2 lb/day

As seen in Section VII.C.2 above, the applicant is proposing to install new wine storage tanks with a PE greater than 2 lb/day for VOC. BACT is triggered for VOC since the PEs are greater than 2 lb/day.

b. Relocation of emissions units – PE > 2 lb/day

As discussed in Section I above, there are no emissions units being relocated from one stationary source to another; therefore BACT is not triggered.

c. Modification of emissions units – AIPE > 2 lb/day

As discussed in Section I above, there are no modified emissions units associated with this project. Therefore BACT is not triggered.

d. SB 288/Federal Major Modification

As discussed in Sections VII.C.7 and VII.C.8 above, this project does constitute an SB 288 and/or Federal Major Modification for VOC emissions. Therefore BACT is triggered for VOC for all emissions units in the project for which there is an emission increase.

2. BACT Guideline

BACT Guideline 5.4.13 applies to the wine storage tanks. [Wine Storage Tanks] (Appendix B)

3. Top-Down BACT Analysis

Per Permit Services Policies and Procedures for BACT, a Top-Down BACT analysis shall be performed as a part of the application review for each application subject to the BACT requirements pursuant to the District's NSR Rule.

Pursuant to the attached Top-Down BACT Analysis (Appendix C), BACT has been satisfied with the following:

VOC: Insulated tank, pressure/vacuum valve set within 10% of the maximum allowable working pressure of the tank, "gas tight" tank operation and achieve and maintain a continuous storage temperature not exceeding 75 ^{o}F within 60 days of completion of fermentation.

The following conditions will be included on the ATCs as a mechanism to ensure compliance with the requirements of BACT:

- This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694]
- The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition, except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21. [District Rules 2201 and 4694]
- The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694]

B. Offsets

1. Offset Applicability

Pursuant to District Rule 2201, Section 4.5, offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the SSPE2 equals or exceeds the offset threshold levels in Table 4-1 of Rule 2201.

The SSPE2 is compared to the offset thresholds in the following table.

Offset Determination (lb/year)	
	VOC
SSPE2	>20,000
Offset Thresholds	20,000
Offsets Triggered?	Yes

2. Quantity of District Offsets Required

District Offset Quantities Calculation

As demonstrated above, the facility has an SSPE1 and SSPE2 for VOC greater than the offset threshold. Therefore offset calculations will be required for this project.

The quantity of offsets in pounds per year for VOC is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

Offsets Required (lb/year) = (Σ[PE2 – BE] + ICCE) x DOR, for all new or modified emissions units in the project,

Where,
PE2 = Post-Project Potential to Emit, (lb/year)
BE = Baseline Emissions, (lb/year)
ICCE = Increase in Cargo Carrier Emissions, (lb/year)
DOR = Distance Offset Ratio, determined pursuant to Section 4.8

BE = PE1 for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, Located at a Major Source.

otherwise,

BE = HAE

As calculated in Section VII.C.6 above, the BE from the units in this project = 0 since they are all new units.

Also, there are no increases in cargo carrier emissions. Therefore offsets can be determined as follows:

Offsets Required (lb/year) = ([PE2 – BE] + ICCE) x DOR

PE2 (VOC) = 490 lb/year
BE (VOC) = 0 lb/year
ICCE = 0 lb/year

Offsets Required (lb/year) = ([490 – 0] + 0) x DOR
= 490 lb-VOC/year x DOR

Based on the ERC being proposed to satisfy offset requirements, the offset ratio is 1.5:1, the amount of VOC ERCs that need to be withdrawn is:

Offsets Required (lb/year) = ([490 – 0] + 0) x 1.5
= 490 x 1.5
= 735 lb-VOC/year

Calculating the appropriate quarterly emissions to be offset is as follows:

Quarterly offsets required (lb/qtr) = (735 lb-VOC/year) ÷ (4 quarters/year)
= 183.75 b-VOC/qtr

As demonstrated in the calculation above, the quarterly amount of offsets required for each unit, when evenly distributed to each quarter, results in fractional pounds of offsets being required each quarter. Since offsets are required to be withdrawn as whole pounds, the quarterly amounts of offsets need to be adjusted to ensure the quarterly values sum to the total annual amount of offsets required.

To adjust the quarterly amount of offsets required, the fractional amount of offsets required in each quarter will be summed and redistributed to each quarter based on the number of days in each quarter. The redistribution is based on the Quarter 1 having the fewest days and the Quarters 3 and 4 having the most days. The redistribution method is summarized in the following table:

Redistribution of Required Quarterly Offsets (where X is the annual amount of offsets, and X ÷ 4 = Y.z)				
Value of z	**Quarter 1**	**Quarter 2**	**Quarter 3**	**Quarter 4**
0.0	Y	Y	Y	Y
0.25	Y	Y	Y	Y+1
0.5	Y	Y	Y+1	Y+1
0.75	Y	Y+1	Y+1	Y+1

Therefore the appropriate quarterly emissions to be offset for each unit are as follows:

1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	**Total Annual**
183	184	184	184	**735**

The appropriate quarterly emissions to be offset for the project is as follows:

Project Offsets Required (lbs)					
Permit	**1st Quarter**	**2nd Quarter**	**3rd Quarter**	**4th Quarter**	**Total**
N-266-958-0	183	184	184	184	735
N-266-959-0	183	184	184	184	735
N-266-960-0	183	184	184	184	735
N-266-961-0	183	184	184	184	735
N-266-962-0	183	184	184	184	735
N-266-963-0	183	184	184	184	735
N-266-964-0	183	184	184	184	735
N-266-965-0	183	184	184	184	735
Total	1,464	1,472	1,472	1,472	5,880

District and Federal Offset Quantities

As discussed above, District offsets are triggered and required for VOC under NSR. In addition, as demonstrated above, this project does trigger Federal Major Modification requirements for VOC emissions.

Since District offsets and federal offsets are required, the facility must provide offset amounts equal to the greatest value between the District offset quantity and the federal offset quantity.

Comparison of District vs Federal VOC Offset Quantity (lbs/year)			
	DOQ	**FOQ**	**FOQ ≥ DOQ**
VOC	5,880	5,880	**Yes**

As demonstrated above, the federal offset quantity required is greater than or equal to the District offset quantity. Therefore, pursuant to Section 7.4.1.2 of District Rule 2201, the facility must comply with the required federal offset quantities. In addition, emission reduction credits used to satisfy federal offset quantities for VOC must be creditable and surplus at the time of use (ATC issuance).

Surplus at the Time Of Use Emission Reduction Credits

The applicant has stated that the facility plans to use ERC certificate C-1521-1 to satisfy the federal offset quantities for VOC required for this project. Pursuant to the ERC surplus analysis in Appendix D, the District has verified that the credits from the ERC certificate provided by the applicant are sufficient to satisfy the federal offset quantities for VOC required for this project.

Required District and Federal Offset Quantities Summary

The applicant has proposed to use the following emission reduction certificate:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
ERC #C-1521-1	2,500	5,000	2,500	0

As discussed above, the facility has sufficient credits to fully offset the quarterly VOC emissions increases associated with this project.

Proposed Rule 2201 Offset Permit Conditions

The following permit conditions will be added to each Authority to Construct:

- {GC# 4447 - edited} Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter – 183 lb, 2nd quarter – 184 lb, 3rd quarter – 184 lb, and fourth quarter - 184 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 8/15/19) for the ERC specified below. [District Rule 2201]

- {GC# 1983} ERC Certificate Number C-1521-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]

3. ERC Withdrawal Calculations

The applicant must identify the ERC Certificate to be used to offset the increase of VOC emissions for the project. As indicated in the previous section, the applicant is proposing to use ERC certificate C-1521-1 to mitigate the increases of VOC emissions associated with this project. See Appendix E for detailed ERC Withdrawal Calculations.

C. Public Notification

1. Applicability

Pursuant to District Rule 2201, Section 5.4, public noticing is required for:

a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications,
b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
c. Any project which results in the offset thresholds being surpassed,
d. Any project with an SSIPE of greater than 20,000 lb/year for any pollutant, and/or
e. Any project which results in a Title V significant permit modification

a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications

As demonstrated in Section VII.C.7 of this evaluation, this project is a Federal Major Modification. Therefore, public noticing is required for this project for Federal Major Modification purposes.

b. PE > 100 lb/day

The PE2 for the new units is compared to the daily PE Public Notice thresholds in the following table:

PE > 100 lb/day Public Notice Thresholds			
Pollutant	**PE2 for Each Unit (lb/day)**	**Public Notice Threshold**	**Public Notice Triggered?**
NO_X	0	100 lb/day	No
SO_X	0	100 lb/day	No
PM_{10}	0	100 lb/day	No
CO	0	100 lb/day	No
VOC	106.1	100 lb/day	Yes

Therefore, public noticing for PE > 100 lb/day purposes is required.

c. Offset Threshold

Public notification is required if the pre-project Stationary Source Potential to Emit (SSPE1) is increased to a level exceeding the offset threshold levels. The following table compares the SSPE1 with the SSPE2 in order to determine if any offset thresholds have been surpassed with this project.

Offset Thresholds				
Pollutant	**SSPE1 (lb/year)**	**SSPE2 (lb/year)**	**Offset Threshold**	**Public Notice Required?**
VOC	>20,000	>20,000	20,000 lb/year	No

As demonstrated above, there were no thresholds surpassed with this project; therefore public noticing is not required for offset purposes.

d. SSIPE > 20,000 lb/year

Public notification is required for any permitting action that results in a SSIPE of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE = SSPE2 – SSPE1. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table.

SSIPE Public Notice Thresholds					
Pollutant	**SSPE2 (lb/year)**	**SSPE1 (lb/year)**	**SSIPE (lb/year)**	**SSIPE Public Notice Threshold**	**Public Notice Required?**
VOC	>20,000	>20,000	3,920	20,000 lb/year	No

As demonstrated above, the SSIPEs for all pollutants were less than 20,000 lb/year; therefore public noticing for SSIPE purposes is not required.

e. Title V Significant Permit Modification

As shown in the Discussion of Rule 2520 below, this project constitutes a Title V significant modification. Therefore, public noticing for Title V significant modifications is required for this project.

2. Public Notice Action

As discussed above, public noticing is required for this project being a Federal Major Modification, for VOC emissions in excess of 100 lb/day, and for being a Title V significant modification. Therefore, public notice documents will be submitted to the California Air Resources Board (CARB) and a public notice will be electronically published on the District's website prior to the issuance of the ATCs for this equipment.

D. Daily Emission Limits (DELs)

DELs and other enforceable conditions are required by Rule 2201 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. The DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT.

The DEL is stated in the form of a daily limit on tank throughput and a maximum ethanol content for stored wine in the tank. In addition, annual emissions from the tanks are limited by an annual throughput.

