JUN 18 2013

Mr. Daniel Lee
Paramount Farms, Inc.
13646 Highway 33
Lost Hills, CA 93249-9719

Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-377
Project # 1131768

Dear Mr. Lee:

Enclosed for your review is the District’s analysis of an application for Authority to Construct for the facility identified above. You requested that a Certificate of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. Paramount Farms, Inc. is requesting an Authority to Construct permit to install a 6 MMBtu/hr, natural gas-fired, rotary nut dryer/roaster in its pistachio nut flavoring and drying operation S-377-50. Also, S-377-50’s 8 MMBtu/hr roaster will be removed.

After addressing all comments made during the 30-day public notice and the 45-day EPA comment periods, the District intends to issue the Authority to Construct with a Certificate 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 Authority 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

DW:DT/st

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email
cc: Gerardo C. Rios, EPA (w/enclosure) via email
NOTICE OF PRELIMINARY DECISION
FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT AND
THE PROPOSED SIGNIFICANT MODIFICATION OF FEDERALLY
MANDATED OPERATING PERMIT

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District solicits public comment on the proposed significant modification of Paramount Farms, Inc. at 13646 Highway 33 near Lost Hills, California. Paramount Farms, Inc. is requesting an Authority to Construct permit to install a 6 MMBtu/hr, natural gas-fired, rotary nut dryer/roaster in its pistachio nut flavoring and drying operation S-377-50. Also, S-377-50’s 8 MMBtu/hr roaster will be removed.

The District's analysis of the legal and factual basis for this proposed action, project #1131768, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and at any District office. There are minor emission increases associated with this proposed action. This will be the public's only opportunity to comment on the specific conditions of the modification. If requested, the District will hold a public hearing regarding issuance of this modification. For additional information, please contact the District at (661) 392-5500. Written comments on the proposed initial permit must be submitted by July 22, 2013 to DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308.
San Joaquin Valley Air Pollution Control District
Authority to Construct Application Review
Modification to Pistachio Nut Flavoring and Drying Operation

Facility Name: Paramount Farms, Inc.  
Mailing Address: 13646 Highway 33  
Lost Hills, CA 93249-9719  
Contact Person: Daniel Lee  
Telephone: 661-797-6500  
Fax: 661-797-6542  
E-Mail: dlee@paramountfarms.com  
Application #(s): S-377-50-2  
Project #: 1131768  
Deemed Complete: 5/10/13  
Date: 5/29/13  
Engineer: David Torii  
Lead Engineer: Allan Phillips

I. Proposal

Paramount Farms, Inc. (PFI) is requesting an Authority to Construct (ATC) permit to install a 6 MMBtu/hr, natural gas-fired, rotary nut dryer/roaster with a high-efficiency cyclone, a wet scrubber and an induced draft fan in its pistachio nut flavoring and drying operation S-377-50. Also, S-377-50's 8 MMBtu/hr roaster with high-efficiency cyclone will be removed.

The applicant also requests that the permit exempt equipment listed on S-377-50 be delisted from the permit pursuant to District FYI-115, Exempted Equipment in Permit Descriptions. See below Equipment Listing in section V.

Disposition of Outstanding ATCs
ATC S-377-50-1 has been implemented and serves as the base document. Current PTO S-377-50-0 and ATC S-377-50-1 are included in Appendix B.

PFI received their Title V Permit on August 31, 2001. This project is a Federal Major Modification; therefore, it is classified as a Title V significant modification pursuant to Rule 2520, Section 3.29, 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. PFI must apply to administratively amend their Title V permit.

II. Applicable Rules

Rule 2201       New and Modified Stationary Source Review Rule (4/21/11)
Rule 2410       Prevention of Significant Deterioration (6/16/11)
Rule 2520       Federally Mandated Operating Permits (6/21/01)
Rule 4001       New Source Performance Standards (4/14/99)
Rule 4002       National Emissions Standards for Hazardous Air Pollutants (5/20/04)
Rule 4101       Visible Emissions (2/17/05)
Rule 4102       Nuisance (12/17/92)
Rule 4201  Particulate Matter Concentration (12/17/92)
Rule 4202  Particulate Matter Emission Rate (12/17/92)
Rule 4301  Fuel Burning Equipment (12/17/92)
Rule 4309  Dryers, Dehydrators, and Ovens (12/15/05)
Rule 4801  Sulfur Compounds (12/17/92)
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 site is located at 13646 Highway 33 near Lost Hills, 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

Clean processed pistachios are received from the storage silos and routed through sizing, grading, and flavoring lines. The food grade product is then placed in packaging for delivery to end users. Aspirators associated with the packaging equipment remove unwanted pieces of nut and skins from the product lines and route it to baghouses for collection to maintain the food grade quality of the product.

Once the pistachios have been cleaned and sorted they are routed to the flavoring and dehydration equipment and then to the packaging lines. Due to food safety/sanitation requirements the processed pistachios must be isolated from the raw pistachios being handled elsewhere in the facility. Therefore, the packaging equipment is isolated from the flavoring equipment which is isolated from the raw product and any sanitation equipment is isolated from the processing equipment.

V. Equipment Listing

Pre-Project Equipment Description (see permits in Appendix B):

PTO S-377-50-0:  32.0 MMBTU/HR GAS-FIRED PISTACHIO NUT FLAVORING AND DRYING OPERATION CONSISTING OF BIN DUMPERS, SURGE HOPPERS, BUCKET ELEVATORS, CONVEYORS, 8 MMBTU/HR ROASTER (CONSISTING OF TWO 4 MMBTU/HR BURNERS) AND HIGH-EFFICIENCY CYCLONES SERVING THE EXHAUST STACKS, AND FOUR 6 MMBTU/HR ROTARY ROASTERS EACH EQUIPPED WITH A HIGH-EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER, AND INDUCED DRAFT FAN

ATC S-377-50-1:  MODIFICATION OF 32.0 MMBTU/HR GAS-FIRED PISTACHIO NUT FLAVORING AND DRYING OPERATION CONSISTING OF BIN DUMPERS, SURGE HOPPERS, BUCKET ELEVATORS, CONVEYORS, 8 MMBTU/HR ROASTER (CONSISTING OF TWO 4 MMBTU/HR BURNERS) AND HIGH-EFFICIENCY CYCLONES SERVING THE EXHAUST STACKS, AND FOUR 6 MMBTU/HR ROTARY ROASTERS EACH EQUIPPED WITH
Proposed ATC:

S-377-50-2: MODIFICATION OF 38.0 MMBTU/HR GAS-FIRED PISTACHIO NUT FLAVORING AND DRYING OPERATION CONSISTING OF BIN DUMPERS, SURGE HOPPERS, BUCKET ELEVATORS, CONVEYORS, 8 MMBTU/HR ROASTER (CONSISTING OF TWO 4 MMBTU/HR BURNERS) WITH HIGH-EFFICIENCY CYCLONES SERVING THE EXHAUST STACKS, AND FIVE 6 MMBTU/HR ROTARY ROASTERS EACH EQUIPPED WITH A HIGH-EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER, AND AN INDUCED DRAFT FAN: INSTALL A SIXTH 6.0 MMBTU/HR ROTARY ROASTER EQUIPPED WITH A HIGH-EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER AND INDUCED FAN, REMOVE 8.0 MMBTU/HR AEROGlide ROASTER AND REMOVE REFERENCE TO PERMIT EXEMPT EQUIPMENT

Post Project Equipment Description:

S-377-50-2: 36.0 MMBTU/HR GAS-FIRED PISTACHIO NUT FLAVORING AND DRYING OPERATION CONSISTING OF SIX 6 MMBTU/HR ROTARY ROASTERS EACH EQUIPPED WITH A HIGH-EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER, AND INDUCED DRAFT FAN

VI. Emission Control Technology Evaluation

The pollutants of concern are the products of combustion emitted from the natural gas-fired dryers and roasters – NOX, CO, VOC, PM10 and SOX.

The combustion equipment is fired on commercial natural gas. The small burners used in these units are thermostatically controlled to maintain drying chamber temperature usually in the 170°F to 230°F range. This relatively cool chamber temperature is achieved with a lower burner temperature, which inherently produces less NOx than other types of dryers. Paramount Farms has source tested pistachio dryers in the past and has established that pistachio dryers emit NOx at 0.0832 lb-NOx/MMBtu (See BACT Guideline 1.6.8 in Appendix C). The applicant is not proposing any additional control equipment.

Aspirators, cyclones, and fabric collectors used in conjunction with the processing equipment in this project are designed to remove unwanted pieces of nut, skin, etc. that make it through the hulling and drying process. The filters do not function as an air pollution control device but as a vector control device to eliminate food sources for rats and insects.

Wet scrubbers are used to prevent deposition of salt water vapor on adjacent buildings and equipment to prevent corrosion problems and associated food contamination issues.

VII. General Calculations

A. Assumptions
Paramount Farms, Inc., 1131768, S-377

- The facility and all permitted equipment is designed to operate 24 hours/day, 365
days/yr (per Applicant);
- The proposed dryer will be fired exclusively on PUC quality natural gas (per applicant);
- Natural gas HHV = 1,000 Btu/scf (APR 1720);
- Natural gas F-Factor = 8,578 dscf/MBtu (corrected to 60 °F);
- Natural gas sulfur content = 1 grain per 100 standard cubic feet (APR 1720);
- Pre-project fuel use is limited to 1.83 MMscf/day and 165 MMscf/yr (ATC S-377-50-1); and
- Post-project fuel use is limited to 1.83 MMscf/day and 165 MMscf/yr (per applicant)

B. Emission Factors

1. Pre-Project Emission Factors (EF1)

The project emission factors presented in the table below are from ATC S-377-50-1.

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>EF1 - Combustion Emissions</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>83.2</td>
<td></td>
</tr>
<tr>
<td>SOx</td>
<td>2.85</td>
<td></td>
</tr>
<tr>
<td>PM10</td>
<td>2.8</td>
<td>S-377-50-1</td>
</tr>
<tr>
<td>CO</td>
<td>21.0</td>
<td></td>
</tr>
<tr>
<td>VOC</td>
<td>3.8</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>EF1 - Non-Combustion Emissions</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cyclone PM10</td>
<td>0.01</td>
<td>S-377-50-1</td>
</tr>
<tr>
<td>Scrubber PM10</td>
<td>0.04</td>
<td>S-377-50-1</td>
</tr>
</tbody>
</table>

2. Post-Project Emission Factors (EF2)

With this project, the applicant has proposed no changes to the emission factors for this
operation; therefore, EF2 = EF1 for combustion and non-combustion emissions. The
following table summarizes EF2 for each criteria pollutant.