Proposed Rule 2201 (DEL) Conditions

- No wine fermentation shall occur in this tank. [District Rules 2201 and 4694]
- The ethanol content of wine stored in this tank shall not exceed 20 percent by volume. [District Rule 2201]
- The maximum storage throughput in this tank shall not exceed 350,000 gallons per day. [District Rule 2201]
- The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694]

To limit annual emissions, the following condition will be included:

- The maximum storage throughput in this tank shall not exceed 2,800,000 gallons in any 12 month period. [District Rule 2201]

Additionally, to calculate the annual VOC emissions, the following condition that was previously established for the facility, will be included:

- The annual VOC wine storage emission factor for each wine ethanol content shall be calculated using the following equation: EF = a * P^2 + b*P + c; where EF is the VOC emission factor in pounds of VOC per 1,000 gallons of wine throughput, P is the volume percent ethanol of the wine being transferred, a = -0.38194, b = 0.97917 and c = 0. [District Rule 2201]

E. Compliance Assurance

1. Source Testing

Pursuant to District Policy APR 1705, source testing is not required to demonstrate compliance with Rule 2201.

2. Monitoring

No monitoring is required to demonstrate compliance with Rule 2201.

3. Recordkeeping

Recordkeeping is required to demonstrate compliance with the offset, public notification and daily emission limit requirements of Rule 2201. The following conditions will be listed on the ATCs:

- On a monthly basis, the permittee shall calculate and record the VOC emissions, in pounds, from this tank for the rolling 12-month period, including calculation methods

and parameters used. The VOC emissions shall be calculated by summing the VOC emissions from the previous 12 months. [District Rule 2201]

- Daily and annual throughput records, including records of filling and emptying operations, the dates of such operations, a unique identifier for each batch, the volume percent ethanol in the batch, and the volume of wine transferred, shall be maintained. [District Rules 1070 and 2201]
- If the throughput calculated for any rolling 12-month period exceed the annual throughput limitations of this permit, in a crush season in which the start of the crush season (defined as the day on which the facility's seasonal crushing/fermentation operations commence) occurs less than 365 days after the start of the previous crush season, then no violation of the annual throughput limit for that rolling 12-month period will be deemed to have occurred so long as the calendar year throughput is below the annual throughput limitation. [District Rule 2201]
- If the emissions calculated for any rolling 12-month period exceed the annual emissions limitations of this permit, in a crush season in which the start of the crush season (defined as the day on which the facility's seasonal crushing/fermentation operations commence) occurs less than 365 days after the start of the previous crush season, then no violation of the annual emissions limit for that rolling 12-month period will be deemed to have occurred so long as the calendar year emissions are below the annual emissions limitation. [District Rule 2201]
- Records shall be maintained that demonstrate the date of each year's start of crush season. [District Rule 2201]
- All records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070, 2201 and 4694]

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

G. Compliance Certification

Section 4.15.2 of this Rule requires the owner of a New Major Source or a source undergoing a Federal Major Modification to demonstrate to the satisfaction of the District that all other Major Sources owned by such person and operating in California are in compliance or are on a schedule for compliance with all applicable emission limitations and standards. As discussed in Section VIII above, this facility is a new major source and this project does constitute a Federal Major Modification, therefore this requirement is applicable. Delicato Vineyard's compliance certification is included in Appendix F.

H. Alternate Siting Analysis

District Rule 2201, Section 4.15.1 requires an alternative siting analysis for any project which constitutes a New Major Source or a Federal Major Modification. As shown above, this project triggers a Federal Major Modification. Therefore, an alternative siting analysis must be performed.

In addition to winery tanks, the operation of a winery requires a large number support equipment, services and structures such as raw material receiving stations, crushers, piping, filtering and refrigeration units, warehouses, laboratories, bottling and shipping facilities, and administration buildings.

Since the current project involves the installation of eight new wine storage tanks, it represents only a minimal increase in the winery's total tank volume and no change to any other facets of the operation, the existing site will result in the least possible impact from the project. Alternative sites would involve the relocation and/or construction of various support structures and facilities on a much greater scale, and would therefore result in a much greater impact.

Rule 2410 Prevention of Significant Deterioration

As shown in Section VII.C.9 above, this project does not result in a new PSD major source or PSD major modification. No further discussion is required.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. Section 3.29 defines a significant permit modification as a "permit amendment that does not qualify as a minor permit modification or administrative amendment."

Section 3.20.5 states that a minor permit modification is a permit modification that is not a Federal Major Modification, as defined in Rule 2201[(3)]. As discussed above, this project triggers a Federal Major Modification. As a result, the proposed project constitutes a Significant Modification to the Title V Permit pursuant to Section 3.29.

As discussed above, the facility has applied for a Certificate of Conformity (COC). Therefore, the facility must apply to modify their Title V permit with an administrative amendment, prior to operating with the proposed modifications. Continued compliance with this rule is expected. The facility may construct/operate under the ATCs upon submittal of the Title V administrative amendment application. The following conditions will be included on each ATC and will assure compliance with the requirements of Rule 2520:

- {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201]
- {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative

[(3)] District Rule 2520, Section 3.20.5 actually states that a project shall not constitute a Title I modification, as defined in Rule 2201. In a previous version of Rule 2201, the term Title I modification was replaced with Federal Major Modification. However, at that time, the terminology in Rule 2520 was not updated to reflect the new Rule 2201 terms. Therefore, even though Rule 2520 references that a project triggering a Title I modification does not qualify as a Title V minor modification, it will be replaced with the term Federal Major Modification for the purposes of this project.

amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4]

Rule 4001 New Source Performance Standards (NSPS)

This rule incorporates NSPS from Part 60, Chapter 1, Title 40, Code of Federal Regulations (CFR); and applies to all new sources of air pollution and modifications of existing sources of air pollution listed in 40 CFR Part 60. However, no subparts of 40 CFR Part 60 apply to wine storage tanks. Therefore, no further discussion is required.

Rule 4002 National Emission Standards for Hazardous Air Pollutants (NESHAPs)

This rule incorporates NESHAPs from Part 61, Chapter I, Subchapter C, Title 40, CFR and the NESHAPs from Part 63, Chapter I, Subchapter C, Title 40, CFR; and applies to all sources of hazardous air pollution listed in 40 CFR Part 61 or 40 CFR Part 63. However, no subparts of 40 CFR Part 61 or 40 CFR Part 63 apply to wine storage tanks. Therefore, no further discussion is required.

Rule 4101 Visible Emissions

Rule 4101 states that no person shall discharge into the atmosphere emissions of any air contaminant aggregating more than 3 minutes in any hour which is as dark as or darker than Ringelmann 1 (or 20% opacity). Based on past inspections of similar emissions units, visible emissions are not expected to exceed Ringelmann 1 or 20% opacity. The following condition will be added to the ATCs as a mechanism to ensure compliance with this rule:

- {15} No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]

Rule 4102 Nuisance

Rule 4102 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, compliance with this rule is expected. The following condition will be placed on the ATCs as a mechanism to ensure compliance with this rule:

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

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 – Risk Management Policy for Permitting New and Modified Sources specifies that for an increase in emissions associated with a proposed new source or

modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

Ethanol, the primary chemical constituent of wine, is not a HAP as defined by Section 44321 of the California Health and Safety Code. Since the proposed tanks will be used exclusively for wine storage, there will be no increases in HAP emissions associated with this project. A health risk assessment is therefore not necessary and no further risk analysis is required.

District Rule 4623 Storage of Organic Liquids

The purpose of this rule is to limit volatile organic compound (VOC) emissions from the storage of organic liquids. This rule applies to any tank with a capacity of 1,100 gallons or greater in which any organic liquid is placed, held, or stored.

However, Section 4.1.4 provides an exemption for tanks used to store fermentation products, byproducts or spirits. The proposed tanks will be used to store wine; therefore, the requirements of this rule are not applicable to this project.

District Rule 4694 Wine Fermentation and Storage Tanks

The purpose of this rule is to reduce emissions of volatile organic compounds (VOC) from the fermentation and bulk storage of wine, or achieve equivalent reductions from alternative emission sources. This rule is applicable to all facilities with fermentation emissions in excess of 10 tons-VOC/year. The storage tank provisions of this rule apply to all tanks with capacity in excess of 5,000 gallons.

Section 5.1 requires that the winery operator achieve Required Annual Emissions Reductions (RAER) equal to at least 35% of the winery's Baseline Fermentation Emissions (BFE). Since the proposed tanks will be used for storage only, this section is not applicable. The following condition will be placed on the permits as a mechanism to ensure compliance:

- No wine fermentation shall occur in this tank. [District Rules 2201 and 4694]

Section 5.2 places specific restrictions on wine storage tanks with 5,000 gallons or more in capacity when such tanks are not constructed of wood or concrete. Section 5.2.1 requires these tanks to be equipped and operated with a pressure-vacuum relief valve meeting all of the following requirements:

- The pressure-vacuum relief valve shall operate within 10% of the maximum allowable working pressure of the tank,
- The pressure-vacuum relief valve shall operate in accordance with the manufacturer's instructions, and
- The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings.
- The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight

condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21.

The following conditions will be placed on the permits as a mechanism to ensure compliance with the requirements of Section 5.2.1:

- This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694]
- The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition, except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21. [District Rules 2201 and 4694]

Section 5.2.2 requires that the temperature of the stored wine be maintained at or below 75 ºF. The following condition will be placed on the permits as a mechanism to ensure compliance with the requirements of Section 5.2.2:

- The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694]

Every three years, Section 6.1 and 6.2 require facilities with fermentation operations to submit a Three-Year Compliance Plan and a Three-Year Compliance Plan Verification respectively. The proposed tanks are for wine storage only, and since these sections are not applicable to wine storage operations, no further discussion is required.

Section 6.4 requires that records required by this rule be maintained, retained on-site for a minimum of five years, and made available to the APCO upon request. The following condition will be placed on the permits as a mechanism to ensure compliance:

- All records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070, 2201, and 4694]

Section 6.4.1 requires that records be kept for each fermentation batch. As previously stated, the proposed tanks will not be used for fermentation; therefore, this section does not apply.

Section 6.4.2 requires that weekly records be kept of wine volume and temperature in each storage tank. The following condition will be placed on the permits as a mechanism to ensure compliance with the requirements of Section 6.4.2:

- The operator shall record, on a weekly basis, the total gallons of wine contained in the tank and the maximum temperature of the stored wine. [District Rule 4694]

Section 6.4.3 requires that all monitoring be performed for any CERs as identified in the facility's Three-Year Compliance Plan and that the records of all monitoring be maintained. Since this requirement is for fermentation operations and the proposed tanks are only for wine storage operations, this section is not applicable. Therefore, no further discussion is required.

California Health & Safety Code 42301.6 (School Notice)

The District has verified that this site is not located within 1,000 feet of a school. Therefore, pursuant to California Health and Safety Code 42301.6, a school notice is not required.

California Environmental Quality Act (CEQA)

CEQA requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The District adopted its *Environmental Review Guidelines* (ERG) in 2001. The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities;
- Identify the ways that environmental damage can be avoided or significantly reduced;
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible; and
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Greenhouse Gas (GHG) Significance Determination

It is determined that another agency has prepared an environmental review document for the project. The District is a Responsible Agency for the project because of its discretionary approval power over the project via its Permits Rule (Rule 2010) and New Source Review Rule (Rule 2201), (CEQA Guidelines §15381). As a Responsible Agency, the District is limited to mitigating or avoiding impacts for which it has statutory authority. The District does not have statutory authority for regulating greenhouse gas emissions. The District has determined that the applicant is responsible for implementing greenhouse gas mitigation measures, if any, imposed by the Lead Agency.

District CEQA Findings

The County of San Joaquin (County) is the public agency having principal responsibility for approving the project. As such, the County served as the Lead Agency (CCR §15367). In approving the project, the Lead Agency prepared and adopted a Negative Declaration. The Lead agency filed a Notice of Determination, stating that the environmental document was adopted pursuant to the provisions of CEQA and concluding that the project would not have a significant effect on the environment.

The District is a Responsible Agency for the project because of its discretionary approval power over the project via its Permits Rule (Rule 2010) and New Source Review Rule (Rule 2201), (CCR §15381). As a Responsible Agency the District complies with CEQA by considering the environmental document prepared by the Lead Agency, and by reaching its own conclusion on whether and how to approve the project (CCR §15096).

The District has considered the Lead Agency's environmental document. Furthermore, the District has conducted an engineering evaluation of the project, this document, which demonstrates that Stationary Source emissions from the project would be below the District's thresholds of significance for criteria pollutants. Thus, the District finds that through a combination of project design elements, compliance with applicable District rules and regulations, and compliance with District air permit conditions, project specific stationary source emissions will have a less than significant impact on air quality. The District does not have authority over any of the other project impacts and has, therefore, determined that no additional findings are required (CEQA Guidelines §15096(h)).

Indemnification Agreement/Letter of Credit Determination

According to District Policy APR 2010 (CEQA Implementation Policy), when the District is the Lead or Responsible Agency for CEQA purposes, an indemnification agreement and/or a letter of credit may be required. The decision to require an indemnity agreement and/or a letter of credit is based on a case-by-case analysis of a particular project's potential for litigation risk, which in turn may be based on a project's potential to generate public concern, its potential for significant impacts, and the project proponent's ability to pay for the costs of litigation without a letter of credit, among other factors.

The criteria pollutant emissions and toxic air contaminant emissions associated with the proposed project are not significant, and there is minimal potential for public concern for this particular type of facility/operation. Therefore, an Indemnification Agreement and/or a Letter of Credit will not be required for this project in the absence of expressed public concern.

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Pending successful NSR and EPA commenting periods, issue ATC permits N-266-958-0, -959-0, -960-0, -961-0, -962-0, -963-0, -964-0, -395-0 subject to the permit conditions on the draft ATCs attached in Appendix A.

X. Billing Information

Annual Permit Fees for Each Permit			
Permit Number	**Fee Schedule**	**Fee Description**	**Annual Fee**
N-266-958-0 through -965-0	3020-05-E	350,000 gallon storage tank	$296

Appendices

A: Draft ATCs
B: BACT Guideline
C: BACT Analysis
D: ERC Surplus Analysis
E: ERC Withdrawal Calculations
F: Compliance Certification
G: Quarterly Net Emissions Change

APPENDIX A
Draft ATCs

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: N-266-958-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: DELICATO VINEYARDS
MAILING ADDRESS: 12001 S HIGHWAY 99
MANTECA, CA 95336

LOCATION: 12001 S HIGHWAY 99
MANTECA, CA 95336

EQUIPMENT DESCRIPTION:
350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 183 lb, 2nd quarter - 184 lb, 3rd quarter - 184 lb, and fourth quarter - 184 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 8/15/19) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number C-1521-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Samir Sheikh, Executive Director / APCO

Brian Clements, Director of Permit Services
N-266-958-0 : Aug 9 2021 6:57AM -- GARCIAJ : Joint Inspection NOT Required

5. The nominal tank dimensions are 39.08 feet in diameter and 43 feet in height with a proposed volume of 350,000 gallons. The permittee shall submit to the District the gauge volume of the tank within 30 days of the actual tank capacity measurement. [District Rule 2201] Federally Enforceable Through Title V Permit
6. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
7. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
8. No wine fermentation shall occur in this tank. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
9. This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
10. The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition, except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
11. The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
12. The ethanol content of wine stored in this tank shall not exceed 20 percent by volume. [District Rule 2201] Federally Enforceable Through Title V Permit
13. The maximum storage throughput in this tank shall not exceed 350,000 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Total annual VOC emissions from this wine storage tank shall not exceed 490 lb/year, calculated on a twelve (12) month rolling basis. This tank is not permitted under the facility-wide Specific Limiting Condition for wine fermentation and storage operations. VOC emissions from this tank shall not be counted against the facility's Specific Limiting Condition for total annual VOC emissions from its wine fermentation and storage operations. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Total annual VOC emissions from wine storage operations shall be determined either as the sum of the emissions for each individual wine movement based on the volume transferred in each wine movement and the batch-specific wine storage emission factor calculated using the equation(s) specified within this permit; or as the emissions for total annual wine movements and a single storage emissions factor, calculated using the equation(s) specified within this permit, based on the average ethanol content of the total annual wine movements. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The annual VOC wine storage emission factor for each wine ethanol content shall be calculated using the following equation: EF = a * P^2 + b*P + c; where EF is the VOC emission factor in pounds of VOC per 1,000 gallons of wine throughput, P is the volume percent ethanol of the wine being transferred, a = -0.38194, b = 0.97917 and c = 0. [District Rule 2201] Federally Enforceable Through Title V Permit
17. On a monthly basis, the permittee shall calculate and record the VOC emissions, in pounds, from this tank for the rolling 12-month period, including calculation methods and parameters used. The VOC emissions shall be calculated by summing the VOC emissions from the previous 12 months. [District Rule 2201] Federally Enforceable Through Title V Permit
18. The operator shall record, on a weekly basis, the total gallons of wine contained in the tank and the maximum temperature of the stored wine. [District Rule 4694] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Daily and annual throughput records, including records of filling and emptying operations, the dates of such operations, a unique identifier for each batch, the volume percent ethanol in the batch, and the volume of wine transferred, shall be maintained. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

20. If the emissions calculated for any rolling 12-month period exceed the annual emissions limitations of this permit, in a crush season in which the start of the crush season (defined as the day on which the facility's seasonal crushing/fermentation operations commence) occurs less than 365 days after the start of the previous crush season, then no violation of the annual emissions limit for that rolling 12-month period will be deemed to have occurred so long as the calendar year emissions are below the annual emissions limitation. [District Rule 2201] Federally Enforceable Through Title V Permit

21. Records shall be maintained that demonstrate the date of each year's start of crush season. [District Rule 2201] Federally Enforceable Through Title V Permit

22. All records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070, 2201 and 4694] Federally Enforceable Through Title V Permit

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: N-266-959-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: DELICATO VINEYARDS
MAILING ADDRESS: 12001 S HIGHWAY 99
MANTECA, CA 95336

LOCATION: 12001 S HIGHWAY 99
MANTECA, CA 95336

EQUIPMENT DESCRIPTION:
350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 183 lb, 2nd quarter - 184 lb, 3rd quarter - 184 lb, and fourth quarter - 184 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 8/15/19) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number C-1521-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Samir Sheikh, Executive Director / APCO

Brian Clements, Director of Permit Services
N-266-959-0 : Aug 9 2021 6:57AM -- GARCIAJ : Joint Inspection NOT Required

5. The nominal tank dimensions are 39.08 feet in diameter and 43 feet in height with a proposed volume of 350,000 gallons. The permittee shall submit to the District the gauge volume of the tank within 30 days of the actual tank capacity measurement. [District Rule 2201] Federally Enforceable Through Title V Permit
6. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
7. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
8. No wine fermentation shall occur in this tank. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
9. This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
10. The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition, except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
11. The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
12. The ethanol content of wine stored in this tank shall not exceed 20 percent by volume. [District Rule 2201] Federally Enforceable Through Title V Permit
13. The maximum storage throughput in this tank shall not exceed 350,000 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Total annual VOC emissions from this wine storage tank shall not exceed 490 lb/year, calculated on a twelve (12) month rolling basis. This tank is not permitted under the facility-wide Specific Limiting Condition for wine fermentation and storage operations. VOC emissions from this tank shall not be counted against the facility's Specific Limiting Condition for total annual VOC emissions from its wine fermentation and storage operations. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Total annual VOC emissions from wine storage operations shall be determined either as the sum of the emissions for each individual wine movement based on the volume transferred in each wine movement and the batch-specific wine storage emission factor calculated using the equation(s) specified within this permit; or as the emissions for total annual wine movements and a single storage emissions factor, calculated using the equation(s) specified within this permit, based on the average ethanol content of the total annual wine movements. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The annual VOC wine storage emission factor for each wine ethanol content shall be calculated using the following equation: EF = a * P^2 + b*P + c; where EF is the VOC emission factor in pounds of VOC per 1,000 gallons of wine throughput, P is the volume percent ethanol of the wine being transferred, a = -0.38194, b = 0.97917 and c = 0. [District Rule 2201] Federally Enforceable Through Title V Permit
17. On a monthly basis, the permittee shall calculate and record the VOC emissions, in pounds, from this tank for the rolling 12-month period, including calculation methods and parameters used. The VOC emissions shall be calculated by summing the VOC emissions from the previous 12 months. [District Rule 2201] Federally Enforceable Through Title V Permit
18. The operator shall record, on a weekly basis, the total gallons of wine contained in the tank and the maximum temperature of the stored wine. [District Rule 4694] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Daily and annual throughput records, including records of filling and emptying operations, the dates of such operations, a unique identifier for each batch, the volume percent ethanol in the batch, and the volume of wine transferred, shall be maintained. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

20. If the emissions calculated for any rolling 12-month period exceed the annual emissions limitations of this permit, in a crush season in which the start of the crush season (defined as the day on which the facility's seasonal crushing/fermentation operations commence) occurs less than 365 days after the start of the previous crush season, then no violation of the annual emissions limit for that rolling 12-month period will be deemed to have occurred so long as the calendar year emissions are below the annual emissions limitation. [District Rule 2201] Federally Enforceable Through Title V Permit

21. Records shall be maintained that demonstrate the date of each year's start of crush season. [District Rule 2201] Federally Enforceable Through Title V Permit

22. All records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070, 2201 and 4694] Federally Enforceable Through Title V Permit

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: N-266-960-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: DELICATO VINEYARDS
MAILING ADDRESS: 12001 S HIGHWAY 99
MANTECA, CA 95336

LOCATION: 12001 S HIGHWAY 99
MANTECA, CA 95336

EQUIPMENT DESCRIPTION:
350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 183 lb, 2nd quarter - 184 lb, 3rd quarter - 184 lb, and fourth quarter - 184 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 8/15/19) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number C-1521-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Samir Sheikh, Executive Director / APCO

Brian Clements, Director of Permit Services
N-266-960-0 : Aug 9 2021 6:57AM -- GARCIAJ : Joint Inspection NOT Required