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>EF2 - Combustion Emissions</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>83.2</td>
<td></td>
</tr>
<tr>
<td>SOx</td>
<td>2.85</td>
<td></td>
</tr>
<tr>
<td>PM10</td>
<td>2.8</td>
<td></td>
</tr>
<tr>
<td>CO</td>
<td>21.0</td>
<td></td>
</tr>
<tr>
<td>VOC</td>
<td>3.8</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>EF2 - Non-Combustion Emissions</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scrubber PM10</td>
<td>0.04</td>
<td>S-377-50-1</td>
</tr>
</tbody>
</table>

C. Calculations

1. Pre-Project Potential to Emit (PE1)

The potential to emit is calculated as follows, and summarized in the table below:
PE1_{NO_x} = (83.2 \text{ lb-NOx/MMscf})(1.83 \text{ MMscf/day})
= 152.3 \text{ lb NOx/day}

= (83.2 \text{ lb-NOx/MMscf})(165.0 \text{ MMscf/year})
= 13,728 \text{ lb NOx/year}

PE1_{PM_{10}} = [(0.01 \text{ lb-PM10/aeroglide}) + (0.04 \text{ lb-PM10/roaster})(5 \text{ roaster})](24 \text{ hr/day}) +
(2.8 \text{ lb-PM10/MMscf})(1.83 \text{ MMscf/day})
= 10.2 \text{ lb PM10/day}

PE1_{PM_{10}} = [(0.01 \text{ lb-PM10/aeroglide}) + (0.04 \text{ lb-PM10/roaster})(5 \text{ roaster})](8760 \text{ hr/year}) +
(2.8 \text{ lb-PM10/MMscf})(165 \text{ MMscf/year})
= 2302 \text{ lb PM10/day}

<table>
<thead>
<tr>
<th>PE1</th>
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<tr>
<td>S-377-50-1</td>
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<th></th>
<th>Daily Emissions</th>
<th>Annual Emissions</th>
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<tbody>
<tr>
<td></td>
<td>(lb/day)</td>
<td>(lb/year)</td>
</tr>
<tr>
<td>NO_x</td>
<td>152.3</td>
<td>13,728</td>
</tr>
<tr>
<td>SO_x</td>
<td>5.2</td>
<td>470</td>
</tr>
<tr>
<td>PM_{10}</td>
<td>10.2</td>
<td>2302</td>
</tr>
<tr>
<td>CO</td>
<td>38.4</td>
<td>3465</td>
</tr>
<tr>
<td>VOC</td>
<td>7.0</td>
<td>627</td>
</tr>
</tbody>
</table>

2. Post Project Potential to Emit (PE2)

The potential to emit is calculated as follows, and summarized in the table below:

New 6 MMBtu/hr Roaster:

(6 MMBtu/hr)(83.2 \text{ lb-NOx/MMscf})(\text{scf/1000 Btu})(24 \text{ hr/day}) = 12.0 \text{ lb-NOx/day}

(6 MMBtu/hr)(83.2 \text{ lb-NOx/MMscf})(\text{scf/1000 Btu})(8760 \text{ hr/year}) = 4373 \text{ lb-NOx/year}

[(6 MMBtu/hr)(2.8 \text{ lb-PM10/MMscf})(\text{scf/1000 Btu}) + (0.04 \text{ lb-PM10/hr})](24 \text{ hr/day}) = 1.4 \text{ lb-PM10/day}

<table>
<thead>
<tr>
<th>PE2</th>
</tr>
</thead>
<tbody>
<tr>
<td>New 6 MMBtu/hr Roaster</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Daily Emissions (lb/day)</th>
<th>Annual Emissions (lb/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO_x</td>
<td>12.0</td>
<td>4373</td>
</tr>
<tr>
<td>SO_x</td>
<td>0.4</td>
<td>150</td>
</tr>
<tr>
<td>PM_{10}</td>
<td>1.4</td>
<td>511</td>
</tr>
<tr>
<td>CO</td>
<td>3.0</td>
<td>1104</td>
</tr>
<tr>
<td>VOC</td>
<td>0.5</td>
<td>200</td>
</tr>
</tbody>
</table>
S-377-50-2:

\[ PE_{NOx} = (83.2 \text{ lb-NOx/MMscf})(1.83 \text{ MMscf/day}) \]
\[ = 152.3 \text{ lb NOx/day} \]
\[ = (83.2 \text{ lb-NOx/MMscf})(165.0 \text{ MMscf/year}) \]
\[ = 13,728 \text{ lb NOx/year} \]

\[ PE_{PM10} = (0.04 \text{ lb-PM10/roaster})(6 \text{ roaster})(24 \text{ hr/day}) + (2.8 \text{ lb-PM10/MMscf})(1.83 \text{ MMscf/day}) \]
\[ = 10.9 \text{ lb PM10/day} \]

\[ PE_{PM10} = (0.04 \text{ lb-PM10/roaster})(6 \text{ roaster})(8760 \text{ hr/year}) + (2.8 \text{ lb-PM10/MMscf})(165 \text{ MMscf/year}) \]
\[ = 2564 \text{ lb PM10/day} \]

<table>
<thead>
<tr>
<th>PE2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>S-377-50-2</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Daily Emissions (lb/day)</th>
<th>Annual Emissions (lb/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>152.3</td>
</tr>
<tr>
<td></td>
<td>13,728</td>
</tr>
<tr>
<td>SOx</td>
<td>5.2</td>
</tr>
<tr>
<td></td>
<td>470</td>
</tr>
<tr>
<td>PM10</td>
<td>10.9</td>
</tr>
<tr>
<td></td>
<td>2564</td>
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<tr>
<td>CO</td>
<td>3.8</td>
</tr>
<tr>
<td></td>
<td>3465</td>
</tr>
<tr>
<td>VOC</td>
<td>7.0</td>
</tr>
<tr>
<td></td>
<td>627</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Pre-Project Stationary Source Potential to Emit [SSPE1] (lb/year)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit Unit</td>
</tr>
<tr>
<td>-------------------------------</td>
</tr>
<tr>
<td>Pre Project SSPE (SSPE1)</td>
</tr>
</tbody>
</table>

*From project1123827

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.
Paramount Farms, Inc., 1131768, S-377

<table>
<thead>
<tr>
<th>Permit Unit</th>
<th>NOx</th>
<th>SOx</th>
<th>PM$_{10}$</th>
<th>CO</th>
<th>VOC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post Project SSPE (SSPE2)</td>
<td>81,886</td>
<td>3,311</td>
<td>17,014-23-02+2564 = 17,276</td>
<td>35,024</td>
<td>25,656</td>
</tr>
</tbody>
</table>

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)
- Fugitive emissions, except for the specific source categories specified in 40 CFR 51.165

<table>
<thead>
<tr>
<th>Rule 2201 Major Source Determination (lb/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td>Major Source Threshold</td>
</tr>
</tbody>
</table>

This source is an existing Major Source for NOx and VOC emissions and will remain. 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)(i). Therefore the following PSD Major Source thresholds are applicable.

<table>
<thead>
<tr>
<th>PSD Major Source Determination (tons/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>Estimated Facility PE before Project Increase</td>
</tr>
<tr>
<td>PSD Major Source Thresholds</td>
</tr>
<tr>
<td>PSD Major Source ? (Y/N)</td>
</tr>
</tbody>
</table>

As shown above, the facility is an existing major source for PSD for at least one pollutant. Therefore the facility is an existing major source for PSD.
6. Baseline Emissions (BE)

The BE calculation (in lbs/year) is performed pollutant-by-pollutant for each unit within the project 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.

As shown in Section VII.C.5 above, the facility is a Major Source for NO\textsubscript{X} and VOC emissions.

Pursuant to Rule 2201, a Clean Emissions Unit is defined as an emissions unit that is "equipped with an emissions control technology with a minimum control efficiency of at least 95% or is equipped with emission control technology that meets the requirements for achieved-in-practice BACT as accepted by the APCO during the five years immediately prior to the submission of the complete application.

Pursuant to current BACT guideline 1.6.8 [Pistachio Nut Dryer], achieved in Practice BACT for NO\textsubscript{X} is "Low NO\textsubscript{X} burner @ 0.083 lb/MMBtu and natural gas fuel" and Technologically Feasible BACT for VOC is "Natural gas with LPG as backup fuel".

Permit S-377-50's roasters are all fired on natural gas and are limited to 0.083 MMBtu/hr; therefore, they are Clean Emissions Units for VOC and NO\textsubscript{X}. Therefore, BE=PE1.

As shown in Section VII.C.5 above, the facility is not a Major Source for SO\textsubscript{X}, PM\textsubscript{10}, or CO; therefore, Baseline Emissions (BE) are equal to the Pre-Project Potential to Emit (PE1) for these pollutants.

7. SB 288 Major Modification

SB 288 Major Modification is defined in 40 CFR Part 51.165 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 a major source for NO\textsubscript{X} and VOC, the project's PE2 is compared to the SB 288 Major Modification Thresholds in the following table in order to determine if the SB 288 Major Modification calculation is required.
SB 288 Major Modification Thresholds

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Project PE2 (lb/year)</th>
<th>Threshold (lb/year)</th>
<th>SB 288 Major Modification Calculation Required?</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO\textsubscript{x}</td>
<td>13,728</td>
<td>50,000</td>
<td>No</td>
</tr>
<tr>
<td>VOC</td>
<td>627</td>
<td>50,000</td>
<td>No</td>
</tr>
</tbody>
</table>

Since none of the SB 288 Major Modification Thresholds are surpassed with this project, this project does not constitute an SB 288 Major Modification.

8. 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.

The determination of Federal Major Modification is based on a two-step test. For the first step, only the emission increases are counted. Emission decreases may not cancel out the increases for this determination.

**Step 1**

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

The project's combined total emission increases are compared to the Federal Major Modification Thresholds in the following table.

Federal Major Modification Thresholds for Emission Increases

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Total Emissions Increases (lb/yr)</th>
<th>Thresholds (lb/yr)</th>
<th>Federal Major Modification?</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO\textsubscript{x}*</td>
<td>4373</td>
<td>0</td>
<td>Yes</td>
</tr>
<tr>
<td>VOC*</td>
<td>200</td>
<td>0</td>
<td>Yes</td>
</tr>
<tr>
<td>PM\textsubscript{10}</td>
<td>30,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM\textsubscript{2.5}</td>
<td>20,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SO\textsubscript{x}</td>
<td>80,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*If there is any emission increases in NO\textsubscript{x} or VOC, this project is a Federal Major Modification and no further analysis is required.

Since there is an increase in NO\textsubscript{x} and VOC emissions, this project constitutes a Federal Major Modification, and no further analysis is required.