5. The nominal tank dimensions are 39.08 feet in diameter and 43 feet in height with a proposed volume of 350,000 gallons. The permittee shall submit to the District the gauge volume of the tank within 30 days of the actual tank capacity measurement. [District Rule 2201] Federally Enforceable Through Title V Permit
6. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
7. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
8. No wine fermentation shall occur in this tank. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
9. This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
10. The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition, except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
11. The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
12. The ethanol content of wine stored in this tank shall not exceed 20 percent by volume. [District Rule 2201] Federally Enforceable Through Title V Permit
13. The maximum storage throughput in this tank shall not exceed 350,000 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Total annual VOC emissions from this wine storage tank shall not exceed 490 lb/year, calculated on a twelve (12) month rolling basis. This tank is not permitted under the facility-wide Specific Limiting Condition for wine fermentation and storage operations. VOC emissions from this tank shall not be counted against the facility's Specific Limiting Condition for total annual VOC emissions from its wine fermentation and storage operations. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Total annual VOC emissions from wine storage operations shall be determined either as the sum of the emissions for each individual wine movement based on the volume transferred in each wine movement and the batch-specific wine storage emission factor calculated using the equation(s) specified within this permit; or as the emissions for total annual wine movements and a single storage emissions factor, calculated using the equation(s) specified within this permit, based on the average ethanol content of the total annual wine movements. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The annual VOC wine storage emission factor for each wine ethanol content shall be calculated using the following equation: EF = a * P^2 + b*P + c; where EF is the VOC emission factor in pounds of VOC per 1,000 gallons of wine throughput, P is the volume percent ethanol of the wine being transferred, a = -0.38194, b = 0.97917 and c = 0. [District Rule 2201] Federally Enforceable Through Title V Permit
17. On a monthly basis, the permittee shall calculate and record the VOC emissions, in pounds, from this tank for the rolling 12-month period, including calculation methods and parameters used. The VOC emissions shall be calculated by summing the VOC emissions from the previous 12 months. [District Rule 2201] Federally Enforceable Through Title V Permit
18. The operator shall record, on a weekly basis, the total gallons of wine contained in the tank and the maximum temperature of the stored wine. [District Rule 4694] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Daily and annual throughput records, including records of filling and emptying operations, the dates of such operations, a unique identifier for each batch, the volume percent ethanol in the batch, and the volume of wine transferred, shall be maintained. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

20. If the emissions calculated for any rolling 12-month period exceed the annual emissions limitations of this permit, in a crush season in which the start of the crush season (defined as the day on which the facility's seasonal crushing/fermentation operations commence) occurs less than 365 days after the start of the previous crush season, then no violation of the annual emissions limit for that rolling 12-month period will be deemed to have occurred so long as the calendar year emissions are below the annual emissions limitation. [District Rule 2201] Federally Enforceable Through Title V Permit

21. Records shall be maintained that demonstrate the date of each year's start of crush season. [District Rule 2201] Federally Enforceable Through Title V Permit

22. All records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070, 2201 and 4694] Federally Enforceable Through Title V Permit

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: N-266-961-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: DELICATO VINEYARDS
MAILING ADDRESS: 12001 S HIGHWAY 99
MANTECA, CA 95336

LOCATION: 12001 S HIGHWAY 99
MANTECA, CA 95336

EQUIPMENT DESCRIPTION:
350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 183 lb, 2nd quarter - 184 lb, 3rd quarter - 184 lb, and fourth quarter - 184 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 8/15/19) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number C-1521-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Samir Sheikh, Executive Director / APCO

Brian Clements, Director of Permit Services
N-266-961-0 : Aug 9 2021 6:57AM -- GARCIAJ : Joint Inspection NOT Required

5. The nominal tank dimensions are 39.08 feet in diameter and 43 feet in height with a proposed volume of 350,000 gallons. The permittee shall submit to the District the gauge volume of the tank within 30 days of the actual tank capacity measurement. [District Rule 2201] Federally Enforceable Through Title V Permit

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

7. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]

8. No wine fermentation shall occur in this tank. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit

9. This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit

10. The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition, except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit

11. The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit

12. The ethanol content of wine stored in this tank shall not exceed 20 percent by volume. [District Rule 2201] Federally Enforceable Through Title V Permit

13. The maximum storage throughput in this tank shall not exceed 350,000 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit

14. Total annual VOC emissions from this wine storage tank shall not exceed 490 lb/year, calculated on a twelve (12) month rolling basis. This tank is not permitted under the facility-wide Specific Limiting Condition for wine fermentation and storage operations. VOC emissions from this tank shall not be counted against the facility's Specific Limiting Condition for total annual VOC emissions from its wine fermentation and storage operations. [District Rule 2201] Federally Enforceable Through Title V Permit

15. Total annual VOC emissions from wine storage operations shall be determined either as the sum of the emissions for each individual wine movement based on the volume transferred in each wine movement and the batch-specific wine storage emission factor calculated using the equation(s) specified within this permit; or as the emissions for total annual wine movements and a single storage emissions factor, calculated using the equation(s) specified within this permit, based on the average ethanol content of the total annual wine movements. [District Rule 2201] Federally Enforceable Through Title V Permit

16. The annual VOC wine storage emission factor for each wine ethanol content shall be calculated using the following equation: EF = a * P^2 + b*P + c; where EF is the VOC emission factor in pounds of VOC per 1,000 gallons of wine throughput, P is the volume percent ethanol of the wine being transferred, a = -0.38194, b = 0.97917 and c = 0. [District Rule 2201] Federally Enforceable Through Title V Permit

17. On a monthly basis, the permittee shall calculate and record the VOC emissions, in pounds, from this tank for the rolling 12-month period, including calculation methods and parameters used. The VOC emissions shall be calculated by summing the VOC emissions from the previous 12 months. [District Rule 2201] Federally Enforceable Through Title V Permit

18. The operator shall record, on a weekly basis, the total gallons of wine contained in the tank and the maximum temperature of the stored wine. [District Rule 4694] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Daily and annual throughput records, including records of filling and emptying operations, the dates of such operations, a unique identifier for each batch, the volume percent ethanol in the batch, and the volume of wine transferred, shall be maintained. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

20. If the emissions calculated for any rolling 12-month period exceed the annual emissions limitations of this permit, in a crush season in which the start of the crush season (defined as the day on which the facility's seasonal crushing/fermentation operations commence) occurs less than 365 days after the start of the previous crush season, then no violation of the annual emissions limit for that rolling 12-month period will be deemed to have occurred so long as the calendar year emissions are below the annual emissions limitation. [District Rule 2201] Federally Enforceable Through Title V Permit

21. Records shall be maintained that demonstrate the date of each year's start of crush season. [District Rule 2201] Federally Enforceable Through Title V Permit

22. All records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070, 2201 and 4694] Federally Enforceable Through Title V Permit

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: N-266-962-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: DELICATO VINEYARDS
MAILING ADDRESS: 12001 S HIGHWAY 99
MANTECA, CA 95336

LOCATION: 12001 S HIGHWAY 99
MANTECA, CA 95336

EQUIPMENT DESCRIPTION:
350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 183 lb, 2nd quarter - 184 lb, 3rd quarter - 184 lb, and fourth quarter - 184 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 8/15/19) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number C-1521-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Samir Sheikh, Executive Director / APCO

Brian Clements, Director of Permit Services
N-266-962-0 : Aug 9 2021 6:57AM -- GARCIAJ : Joint Inspection NOT Required

5. The nominal tank dimensions are 39.08 feet in diameter and 43 feet in height with a proposed volume of 350,000 gallons. The permittee shall submit to the District the gauge volume of the tank within 30 days of the actual tank capacity measurement. [District Rule 2201] Federally Enforceable Through Title V Permit
6. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
7. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
8. No wine fermentation shall occur in this tank. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
9. This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
10. The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition, except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
11. The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
12. The ethanol content of wine stored in this tank shall not exceed 20 percent by volume. [District Rule 2201] Federally Enforceable Through Title V Permit
13. The maximum storage throughput in this tank shall not exceed 350,000 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Total annual VOC emissions from this wine storage tank shall not exceed 490 lb/year, calculated on a twelve (12) month rolling basis. This tank is not permitted under the facility-wide Specific Limiting Condition for wine fermentation and storage operations. VOC emissions from this tank shall not be counted against the facility's Specific Limiting Condition for total annual VOC emissions from its wine fermentation and storage operations. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Total annual VOC emissions from wine storage operations shall be determined either as the sum of the emissions for each individual wine movement based on the volume transferred in each wine movement and the batch-specific wine storage emission factor calculated using the equation(s) specified within this permit; or as the emissions for total annual wine movements and a single storage emissions factor, calculated using the equation(s) specified within this permit, based on the average ethanol content of the total annual wine movements. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The annual VOC wine storage emission factor for each wine ethanol content shall be calculated using the following equation: EF = a * P^2 + b*P + c; where EF is the VOC emission factor in pounds of VOC per 1,000 gallons of wine throughput, P is the volume percent ethanol of the wine being transferred, a = -0.38194, b = 0.97917 and c = 0. [District Rule 2201] Federally Enforceable Through Title V Permit
17. On a monthly basis, the permittee shall calculate and record the VOC emissions, in pounds, from this tank for the rolling 12-month period, including calculation methods and parameters used. The VOC emissions shall be calculated by summing the VOC emissions from the previous 12 months. [District Rule 2201] Federally Enforceable Through Title V Permit
18. The operator shall record, on a weekly basis, the total gallons of wine contained in the tank and the maximum temperature of the stored wine. [District Rule 4694] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Daily and annual throughput records, including records of filling and emptying operations, the dates of such operations, a unique identifier for each batch, the volume percent ethanol in the batch, and the volume of wine transferred, shall be maintained. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

20. If the emissions calculated for any rolling 12-month period exceed the annual emissions limitations of this permit, in a crush season in which the start of the crush season (defined as the day on which the facility's seasonal crushing/fermentation operations commence) occurs less than 365 days after the start of the previous crush season, then no violation of the annual emissions limit for that rolling 12-month period will be deemed to have occurred so long as the calendar year emissions are below the annual emissions limitation. [District Rule 2201] Federally Enforceable Through Title V Permit

21. Records shall be maintained that demonstrate the date of each year's start of crush season. [District Rule 2201] Federally Enforceable Through Title V Permit

22. All records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070, 2201 and 4694] Federally Enforceable Through Title V Permit

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: N-266-963-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: DELICATO VINEYARDS
MAILING ADDRESS: 12001 S HIGHWAY 99
MANTECA, CA 95336

LOCATION: 12001 S HIGHWAY 99
MANTECA, CA 95336

EQUIPMENT DESCRIPTION:
350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 183 lb, 2nd quarter - 184 lb, 3rd quarter - 184 lb, and fourth quarter - 184 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 8/15/19) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number C-1521-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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Samir Sheikh, Executive Director / APCO

Brian Clements, Director of Permit Services
N-266-963-0 : Aug 9 2021 6:57AM -- GARCIAJ : Joint Inspection NOT Required

5. The nominal tank dimensions are 39.08 feet in diameter and 43 feet in height with a proposed volume of 350,000 gallons. The permittee shall submit to the District the gauge volume of the tank within 30 days of the actual tank capacity measurement. [District Rule 2201] Federally Enforceable Through Title V Permit

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

7. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]

8. No wine fermentation shall occur in this tank. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit

9. This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit

10. The pressure-vacuum relief valve and storage tank shall remain in a gas-tight condition, except when the operating pressure of the tank exceeds the valve set pressure. A gas-tight condition shall be determined by measuring the gas leak in accordance with the procedures in EPA Method 21. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit