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

Rule 2410 applies to pollutants for which the District is in attainment or for unclassified, pollutants. The pollutants addressed in the PSD applicability determination are listed as follows:

- NO\textsubscript{2} (as a primary pollutant)
- SO\textsubscript{2} (as a primary pollutant)
- CO
Paramount Farms, Inc., 1131768, S-377

- PM
- PM10
- Greenhouse gases (GHG): CO2, N2O, CH4, HFCs, PFCs, and SF6

The first step of this PSD evaluation consists of determining whether the facility is an existing PSD Major Source or not (See Section VII.C.5 of this document).

In the case the facility is an existing PSD Major Source, the second step of the PSD evaluation is to determine if the project results in a PSD significant increase.

In the case the facility is NOT an existing PSD Major Source but is an existing source, the second step of the PSD evaluation is to determine if the project, by itself, would be a PSD major source.

In the case the facility is new source, the second step of the PSD evaluation is to determine if this new facility will become a new PSD major Source as a result of the project and if so, to determine which pollutant will result in a PSD significant increase.

I. Project Location Relative to Class 1 Area

As demonstrated in the “PSD Major Source Determination” Section above, the facility was determined to be a existing major source for PSD. Because the project is not located within 10 km of a Class 1 area – modeling of the emission increase is not required to determine if the project is subject to the requirements of Rule 2410.

II. Significance of Project Emission Increase Determination

a. Potential to Emit of attainment/unclassified pollutant for New or Modified Emission Units vs PSD Significant Emission Increase Thresholds

As a screening tool, the potential to emit from all new and modified units is compared to the PSD significant emission increase thresholds, and if total potential to emit from all new and modified units is below this threshold, no further analysis will be needed.

| PSD Significant Emission Increase Determination: Potential to Emit (tons/year) |
|-----------------|---------|------|---|--------|-------|-------|
|                 | NO2     | SO2  | CO | PM     | PM10  | CO2e  |
| Total PE from New and Modified Units | 2.2     | 0.1  | 0.6| 0.3    | 0.3   | 3075  |
| PSD Significant Emission Increase Thresholds | 40     | 40    | 100| 25    | 15    | 75,000 |
| PSD Significant Emission Increase? | n      | n    | n  | n     | n     | n     |

As demonstrated above, because the project has a total potential to emit from all new and modified emission units below the PSD significant emission increase
thresholds, this project is not subject to the requirements of Rule 2410 due to a significant emission increase and no further discussion 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 A.

VIII. Compliance

Rule 2201 New and Modified Stationary Source Review Rule

A. Best Available Control Technology (BACT)

1. BACT Applicability

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 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 a new diesel-fired IC engine with a PE greater than 2 lb/day for NOx and CO. BACT is triggered for NOx only since the PE is greater than 2 lbs/day. However BACT is not triggered for CO since the SSPE2 for CO is not greater than 200,000 lbs/year, as demonstrated in Section VII.C.5 above.

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 NO\textsubscript{X} and VOC emissions. Therefore BACT is triggered for NO\textsubscript{X} and VOC for all emissions units in the project for which there is an emission increase.

2. BACT Guideline

BACT Guideline 1.6.8, applies to the pistachio nut roaster.  [Pistachio Nut Dryer] (See Appendix C)

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 (see Appendix D), BACT has been satisfied with the following:

- Natural Gas Fuel and 0.083 lb-NO\textsubscript{X}/MMBtu.

B. Offsets

1. Offset Applicability

Offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the SSPE2 equals to 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.

<table>
<thead>
<tr>
<th>Offset Determination (lb/year)</th>
<th>NO\textsubscript{X}</th>
<th>SO\textsubscript{X}</th>
<th>PM\textsubscript{10}</th>
<th>CO</th>
<th>VOC</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSPE2</td>
<td>81,886</td>
<td>3,311</td>
<td>17,276</td>
<td>35,024</td>
<td>25,656</td>
</tr>
<tr>
<td>Offset Thresholds</td>
<td>20,000</td>
<td>54,750</td>
<td>29,200</td>
<td>200,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Offsets triggered?</td>
<td>yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>yes</td>
</tr>
</tbody>
</table>

2. Quantity of Offsets Required

As seen above, the SSPE2 is greater than the offset thresholds for NO\textsubscript{X} and VOC only. Therefore offset calculations will be required for this project.

The quantity of offsets in pounds per year for NO\textsubscript{X} and VOC is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

\[ \text{Offsets Required (lb/year)} = (\Sigma\text{PE2} - \text{BE}) + \text{ICCE} \times \text{DOR}, \] for all new or modified emissions units in the project,

Where,
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 shown above in VII.C.6 the NOx and VOC emitting emission units in S-377-50 are Clean Emissions Units; therefore their BE = PE1. 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

The BE and PE2 are equal for NOx and also for VOC; therefore:

Offsets Required (lb/year) = ([0] + 0) x DOR
= 0 x DOR
= 0 lb/year

As demonstrated in the calculation above, the amount of offsets is zero. Therefore, offsets will not be required for this project.

C. Public Notification

1. Applicability

Public noticing is required for:
- New Major Sources, Federal Major Modifications, and SB 288 Major Modifications,
- Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- Any project which results in the offset thresholds being surpassed, and/or
- Any project with an SSIPE of greater than 20,000 lb/year for any pollutant.