11. The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit

12. The ethanol content of wine stored in this tank shall not exceed 20 percent by volume. [District Rule 2201] Federally Enforceable Through Title V Permit

13. The maximum storage throughput in this tank shall not exceed 350,000 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit

14. Total annual VOC emissions from this wine storage tank shall not exceed 490 lb/year, calculated on a twelve (12) month rolling basis. This tank is not permitted under the facility-wide Specific Limiting Condition for wine fermentation and storage operations. VOC emissions from this tank shall not be counted against the facility's Specific Limiting Condition for total annual VOC emissions from its wine fermentation and storage operations. [District Rule 2201] Federally Enforceable Through Title V Permit

15. Total annual VOC emissions from wine storage operations shall be determined either as the sum of the emissions for each individual wine movement based on the volume transferred in each wine movement and the batch-specific wine storage emission factor calculated using the equation(s) specified within this permit; or as the emissions for total annual wine movements and a single storage emissions factor, calculated using the equation(s) specified within this permit, based on the average ethanol content of the total annual wine movements. [District Rule 2201] Federally Enforceable Through Title V Permit

16. The annual VOC wine storage emission factor for each wine ethanol content shall be calculated using the following equation: EF = a * P^2 + b*P + c; where EF is the VOC emission factor in pounds of VOC per 1,000 gallons of wine throughput, P is the volume percent ethanol of the wine being transferred, a = -0.38194, b = 0.97917 and c = 0. [District Rule 2201] Federally Enforceable Through Title V Permit

17. On a monthly basis, the permittee shall calculate and record the VOC emissions, in pounds, from this tank for the rolling 12-month period, including calculation methods and parameters used. The VOC emissions shall be calculated by summing the VOC emissions from the previous 12 months. [District Rule 2201] Federally Enforceable Through Title V Permit

18. The operator shall record, on a weekly basis, the total gallons of wine contained in the tank and the maximum temperature of the stored wine. [District Rule 4694] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Daily and annual throughput records, including records of filling and emptying operations, the dates of such operations, a unique identifier for each batch, the volume percent ethanol in the batch, and the volume of wine transferred, shall be maintained. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

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21. Records shall be maintained that demonstrate the date of each year's start of crush season. [District Rule 2201] Federally Enforceable Through Title V Permit

22. All records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070, 2201 and 4694] Federally Enforceable Through Title V Permit

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: N-266-964-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: DELICATO VINEYARDS
MAILING ADDRESS: 12001 S HIGHWAY 99
MANTECA, CA 95336

LOCATION: 12001 S HIGHWAY 99
MANTECA, CA 95336

EQUIPMENT DESCRIPTION:
350,000 GALLON NOMINAL STAINLESS STEEL RED AND WHITE WINE STORAGE TANK WITH A PRESSURE/VACUUM VALVE AND INSULATION

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 183 lb, 2nd quarter - 184 lb, 3rd quarter - 184 lb, and fourth quarter - 184 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 8/15/19) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number C-1521-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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Samir Sheikh, Executive Director / APCO

Brian Clements, Director of Permit Services
N-266-964-0 : Aug 9 2021 6:57AM -- GARCIAJ : Joint Inspection NOT Required

5. The nominal tank dimensions are 39.08 feet in diameter and 43 feet in height with a proposed volume of 350,000 gallons. The permittee shall submit to the District the gauge volume of the tank within 30 days of the actual tank capacity measurement. [District Rule 2201] Federally Enforceable Through Title V Permit
6. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
7. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
8. No wine fermentation shall occur in this tank. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
9. This tank shall be equipped with and operated with a pressure-vacuum relief valve, which shall operate within 10% of the maximum allowable working pressure of the tank, operate in accordance with the manufacturer's instructions, and be permanently labeled with the operating pressure settings. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
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11. The temperature of the wine stored in this tank shall be maintained at or below 75 degrees Fahrenheit. The temperature of the stored wine shall be determined and recorded at least once per week. For each batch of wine, the operator shall achieve the storage temperature of 75 degrees Fahrenheit or less within 60 days after completing fermentation, and shall maintain records to show when the required storage temperature of 75 degrees Fahrenheit or less was achieved. [District Rules 2201 and 4694] Federally Enforceable Through Title V Permit
12. The ethanol content of wine stored in this tank shall not exceed 20 percent by volume. [District Rule 2201] Federally Enforceable Through Title V Permit
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San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: N-266-965-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: DELICATO VINEYARDS
MAILING ADDRESS: 12001 S HIGHWAY 99
MANTECA, CA 95336

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Brian Clements, Director of Permit Services
N-266-965-0 : Aug 9 2021 6:57AM -- GARCIAJ : Joint Inspection NOT Required

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CONDITIONS CONTINUE ON NEXT PAGE

19. Daily and annual throughput records, including records of filling and emptying operations, the dates of such operations, a unique identifier for each batch, the volume percent ethanol in the batch, and the volume of wine transferred, shall be maintained. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

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APPENDIX B
BACT Guideline

San Joaquin Valley
Unified Air Pollution Control District

Best Available Control Technology (BACT) Guideline 5.4.13*

Last Update: 9/7/2018

Wine Storage Tank - Non-Wood Material**

Pollutant	Achieved in Practice or contained in the SIP	Technologically Feasible	Alternate Basic Equipment
VOC	Insulation or Equivalent***, Pressure Vacuum Relief Valve (PVRV) set within 10% of the maximum allowable working pressure of the tank; "gas-tight" tank operation; and continuous storage temperature not exceeding 75 degrees F, achieved within 60 days of completion of fermentation	1. Capture of VOCs and thermal or catalytic oxidation (98% control) 2. Capture of VOCs and carbon adsorption (95% control) 3. Capture of VOCs and absorption (90% control) 4. Capture of VOCs and condensation (70% control)	

**This guideline is applicable to a wine storage tank that is not constructed out of wooden materials.
***Tanks made of heat-conducting materials such as stainless steel may be insulated or stored indoors (in a completely enclosed building, except for vents, doors and other essential openings) to limit exposure of diurnal temperature variations. Tanks made entirely of non-conducting materials such as concrete (except for fittings) are considered self-insulating.

BACT is the most stringent control technique for the emissions unit and class of source. Control techniques that are not achieved in practice or contained in a State Implementation Plan must be cost effective as well as feasible. Economic analysis to demonstrate cost effectiveness is required for all determinations that are not achieved in practice or contained in an EPA approved State Implementation Plan.

***This is a Summary Page for this Class of Source**

APPENDIX C
BACT Analysis

Top Down BACT Analysis for VOC from Wine Storage Operations

Step 1 - Identify All Possible Control Technologies

SJVUAPCD BACT Clearinghouse guideline 5.4.13 identifies achieved in practice BACT for wine storage tanks as follows:

1) Insulation or Equivalent**, Pressure Vacuum Relief Valve (PVRV) set within 10% of the maximum allowable working pressure of the tank; "gas-tight" tank operation; and continuous storage temperature not exceeding 75 degrees F, achieved within 60 days of completion of fermentation.

SJVUAPCD BACT Clearinghouse guideline 5.4.13 identifies technologically feasible BACT for wine storage tanks as follows:

2) Capture of VOCs and thermal or catalytic oxidation or equivalent (98% control)
3) Capture of VOCs and carbon adsorption or equivalent (95% control)
4) Capture of VOCs and absorption or equivalent (90% control)
5) Capture of VOCs and condensation or equivalent (70% control)

***Tanks made of heat-conducting materials such as stainless steel may be insulated or stored indoors (in a completely enclosed building, except for vents, doors and other essential openings) to limit exposure to diurnal temperature variations. Tanks made entirely of non-conducting materials such as concrete and wood (except for fittings) are considered self-insulating.*

SJVUAPCD BACT Clearinghouse guideline 5.4.13 does not identify any alternate basic equipment control alternatives.

Step 2 - Eliminate Technologically Infeasible Options

None of the above listed technologies are technologically infeasible.

Step 3 - Rank Remaining Control Technologies by Control Effectiveness

Rank by Control Effectiveness		
Rank	Control	Overall Capture and Control Efficiency
1	Capture of VOCs and thermal oxidation or equivalent	98%*
2	Capture of VOCs and carbon adsorption or equivalent	95%
3	Capture of VOCs and absorption (scrubber) or equivalent	90%
4	Capture of VOCs and condensation or equivalent	70%
5	Insulation or Equivalent, Pressure Vacuum Relief Valve (PVRV) set within 10% of the maximum allowable working pressure of the tank; "gas-tight" tank operation; and continuous storage temperature not exceeding 75 degrees F, achieved within 60 days of completion of fermentation	Baseline (Achieved-in-Practice)

* Following recent District practice, thermal and catalytic oxidation will be ranked together.

Step 4 - Cost Effectiveness Analysis

A cost effectiveness analysis must be performed for all control options that have not been determined to be achieved in practice in the list from Step 3 above, in the order of their ranking, to determine the cost effective option with the lowest emissions.

District BACT Policy APR 1305 (dated 5/18/08) establishes annual cost thresholds for imposed controls based upon the amount of pollutants reduced by the controls. If the cost of control is at or below the threshold, it is considered a cost effective control. If the cost exceeds the threshold, it is not cost effective and the control is not required. Per District BACT Policy, the maximum cost limit for VOC reduction is $17,500 per ton of VOC emissions reduced.

Collection System Capital Investment (based on ductwork):

A common feature of all the identified technologically feasible options is that they require installation of a collection system to capture and deliver the emissions from the tank to the control device. The cost of the collection system is based on the following:

- The costs for the ductwork and the required clean-in-place (CIP) system are based on information from the 2005 Eichleay Study. The 2005 Eichleay study was used in development of District Rule 4694 Wine Fermentation and Storage Tanks and includes substantial information on the costs and details of the potential application of VOC controls to wineries and addresses many of the technical issues of the general site specific factors for wineries.
- The District performed a cost survey of stainless steel ducting/piping and found that the values stated in the Eichleay report including the cost of inflation (applied as stated below) were less expensive; therefore, as a conservative estimate, the District will use the cost of ducting/piping from the Eichleay report which will include ducting, fittings, bolt up, handle, and install. A summary of the ducting/piping cost survey is included in Attachment C1.
- Eichleay's cost estimate for ducting included the duct, fittings, bolt up, handle and install; therefore, the District did not allow the additional costs for foundations & supports, handling & erection, electrical, piping or painting, as allowed by the EPA Cost Manual.
- The collection system consists of stainless steel place ductwork (stainless steel is required due to food grade product status) with isolation valving, connecting the tanks to a common manifold system which ducts the combined vent to the common control device. The cost of dampers and isolation valving, installed in the ductwork, will be included in the cost estimate.
- The ducting/piping costs quoted in the Eichleay study are from June 2005 and must be adjusted to reflect 2021 prices. An overall inflation amount of 39.69% which was taken from the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index (CPI) Inflation Calculator and applied to the ducting/piping costs to determine the current 2021 prices: http://www.bls.gov/data/inflation_calculator.htm.
- A minimum duct size is established at six inches diameter at each tank to provide adequate strength for spanning between supports.
- Sales Tax: This facility is located in Manteca, CA, which has a current sales tax rate of 8.25%. However, pollution control equipment qualifies for a partial tax exemption in California. According to the following link, the tax exemption rate is 3.9375%, https://www.cdtfa.ca.gov/industry/manufacturing-exemptions.htm. Therefore, the sales tax rate used in this analysis will be set equal to 4.3125% (8.25% - 3.9375%).

- One of the major concerns of a manifold duct system is microorganisms spoiling the product, and transferring from one tank to another. It is necessary to design into the system a positive disconnect of the ducting system when the tanks are not being filled. There are a number of ways this can be done. In this case, an automatic butterfly valve with a physical spool to disconnect the tank from the duct will be utilized.
- Project Contingency: For detailed estimates, the Association for the Advancement of Cost Engineering International recommends a contingency factor of 15%, while the Electric Power Research Institute recommends a contingency of 10% to 20% (ftp://ftp.repec.org/opt/ReDIF/RePEc/sip/04-005.pdf). Therefore, a cost contingency of 15% will be applied to the detailed estimates provided in these cost analyses. Additionally, since both the direct and indirect costs are detailed estimates and both of these categories of costs have uncertainty associated with them, the contingency will be applied to both the direct and indirect costs.
- Owner's cost is the cost to cover the project management, internal engineering, and operations planning required to implement a significant new process technology of this scale in a commercial winery. No owner's cost was specifically requested by the facility at this time; therefore, as a conservative estimate, the owner's cost will be set equal to $0 for the purposes of this BACT analysis.

Capital Cost of Ductwork

The proposed tanks will be located very close to an existing tank farm, as a conservative estimate, and only the small size pipe, 6" diameter pipe, will need to be used. The ductwork cost for the proposed wine storage tanks, assuming a duct runs over the top of each tank, is summarized below:

- Connection from one tank to another:
  [(39.08 feet tank diameter ÷ 2) + 5 feet between tanks + (39.08 feet tank diameter ÷ 2)] x $62.17/foot = $2,740
- Connection from tank to emission control unit: 25 feet x $62.17/foot = $1,554
- Ducting Isolation Components for tank:
  - Unit installed cost for 6 inch butterfly valve: $2,125/valve x 8 tanks = $17,000
  - Unit installed cost one foot removable spool: $500/tank x 8 tanks = $4,000
- Ducting support allowance:
  - Ducting support allowance is $4,000/tank: $4,000/tank x 8 tank = $32,000

Total Ductwork Capital cost = $2,740 + $1,554 + $17,000 + $4,000 + $32,000
= $57,294

The following cost data is taken from EPA Control Cost Manual, Sixth Edition (EPA/452/B 02-001).

Capital Cost of Ductwork for Wine Storage Tanks	
Cost Description	Cost ($)
Combined Duct Estimate for all Tank Groups	$57,294
Adjusting factor for inflation from 2005 dollars to 2020 dollars (33.82% total increase)	1.3969
Inflation adjusted duct cost	$80,034
The following cost data is taken from EPA Control Cost Manual, Sixth Edition (EPA/452/B-02-001).	
Direct Costs	
Base Equipment Costs (Ductwork) See Above	$80,034
Instrumentation (not required)	-
Sales Tax - 4.3125% of base equipment	$3,451
Freight - 5% of base equipment	$4,002
Purchased equipment cost (PEC)	**$87,487**
Foundations & supports 8% (allowance already included in Eichleay cost estimate)	-
Handling & erection 14% (already included in Eichleay cost estimate)	-
Electrical 4% (not required)	-
Piping 2% (not required)	-
Painting 1% (not required)	-
Insulation 1% of PEC	$875
Direct Installation Costs (DIC)	**$ 875**
Total Direct Costs (DC) (PEC + DIC)	**$88,362**
Indirect Costs	
Engineering - 10% of PEC	$8,749
Construction and field expenses - 5% of PEC	$4,374
Contractor Fees - 10% of PEC	$8,749
Start-up - 2% of PEC	$1,750
Performance Test - 1% of PEC	$ 875
Total Indirect Costs (IC)	**$24,497**
Subtotal Capital Investment (SCI) (DC + IC)	**$112,859**
Contingencies - 15% of SCI	$16,929
Total Capital Investment (TCI) (SCI + Contingency)	**$129,788**

Annualized Capital Investment = Initial Capital Investment x Amortization Factor

Amortization Factor = $\left[\frac{0.1(1.1)^{10}}{(1.1)^{10}-1}\right]$ = 0.163 per District policy, amortizing over 10 years at 10%

Annualized Capital Investment for Ductwork = $129,788 x 0.163

= $21,155

Option 1 - Collection of VOCs and Control by Thermal or Catalytic Oxidation (98% collection & control):

Thermal Oxidizer Annual Operating and Maintenance Costs

Annual costs (Based on: EPA Air Pollution Control Cost Manual, Sixth Edition (January 2002), Section 3.2: VOC Destruction Controls, Chapter 2: Incinerators (September 2000), Table 2.10 - Annual Costs for Thermal and Catalytic Incinerators Example Problem. United States Environmental Protection Agency Office of Air Quality Planning and Standards. Research Triangle Park, North Carolina 27711. EPA/452/B-02-001).

Thermal/Catalytic Oxidizer Annual Operating and Maintenance Costs			
Direct Annual Cost (DAC)			
Operating Labor			
Operator	0.5 hr/shift	$18.50/hr x 0.5 hr/shift x 2 shift/day x 365 days/year x 1 unit	$6,753
Supervisor	15% of operator		$18
Maintenance			
Labor	0.5 hr/shift	$18.50/hr x 0.5 hr/shift x 2 shift/day x 365 days/year x 1 unit	$6,753
Maintenance	100% of labor		$6,753
Utility			
Natural Gas	not included		$0
Electricity	not included		$0
Total DAC			**$20,277**
Indirect Annual Cost (IAC)			
Overhead	60% of Labor Cost	0.6 x ($6,753 + $18 + $6,753 + $6,753)	$12,166
Annual Source Test	One representative test/year @ $15,000		$15,000
Total IAC			**$27,166**
Annual Operating Cost (DAC + IAC)			**$47,443**

Total Annual Cost

Total Annual Cost = Ductwork + Annual Operating and Maintenance
= $21,155 + $47,443
= $68,598

Emission Reductions

Annual Emission Reduction = Uncontrolled Emissions x 0.98
= 3,920 lb/yr x 0.98
= 3,842 lb/yr = 1.92 tons/yr

Cost Effectiveness

Cost Effectiveness = Total Annual Cost ÷ Annual Emission Reductions

Cost Effectiveness = $68,598/yr ÷ 1.92 tons/yr
= $35,728/ton

The analysis demonstrates that the annualized cost of the ductwork and the annual operating and maintenance costs results in a cost effectiveness which exceeds the District's guideline of $17,500/ton-VOC. Therefore this option is not cost-effective and will not be considered for this project.

Option 2 - Collection of VOCs and control by carbon adsorption (95% collection and control):

Carbon Adsorption Annual Operation and Maintenance Costs

The annual operation and maintenance costs for the carbon adsorption system are based on the information given in the EPA Air Pollution Control Cost Manual, Sixth Edition (January 2002), Section 3.1: VOC Recapture Controls, Chapter 1: Carbon Adsorbers (September 1999). No value will be given for the ethanol that may be potentially recovered since this ethanol could actually result in additional disposal costs, which will also not be quantified in this analysis.

Carbon Adsorption Annual Operating and Maintenance Costs			
Direct Annual Cost (DAC)			
Operating Labor			
Operator	0.5 hr/shift	$18.50/hr x 0.5 hr/shift x 2 shift/day x 365 days/year x 1 unit	$6,753
Supervisor	15% of operator		$18
Maintenance			
Labor	0.5 hr/shift	$18.50/hr x 0.5 hr/shift x 2 shift/day x 365 days/year x 1 unit	$6,753
Maintenance	100% of labor		$6,753
Utility			
Electricity	not included		-
Total DAC			**$20,277**
Indirect Annual Cost (IAC)			
Overhead	60% of Labor Cost	0.6 x ($6,753 + $18 + $6,753 + $6,753)	$12,166
Annual Source Test	One representative test/year @ $15,000		$15,000
Total IAC			**$27,166**
Annual Operating Cost (DAC + IAC)			**$47,443**

Total Annual Cost

Total Annual Cost = Ductwork + Annual Operating and Maintenance
= $21,155 + $47,443
= $68,598

Emission Reductions

Annual Emission Reduction = Uncontrolled Emissions x 0.95
= 3,920 lb/yr x 0.95
= 3,724 lb/yr = 1.86 tons/yr

Cost Effectiveness

Cost Effectiveness = Total Annual Cost ÷ Annual Emission Reductions

Cost Effectiveness = $68,598/yr ÷ 1.86 tons/yr
= $36,881/ton

The analysis demonstrates that the annualized cost of the ductwork and the annual operating and maintenance costs results in a cost effectiveness which exceeds the District's guideline of $17,500/ton-VOC. Therefore this option is not cost-effective and will not be considered for this project.

Option 3 - Collection of VOCs and Control by Absorption/Scrubber (90% collection & control):

Scrubber Annual Operating and Maintenance Costs			
Direct Annual Cost (DAC)			
Operating Labor			
Operator	0.5 hr/shift	$18.50/hr x 0.5 hr/shift x 2 shift/day x 365 days/year x 1 unit	$6,753
Supervisor	15% of operator		$18
Maintenance			
Labor	0.5 hr/shift	$18.50/hr x 0.5 hr/shift x 2 shift/day x 365 days/year x 1 unit	$6,753
Maintenance	100% of labor		$6,753
Utility			
Electricity	not included		-
Total DAC			**$20,277**
Indirect Annual Cost (IAC)			
Overhead	60% of Labor Cost	0.6 x ($6,753 + $18 + $6,753 + $6,753)	$12,166
Annual Source Test	One representative test/year @ $15,000		$15,000
Total IAC			**$27,166**
Annual Operating Cost (DAC + IAC)			**$47,443**

Total Annual Cost

Total Annual Cost = Ductwork + Annual Operating and Maintenance
= $21,155 + $47,443
= $68,598

Emission Reductions

Annual Emission Reduction = Uncontrolled Emissions x 0.90
= 3,920 lb/yr x 0.90
= 3,528 lb/yr = 1.76 tons/yr

Cost Effectiveness

Cost Effectiveness = Total Annual Cost ÷ Annual Emission Reductions

Cost Effectiveness = $68,598/yr ÷ 1.76 tons/yr
= $38,976/ton

The analysis demonstrates that the annualized purchase cost of the ductwork and required CIP system, and annual operating and maintenance costs results in a cost effectiveness which exceeds the District's guideline of $17,500/ton-VOC. Therefore this option is not cost-effective and will not be considered for this project.