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

New Major Sources are new facilities, which are also Major Sources. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.
As demonstrated in Sections VII.C.7 and VII.C.8, this project does constitute a Federal Major Modification; therefore, public noticing for Federal Major Modification purposes is required.

b. PE > 100 lb/day

Applications which include a new emissions unit with a PE greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. As seen in Section VII.C.2 above, this project does not include a new emissions unit which has daily emissions greater than 100 lb/day for any pollutant, therefore public noticing for PE > 100 lb/day purposes is not required.

c. Offset Threshold

The SSPE1 and SSPE2 are compared to the offset thresholds in the following table.

| Pollutant | SSPE1 (lb/year) | SSPE2 (lb/year) | Offset Threshold | Public Notice Required?
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>81,886</td>
<td>81,886</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>SOx</td>
<td>3,311</td>
<td>3,311</td>
<td>54,750 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>PM10</td>
<td>17,014</td>
<td>17,276</td>
<td>29,200 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>CO</td>
<td>35,024</td>
<td>35,024</td>
<td>200,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>VOC</td>
<td>25,656</td>
<td>25,656</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
</tbody>
</table>

As detailed 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.

| Pollutant | SSPE1 (lb/year) | SSPE2 (lb/year) | SSPE (lb/year) | SSIPE Public Notice Threshold | Public Notice Required?
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>81,886</td>
<td>81,886</td>
<td>0</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>SOx</td>
<td>3,311</td>
<td>3,311</td>
<td>0</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>PM10</td>
<td>17,014</td>
<td>17,276</td>
<td>262</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>CO</td>
<td>35,024</td>
<td>35,024</td>
<td>0</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>VOC</td>
<td>25,656</td>
<td>25,656</td>
<td>0</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
</tbody>
</table>

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

As discussed above, public noticing is required for this project for triggering a Federal Major Modification. Therefore, public notice documents will be submitted to the California Air Resources Board (CARB) and a public notice will be published in a local newspaper of general circulation prior to the issuance of the ATC 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.

Proposed Rule 2201 (DEL) Conditions:

- PM10 emission rate from the outlet of each scrubber serving the 6.0 MMBtu/hr rotary roasters shall not exceed 0.04 lb/hr. [District Rule 2201] Y
- Daily natural gas consumption shall not exceed 1.83 MMscf/day. [District Rule 2201] Y
- Annual natural gas consumption shall not exceed 165.0 MMscf/yr. [District Rule 2201]
- Emission rate per MMscf gas burned shall not exceed any of the following: PM10: 2.8 lb/MMscf, SOx as (SO2): 2.85 lb/MMscf, NOx (as NO2): 83.2 lb/MMscf, VOC: 3.8 lb/MMscf, or CO: 21.0 lb/MMscf. [District Rule 2201] Y

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 condition(s) are listed on the permit to operate:

- The permittee shall maintain daily records of the volume of fuel usage for any one day, in MMscf, and the fuel meter identification. [District Rule 2201] Y
- The permittee shall maintain cumulative annual records of the volume of fuel usage for any one calendar year, in MMscf, and the fuel meter identification. [District Rule 2201] Y
Paramount Farms, Inc., 1131768, S-377

- Permittee shall maintain daily operation and maintenance records that demonstrate the dehydrator is operated within the limits of the manufacturer's specification, and maintenance is performed according to the manufacturer's recommendation or APCO-approved alternative procedures. [District Rules 1070 and 2201] Y

- A copy of the manufacturer's operation specifications and maintenance instruction manual or APCO-approved alternative procedures shall be maintained on-site during normal business hours. [District Rule 1070] Y

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

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

F. Ambient Air Quality Analysis (AAQA)

An AAQA shall be conducted for the purpose of determining whether a new or modified Stationary Source will cause or make worse a violation of an air quality standard. The District's Technical Services Division conducted the required analysis. Refer to Appendix E of this document for the AAQA summary sheet.

The proposed location is in an attainment area for NO\textsubscript{X}, CO, and SO\textsubscript{X}. As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for NO\textsubscript{X}, CO, or SO\textsubscript{X}.

The proposed location is in a non-attainment area for the state’s PM\textsubscript{10} as well as federal and state PM\textsubscript{2.5} thresholds. As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for PM\textsubscript{10} and PM\textsubscript{2.5}.

Criteria Pollutant Modeling Results*  
Values are in µg/m\textsuperscript{3}

<table>
<thead>
<tr>
<th>NG Nut Roaster</th>
<th>1 Hour</th>
<th>3 Hours</th>
<th>8 Hours</th>
<th>24 Hours</th>
<th>Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td>Pass</td>
<td>X</td>
<td>Pass</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>NO\textsubscript{x}</td>
<td>Pass</td>
<td>X</td>
<td>X</td>
<td>Pass</td>
<td></td>
</tr>
<tr>
<td>SO\textsubscript{x}</td>
<td>Pass</td>
<td>Pass</td>
<td>X</td>
<td>Pass</td>
<td>Pass</td>
</tr>
<tr>
<td>PM\textsubscript{10}</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Pass</td>
<td>Pass</td>
</tr>
<tr>
<td>PM\textsubscript{2.5}</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Pass</td>
<td>Pass</td>
</tr>
</tbody>
</table>

*Results were taken from the attached PSD spreadsheet.

"The criteria pollutants are below EPA's level of significance as found in 40 CFR Part 51.186 (b)(2).

G. Compliance Certification

Section 4.15.2 of this Rule requires the owner of a new Major Source or a source undergoing a Title I 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 Title I modification, therefore this requirement is applicable. PFI's compliance certification is included in Appendix F.
H. Alternate Siting Analysis

The current project occurs at an existing facility. The applicant proposes to install a new pistachio roaster.