Option 4 - Capture of VOCs and Condensation (70% collection & control):

Condenser Annual Operating and Maintenance Costs			
Direct Annual Cost (DAC)			
Operating Labor			
Operator	0.5 hr/shift	$18.50/hr x 0.5 hr/shift x 2 shift/day x 365 days/year x 1 unit	$6,753
Supervisor	15% of operator		$18
Maintenance			
Labor	0.5 hr/shift	$18.50/hr x 0.5 hr/shift x 2 shift/day x 365 days/year x 1 unit	$6,753
Maintenance	100% of labor		$6,753
Utility			
Electricity	not included		-
Total DAC			**$20,277**
Indirect Annual Cost (IAC)			
Overhead	60% of Labor Cost	0.6 x ($6,753 + $18 + $6,753 + $6,753)	$12,166
Annual Source Test	One representative test/year @ $15,000		$15,000
Total IAC			**$27,166**
Annual Operating Cost (DAC + IAC)			**$47,443**

Total Annual Cost

Total Annual Cost = Ductwork + Annual Operating and Maintenance
= $21,155 + $47,443
= $68,598

Emission Reductions

Annual Emission Reduction = Uncontrolled Emissions x 0.70
= 3,920 lb/yr x 0.70
= 2,744 lb/yr = 1.37 tons/yr

Cost Effectiveness

Cost Effectiveness = Total Annual Cost ÷ Annual Emission Reductions

Cost Effectiveness = $68,598/yr ÷ 1.37 tons/yr
= $50,072/ton

The analysis demonstrates that the annualized purchase cost of the ductwork and required CIP system, and annual operating and maintenance costs results in a cost effectiveness which exceeds the District's guideline of $17,500/ton-VOC. Therefore this option is not cost-effective and will not be considered for this project.

Option 5 - Insulation, PVRV, "Gas-Tight" Tank Operation, and Storage Temperature not Exceeding 75 deg F, Achieved within 60 days of Completion of Fermentation):

The only remaining control option in step 3 above has been deemed AIP for this class and category of source and per the District BACT policy is required regardless of the cost. Therefore, a cost effectiveness analysis is not required.

Step 5 – Select BACT

All identified technologically feasible options with control efficiencies higher than the option proposed by the facility have been shown to not be cost effective. The proposed wine storage tanks will be equipped and/or operated in a manner that complies with Option 5, insulated tank, pressure/vacuum valve set within 10% of the maximum allowable working pressure of the tank, "gas tight" tank operation and achieve and maintain a continuous storage temperature not exceeding 75 ^{o}F within 60 days of completion of fermentation. Therefore, the BACT requirements for VOC emissions will be satisfied for this project.

ATTACHMENT C1

Comparison of Stainless Steel Ducting Costs

Ducting/Piping Cost Comparison

Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"	28"
Eichleay - Ducting/Piping Only $/Foot	--	--	--	$23.17	$38.59	$54.00	$62.00	$65.50	$69.00	$86.00	$92.00	$99.00	$106.00	$119.00
Eichleay - Ducting/Piping Only $/Foot Including 21.93% for Inflation	--	--	--	$28.25	$47.05	$65.84	$75.60	$79.86	$84.13	$104.86	$112.18	$120.71	$129.25	$145.10
Average $/Foot from District Cost Survey	$15.49	$30.85	$27.67	$44.13	$37.50	$33.13	$93.75	$181.70	$216.50	$189.02	$308.40	--	$193.99	--
Average $/Foot from District Cost Survey from Suppliers of Both 3" and 6"	--	$30.85	--	$57.26	--	--	--	--	--	--	--	--	--	--

Ducting/Piping Costs based on Eichleay Report

Note: Minimum of 6" Diameter for Structural Support														
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"	28"
Ducting/Piping Only $/Foot	--	--	--	$23.17	$38.59	$54.00	$62.00	$65.50	$69.00	$86.00	$92.00	$99.00	$106.00	$119.00
Ducting + Fittings, Bolt Up, Handling, & Install $/Foot	--	--	--	$62.17	$103.25	$144.33	$143.83	$174.17	$204.52	$251.38	$309.38	$306.44	$397.67	$476.73
Ducting + Fittings, Bolt Up, Handling, & Install $/Foot	--	--	--	$62.17	$103.25	$144.33	$143.83	$174.17	$204.52	$251.38	$309.38	$306.44	$397.67	$476.73

Supplier: Grainger (http://www.grainger.com) **Location: Fresno, CA and Ceres, CA**

Schedule 10													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Price ($)	$229.50	$387.75	$587.50	--	--	--	--		--	--	--	--	--
Length (feet)	10	10	10	--	--	--	--		--	--	--	--	--
Price/Foot ($)	$22.95	$38.78	$58.75	--	--	--	--		--	--	--	--	--

Supplier: Stockton Pipe and & Supply Inc (http://www.stocktonpipe.net) **Location: Stockton, CA**

Note: Sizes over 12" Diameter need to be ordered from Mill													
0.109" thickness tube or Schedule 10 Pipe													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Price ($)	--	--	--	--	--	$700.00	$840.00	--	--	--	--	--	$3,159.60
Length (feet)	--	--	--	--	--	20	20	--	--	--	--	--	20
Price/Foot ($)	--	--	--	--	--	$35.00	$42.00	--	--	--	--	--	$157.98

Supplier: Valley Iron Inc (http://www.stocktonpipe.net) **Location: Fresno, CA**

Note: Sch 10 T-304 20'													
Schedule 10 Pipe													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Length (feet)	--	--	20	20	20	20	--	--	--	--	--	--	--
Price/Foot ($)	--	--	$10.75	$16.90	$26.00	$33.90	--	--	--	--	--	--	--

Supplier: Del Paso Pipe & Steel Inc. (http://www.delpasopipeandsteel.com/) **Location: Sacramento, CA**

Schedule 5/10 Pipe:													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Price Quote: $9/lb												--	
Estimated Price/Foot	--	--	--	--	--	--	$217.00	$250.00	$286.00	$322.00	$432.00	--	--

Supplier: Hayward Pipe & Supply Co. Inc (http://www.haywardpipe.com/) **Location: Hayward, CA**

Note: large diamter pipe ships from Texas, FREIGHT NOT QUOTED - Additional Shipping Costs apply													
Schedule 10 Pipe													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Price ($)	--	--	--	--	--	--	$1,540.00	$2,268.00	$2,940.00	$3,276.00	$3,696.00	--	--
Length (feet)	--	--	--	--	--	--	20	20	20	20	20	--	--
Price/Foot ($)	--	--	--	--	--	--	$77.00	$113.40	$147.00	$163.80	$184.80	--	--

Supplier: OnlineMetals.com (http://www.onlinemetals.com/) **Location: Nearest Warehouse - Los Angeles, CA**

Schedule 10 Pipe													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Price ($)	$78.28	$108.97	$160.34	$288.00	$520.00	--	--	--	--	--	--	--	--
Length (feet)	8	8	8	8	8	--	--	--	--	--	--	--	--
Price/Foot ($)	$9.79	$13.62	$20.04	$36.00	$65.00	--	--	--	--	--	--	--	--
Weldeds Stainless Tube 304/304L (2" OD, 0.12" Wall; 3" OD, 0.12" Wall; 6", 0.12")													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Price ($)	$109.86	$321.34	--	$628.16	--	--	--	--	--	--	--	--	--
Length (feet)	8	8	--	8	--	--	--	--	--	--	--	--	--
Price/Foot ($)	$13.73	$40.17	--	$78.52	--	--	--	--	--	--	--	--	--

Supplier: Lone Star Supply Co **Location: Dickinson, TX**

Note: Additional shipping costs													
Schedule 10 Welded Pipe													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Price/Foot ($)	--	--	$16.45	$19.60	$21.50	$30.50	$39.00	--	--	$81.25	--	--	$230.00

Supplier: Global Technology and Engineering **Location: Excelsior Springs, MO**

Note: Additional shipping Costs													
11 Gauge Tubing													
Duct Size Diameter (in.)	2"	3"	4"	6"	8"	10"	12"	14"	16"	18"	20"	22"	24"
Price ($)	--	--	$226.58	$487.40	--	--	--	--	--	--	--	--	--
Length (feet)	--	--	7	7	--	--	--	--	--	--	--	--	--
Price/Foot ($)	--	--	$32.37	$69.63	--	--	--	--	--	--	--	--	--

APPENDIX D
ERC Surplus Analysis

San Joaquin Valley Air Pollution Control District
Surplus ERC Analysis

Facility Name: Delicato Vineyards
Mailing Address: 12001 S Highway 99
Manteca, CA 95336
Contact Person: Andrea Vasquez
Telephone: (209) 824-3675
ERC Certificate #s: C-1521-1
ERC Surplus Project #: N-1210190
ATC Project #: N-1204545

Date: July 7, 2021
Engineer: Jesse A. Garcia
Lead Engineer: Derek Fukuda

I. Proposal

Delicato Vineyards is proposing the use of the following Emission Reduction Credit (ERC) certificate to meet the federal offset requirements of District project N-1204545.

Proposed ERC Certificate	
Certificate #	**Criteria Pollutant**
C-1521-1	VOC

The purpose of this analysis is to ensure that the emission reductions on this ERC certificate are surplus of all applicable Federal requirements; therefore, this analysis establishes the surplus value of the ERC certificate as of the date of this analysis. The current face value and surplus value of the ERC certificate evaluated in this analysis are summarized in the following table:

Criteria Pollutant: VOC

ERC Certificate C-1521-1				
ERC	1st Qtr. (lb/qtr)	2nd Qtr. (lb/qtr)	3rd Qtr. (lb/qtr)	4th Qtr. (lb/qtr)
Current Value	2,500	5,000	2,500	0
Surplus Value	2,500	5,000	2,500	0

II. Individual ERC Certificate Analysis

ERC Certificate C-1521-1

A. ERC Background

Criteria Pollutant: VOC

ERC Certificate C-1521-1 was transferred from another ERC certificate that originated from ERC C-1051-1 issued on April 22, 2010. The ERC was generated from the shutdown of an expandable polystyrene (EPS) foam box manufacturing facility at C-2929 which included an EPS mold operation served by a shared 10.6 MMBtu/hr boiler/oxidizer steam system (B.O.S.S.) (permit C-2929-1-2) and an EPS recycling operation served by the 10.6 MMBtu/hr B.O.S.S. listed under permit -1 (permit C-2929-2-0) (see detailed equipment summary in Attachment D2). The following table summarizes the values of the original parent certificate and the current value of the subject certificate proposed to be utilized as a part of the current District analysis:

ERC Certificate C-1521-1				
Pollutant	1st Qtr. (lb/qtr)	2nd Qtr. (lb/qtr)	3rd Qtr. (lb/qtr)	4th Qtr. (lb/qtr)
Original Value of Parent Certificate C-1051-1	8,699	12,348	6,585	90
Current Value of ERC Certificate C-1521-1	2,500	5,000	2,500	0

B. Applicable Rules and Regulations at Time of Original Banking Project

Based on the application review for the original ERC banking project, the following rules and regulations were evaluated to determine the surplus value of actual emission reductions of VOCs generated by the reduction project.

1. District Rules

Rule 2301 Emission Reduction Credit Banking (1/19/12)

The application review for the original ERC banking project demonstrates that the ERC credit complied with District Rule 2301 requirements at the time it was issued.

Rule 4301 Fuel Burning Equipment (12/17/92)
Rule 4305 Boilers, Steam Generators, and Process Heaters – Phase 2 (8/21/03)
Rule 4306 Boilers, Steam Generators, and Process Heaters – Phase 3 (10/16/08)
Rule 4320 Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters (10/16/08)
Rule 4682 Polystyrene, Polyethylene and Polypropylene Products Manufacturing (9/20/07)

The application review for the original ERC banking project demonstrated that the two operations had VOC limits that were below the limits in the Rules listed above. Therefore, the original VOC emission reductions were surplus of all applicable District Rule requirements.

2. Federal Rules and Regulations

40 CFR Part 60 Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units

The application review for the original ERC banking project demonstrated that the boilers had VOC limits that were below the limits in the Subpart listed above. Therefore, the emission reductions were surplus of the requirements of 40 CFR Part 60 Subpart Dc at the time the ERC was originally banked.

C. New or Modified Rule and Regulations Applicable to the Original Banking Project

1. District Rules:

All District and federal rules and regulations that have been adopted or amended since the date the original banking project was finalized will be evaluated below:

Rule 4301 Fuel Burning Equipment (8/15/19)

District Rule 2301 has been amended since the original ERC certificate was issued. The requirements of this rule only apply at the time of the original banking action; therefore, no further evaluation of this rule will be performed in this analysis.

Rule 4306 Boilers, Steam Generators, and Process Heaters – Phase 3
Rule 4320 Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters

The requirements of amended Rules 4306 and 4320 would have been applicable to the EPS molding and EPS recycling operations that were shut down in the original ERC banking project. However, these rules do not contain any operational requirements or emission limits for VOC emissions and they have been approved into the State Implementation Plan (SIP). Therefore, with respect to these rules, the VOC emission reductions are still surplus of the requirements of these rules.

Rule 4682 Polystyrene, Polyethylene and Polypropylene Products Manufacturing (12/15/11)

The amended rule requires EPS manufacturing operations to comply with one of seven emission reduction methods (Sections 5.2.1 – 5.2.7). The original facility had total product emissions of 1.34 pounds VOC per 100 pounds of total material processed, which is less than the rule limit of 2.4 lbs VOC per 100 pounds of total material processed. Therefore, the original VOC emission reductions continue to be surplus of District Rule requirements.

2. Federal Rules and Regulations:

40 CFR Part 60 Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units

This subpart does not have any requirements for VOC emissions.

Therefore, the emission reductions continue to be surplus of this subpart.

40 CFR Part 60 Subpart DDD – Standards of Performance for Polymer Manufacturing Industry

This subpart applies to the manufacturing of basic polymers: polypropylene, polyethylene, polystyrene, and poly(ethylene terephthalate) (PET). Per the definition of process finishing in 60.561(c), "the shaping (such as fiber spinning, molding, or fabricating) or modification (such as fiber stretching and crimping) of the finished end product" is not including in this subpart. Therefore, the requirements of this subpart are not applicable to the original operation, and no further analysis is required.

40 CFR Part 63 Subpart DDDDD National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters

This subpart applies to boilers and process heaters located at a major source of Hazardous Air Pollutant (HAP) emissions. The facility was not a major source of HAP emissions as determined in Attachment D1; therefore, the requirements of this subpart are not applicable to the boiler at the facility.

Therefore, the emission reductions continue to be surplus of this subpart.

40 CFR Part 63 Subpart JJJJJJ National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers Area Sources

The boilers at the facility meet the definition of "gas-fired boiler" in the subpart as they were required to use natural gas as fuel. Therefore, the requirements of this subpart are not applicable.

Therefore, the emission reductions continue to be surplus of this subpart.

D. Surplus at Time of Use Adjustments to ERC Quantities

As demonstrated in the section above, the emissions reductions from permit units in the original banking project continue to be surplus of all applicable District and Federal Rules and Regulations. Therefore, no discounting to the ERC values are necessary for surplus at time of use considerations.

E. Surplus Value of ERC Certificate

The emissions continue to be Surplus of all District and Federal Rules and Regulations;

therefore, no adjustments to the ERC values are necessary.

ERC Certificate C-1521-1 – Criteria Pollutant VOC					
		1st Qtr. (lb/qtr)	2nd Qtr. (lb/qtr)	3rd Qtr. (lb/qtr)	4th Qtr. (lb/qtr)
(A)	Current ERC Quantity	2,500	5,000	2,500	0
(B)	Percent Discount	**0.0%**	**0.0%**	**0.0%**	**0.0%**
(C) = (A) x [1 – (B)]	**Surplus Value**	2,500	5,000	2,500	0

ATTACHMENT D1
HAP Emission Calculations for Facility C-2929

Summary of HAP Emissions

Permit #	Description	HAPs (lb/yr)
C-2929-1	Pentane Release from Mold Operation	18,761*
	Scrap Regrind	183*
	10.6 MMBtu/hr B.O.S.S.	6**
C-2929-2	EPS Recycling Operation	175***
	Total HAPs Potential to Emit (lb/yr):	19,119
	Total HAPs Potential to Emit (tons/yr):	**9.6**
	Major HAP Threshold (aggregate of any single HAP emitted****) (tons/yr)	10
	Major HAP Source?	**No**

* Taken from the facilty's project file, assuming a worst case that all VOC emissions are HAPs.
** Calculated in the following table.
*** Taken from the facilty's project file, assuming a worst case that all VOC emissions are HAPs and calculated as follows: 0.48 lb-VOC/day x 365 days/year = 175 lbs-VOC/year.
****This analysis assumes as a worst case that all HAPs emitted are the same HAP.

HAP Emissions for C-2929-1

The HAP emissions from the boiler are calculated in the following table:

HAP	Emission Factor (lb/MMBtu)[1]	Maximum Hourly Emissions (lb/hr) [2]	Maximum Annual Emissions (lb/yr) [3]
Acetaldehyde	3.10E-06	3.29E-05	0.3
Acrolein	2.70E-06	2.86E-05	0.3
Benzene	5.80E-06	6.15E-05	0.5
1,3-Butadiene	n/a	--	--
Ethyl benzene	6.90E-06	7.31E-05	0.6
Formaldehyde	1.23E-05	1.30E-04	1.1
Hexane	4.60E-06	4.88E-05	0.4
Naphthalene	3.00E-07	3.18E-06	0.0
PAHs	1.00E-07	1.06E-06	0.0
Propylene Oxide	n/a	--	--
Toluene	2.65E-05	2.81E-04	2.5
Xylene	6.40E-08	6.78E-07	0.0
Total			**6**
Notes:			
1. These emission factors are obtained from Ventura County APCD, “AB2588 Combustion Emission Factors” natural gas fired external combustion equipment 10-100 MMBtu/hr, available at http://www.vcapcd.org/pubs/Engineering/AirToxics/combem.pdf			
2. Hourly emissions = EF (lb/MMBtu) x 10.6 (MMBtu/hr)			
3. Annual emissions = EF (lb/MMBtu) x 10.6 (MMBtu/hr) x 8,760 (hr/yr)			

ATTACHMENT D2
Detailed Equipment Listing

C-2929-1-2: EPS MOLD OPERATION SERVED BY 10.6 MMBTU/HR BOILER-OXIDIZER STEAM SYSTEM (B.O.S.S.) EQUIPPED WITH A LOW-NOX BURNER & FGR SYSTEM (COMMON TO C-2929-2)

C-2929-2-0: EPS RECYCLING OPERATION INCLUDING REGRINDER AND GRINDER MILL, CONTROLLED BY CK TEKNIK MODEL 36.60 CYCLONE, & TWO CLOTH STORAGE SILOS CONTROLLED BY FABRIC FILTER DUST COLLECTOR, VENTED TO 10.6 MMBTU/HR BOILER OXIDIZER STEAM SYSTEM (COMMON TO C-2929-1)

APPENDIX E
ERC Withdrawal Calculations

VOC	1st Quarter (lb)	2nd Quarter (lb)	3rd Quarter (lb)	4th Quarter (lb)
ERC C-1521-1	2,500	5,000	2,500	0
Offsets Required (Includes distance offset ratio)	1,464	1,472	1,472	1,472
- ERC C-1521-1	-1,464	-1,472	-1,472	-0
Amount Remaining from ERC C-1521-1	1,036	3,528	1,028	0
Offsets Required (After ERC C-1521-1)	0	0	0	1,472
- ERC C-1521-1	0	-1,472**	0	0
Amount Remaining from ERC C-1521-1	1,036	2,056	1,036	0
Credits reissued under ERC C-YYY-1	1,036	2,056	1,036	0

** District Rule 2201, Section 4.13.8 allows VOC offsets from the 2nd and 3rd quarters to be transferred to any other quarter; therefore, credits in the 2nd quarter, 1,472 lbs, will be transferred to the 4th quarter such that the remaining amount to be offset in the 4th quarter is 0 lbs.

APPENDIX F
Compliance Certification

DELICATO
Quality Wines

From the desk of
John Yarborough
VP OF WINERY OPERATIONS

July 13, 2021

Errol Villegas
San Joaquin Valley Air Pollution Control District ("SJVAPCD")
Attn. Permit Services
1990 E. Gettysburg Avenue
Fresno, CA 93726

RE: Facility Number **N-266,** Project N-1204545 - Compliance Certification

To Whom It May Concern:

In accordance with SJVAPCD Rule 2201, Section 4.15, "Additional Requirements for New Major Sources and Federal Modifications," Delicato Vineyards, LLC, d/b/a Delicato Family Wines, a Delaware limited liability company and successor in interest to Delicato Vineyards, a California corporation, submits the following compliance statement related to the proposed SJVAPCD project N-1204545.

All Major stationary sources in California owned by Delicato Vineyards, LLC, successor in interest to Delicato Vineyards, are in compliance, or on a schedule for compliance with all applicable emissions limits and standards.

Based on information and belief formed after reasonable inquiry, the statements and information in this document are true, accurate, and complete.

If there are any additional questions regarding this statement, please contact myself (john.yarborough@delicato.com or 209-824-3459) or our Environmental Manager, Andrea Vasquez (andrea.vasquez@delicato.com or 209-824-3675) for further assistance.

Sincerely,

John Yarborough
VP of Winery Operations
Delicato Family Wines

Copy to: Andrea Vasquez, Delicato Family Wines

APPENDIX G
Quarterly Net Emissions Change (QNEC)

Quarterly Net Emissions Change (QNEC)

The Quarterly Net Emissions Change is used to complete the emission profile screen for the District's PAS database. The QNEC shall be calculated as follows:

QNEC = PE2 - PE1, where:

QNEC = Quarterly Net Emissions Change for each emissions unit, lb/qtr.
PE2 = Post-Project Potential to Emit for each emissions unit, lb/qtr.
PE1 = Pre-Project Potential to Emit for each emissions unit, lb/qtr.

Using the values in Sections VII.C.2 and VII.C.1 in the evaluation above, quarterly PE2 and quarterly PE1 can be calculated as follows:

$PE2_{quarterly} = PE2_{annual} \div 4$ quarters/year

$PE1_{quarterly} = PE1_{annual} \div 4$ quarters/year

Quarterly NEC [QNEC] for Each Permit			
Pollutant	**PE2 (lb/qtr)**	**PE1 (lb/qtr)**	**QNEC (lb/qtr)**
NO_X	0	0	0
SO_X	0	0	0
PM_{10}	0	0	0
CO	0	0	0
VOC	122.5	0	122.5