Since the project will provide a roaster to be used at the same location, 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 on a much greater scale, and would therefore result in a much greater impact.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. The proposed modification is a Minor Modification to the Title V Permit.

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

This project is a Federal Major Modification, as a result, the proposed project constitutes a Significant Modification to the Title V Permit.

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 gas-fired dryers.

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 nut drying, nut opening, or nut flavoring operations.

Rule 4101 Visible Emissions

Per Section 5.0, 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). All particulate removal equipment handles particles greater than 10 microns and all combustion equipment burns PUC quality natural gas; therefore visible emissions are not expected to exceed Ringelmann 1 or 20% opacity. Also, based on past inspections of the facility continued compliance is expected.

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.

**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.

An HRA is not required for a project with a total facility prioritization score of less than one. According to the Technical Services Memo for this project (*Appendix E*), the total facility prioritization score including this project was greater than one. Therefore, an HRA was required to determine the short-term acute and long-term chronic exposure from this project.

The cancer risk for this project is shown below:

<table>
<thead>
<tr>
<th>RMR Summary</th>
<th>Natural Gas Roaster (Unit 50-2)</th>
<th>Project Totals</th>
<th>Facility Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Categories</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prioritization Score</td>
<td>0.00</td>
<td>0.00</td>
<td>&gt;1</td>
</tr>
<tr>
<td>Acute Hazard Index</td>
<td>0.03</td>
<td>0.03</td>
<td>0.15</td>
</tr>
<tr>
<td>Chronic Hazard Index</td>
<td>0.00</td>
<td>0.00</td>
<td>0.57</td>
</tr>
<tr>
<td>Maximum Individual Cancer Risk</td>
<td>1.19E-08</td>
<td>1.19E-08</td>
<td>4.35E-07</td>
</tr>
<tr>
<td>T-BACT Required?</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Permit Conditions?</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Discussion of T-BACT**

BACT for toxic emission control (T-BACT) is required if the cancer risk exceeds one in one million. As demonstrated above, T-BACT is not required for this project because the HRA indicates that the risk is not above the District's thresholds for triggering T-BACT requirements; therefore, compliance with the District's Risk Management Policy is expected.

**Rule 4201 Particulate Matter Concentration**

Section 3.1 prohibits discharge of dust, fumes, or total particulate matter into the atmosphere from any single source operation in excess of 0.1 grain per dry standard cubic foot. As this equipment is all fired on PUC quality natural gas compliance with this rule is expected. The following condition will appear on the ATC to ensure ongoing compliance:

- *Particulate matter emissions shall not exceed 0.1 gr/dscf in concentration. [District Rule 4201]*

**Rule 4202 Particulate Matter Emissions Rate**

The purpose of this rule is to limit particulate matter emissions by establishing allowable emission rates. The equipment is currently in compliance with this rule and the proposed modification is...
not expected to affect compliance with this rule. The following condition will be listed on the ATC to ensure ongoing compliance:

- Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation \( E = 3.59 \times P^{0.62} \) if \( P \) is less than or equal to 30 tons per hour, or \( E = 17.31 \times P^{0.16} \) if \( P \) is greater than 30 tons per hour. [District Rule 4202] Y

Rule 4301 Fuel Burning Equipment

This rule specifies maximum emission rates in lb/hr for \( \text{SO}_2 \), \( \text{NO}_2 \), and combustion contaminants (defined as total PM in Rule 1020). This rule also limits combustion contaminants to \( \leq 0.1 \) gr/scf.

This rule is applicable to fuel burning equipment that is defined in §3.1 of the rule as:

- Fuel Burning Equipment: any furnace, boiler, apparatus, stack, and all appurtenances thereto, used in the process of burning fuel for the primary purpose of producing heat or power by indirect heat transfer.

The dryers listed on permit S-377-50 heat the nuts by direct heat transfer (the products of combustion come into contact with the process material); therefore, this rule is not applicable to this equipment.

Rule 4309 Dryers, Dehydrators, and Ovens

The purpose of this rule is to limit emissions of oxides of nitrogen (NO\( \text{x} \)) and carbon monoxide (CO) from dryers, dehydrators, and ovens. This rule applies to any dryer, dehydrator, or oven that is fired on gaseous fuel, liquid fuel, or is fired on gaseous and liquid fuel sequentially, and the total rated heat input for the unit is 5.0 million British thermal units per hour (5.0 MMBtu/hr) or greater.

Each roaster in permit unit S-377-50 is fired on natural gas and is rated at greater than 5.0 MMBtu/hr; however, pursuant to Section 4.1.3 of this rule, smokehouses and roasters are exempt from the requirements of Rule 4309. Therefore, since each unit is a roaster, the equipment in permit unit S-377-50 is not subject to the provisions of this rule. No further discussion is required.

Rule 4801 Sulfur Compounds

A person shall not discharge into the atmosphere sulfur compounds, which would exist as a liquid or gas at standard conditions, exceeding in concentration at the point of discharge: 0.2 % by volume calculated as \( \text{SO}_2 \), on a dry basis averaged over 15 consecutive minutes.

The combustion equipment listed on these permits emit sulfur compounds and are limited to fire exclusively on PUC quality natural gas that will ensure compliance with this rule. Therefore, the following condition will be listed on the ATC to ensure compliance:

- Combustion equipment shall be fired on PUC quality natural gas only. [District Rules 2201 and 4801] Y
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 no other agency has or will prepare an environmental review document for the project. Thus the District is the Lead Agency for this project.

Facilities subject to the Cap and Trade regulation are subject to an industry-wide cap on overall GHG emissions. As such, any growth in emissions must be accounted for under that cap such that a corresponding and equivalent reduction in emissions must occur to allow any increase. Therefore, it is reasonable to conclude that implementation of the Cap and Trade program will and must fully mitigate project-specific GHG emissions.

Regardless of, and independent to, the above significance determination, the District finds that, through compliance with the Cap and Trade regulation, project-specific GHG emissions would be fully mitigated. The District therefore concludes that projects occurring at facilities subject to ARB’s Cap and Trade regulation would have a less than significant individual and cumulative impact on global climate change.

Facility S-377 is subject to the Cap and Trade regulation. The District therefore concludes that the project would have a less than cumulatively significant impact on global climate change.

District CEQA Findings

The District is the Lead Agency for this project because there is no other agency with broader statutory authority over this project. The District performed an Engineering Evaluation (this document) for the proposed project and determined that the activity will occur at an existing facility and the project involves negligible expansion of the existing use. Furthermore, the District determined that the activity will not have a significant effect on the environment. The District finds that the activity is categorically exempt.
from the provisions of CEQA pursuant to CEQA Guideline § 15031 (Existing Facilities), and finds that the project is exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Issue ATC S-377-50-2 subject to the permit conditions on the attached draft ATC in Appendix G.

X. Billing Information

<table>
<thead>
<tr>
<th>Permit Number</th>
<th>Fee Schedule</th>
<th>Fee Description</th>
<th>Annual Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>S-377-50-2</td>
<td>3020-02H</td>
<td>36 MMBtu/hr</td>
<td>$1030</td>
</tr>
</tbody>
</table>
APPENDIX A
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:

\[ \text{QNEC} = \text{PE2} - \text{PE1}, \]

where:

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

Using the values in Sections VII.C.2 and VII.C.6 in the evaluation above, quarterly \( \text{PE2} \) and quarterly \( \text{PE1} \) can be calculated as follows:

\[ \text{PE2}_{\text{quarterly}} = \frac{\text{PE2}_{\text{annual}}}{4 \text{ quarters/year}} \]

\[ \text{PE1}_{\text{quarterly}} = \frac{\text{PE1}_{\text{annual}}}{4 \text{ quarters/year}} \]

<table>
<thead>
<tr>
<th>S-377-50-2</th>
<th>Quarterly NEC [QNEC]</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PE2 (lb/yr)</td>
</tr>
<tr>
<td>NOX</td>
<td>13,728</td>
</tr>
<tr>
<td>SOX</td>
<td>470</td>
</tr>
<tr>
<td>PM10</td>
<td>2564</td>
</tr>
<tr>
<td>CO</td>
<td>3465</td>
</tr>
<tr>
<td>VOC</td>
<td>627</td>
</tr>
</tbody>
</table>
APPENDIX B
PTO S-377-50-0 and ATC S-377-50-1
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: S-377-50-0
EXPIRATION DATE: 10/31/2016

EQUIPMENT DESCRIPTION:
32.0 MMBTU/HR GAS-FIRED PISTACHIO NUT FLAVORING AND DRYING OPERATION CONSISTING OF BIN DUMPERS, SURGE HOPPERS, BUCKET ELEVATORS, CONVEYORS, 8 MMBTU/HR ROASTER (CONSISTING OF TWO 4 MMBTU/HR BURNERS) AND HIGH-EFFICIENCY CYCLONES SERVING THE EXHAUST STACKS, AND FOUR 6 MMBTU/HR ROTARY ROASTERS EACH EQUIPPED WITH A HIGH-EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER, AND INDUCED DRAFT FAN

PERMIT UNIT REQUIREMENTS

1. Entained (non-combustion) PM10 emission rate from the 8 MMBTu/hr roaster shall not exceed 0.01 lb/hr. [District Rule 2201] Federally Enforceable Through Title V Permit

2. PM10 emission rate from the outlets of the scrubbers serving the 6.0 MMBtu/hr rotary roasters shall not exceed 0.16 lb/hr. [District Rule 2201] Federally Enforceable Through Title V Permit

3. Combustion equipment shall be fired on PUC regulated natural gas only. [District Rules 4309 and 4801] Federally Enforceable Through Title V Permit

4. Daily natural gas consumption shall not exceed 1.83 MMscf/day. [District Rule 2201] Federally Enforceable Through Title V Permit

5. Annual natural gas consumption shall not exceed 165.0 MMscf/yr. [District Rule 2201] Federally Enforceable Through Title V Permit

6. Emission rate per MMscf gas burned shall not exceed any of the following: PM10: 2.8 lb/MMscf, SOx as (SO2): 2.85 lb/MMscf, NOx (as NO2): 83.2 lb/MMscf, VOC: 3.8 lb/MMscf, or CO: 21.0 lb/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit

7. Combustion equipment shall be equipped with operational non-resettable, totaling fuel meters to demonstrate compliance with fuel consumption limits. [District Rule 2201] Federally Enforceable Through Title V Permit

8. The permittee shall maintain daily records of the volume of fuel usage for any one day, in MMscf, and the fuel meter identification. [District Rule 2201] Federally Enforceable Through Title V Permit

9. The permittee shall maintain cumulative annual records of the volume of fuel usage for any one calendar year, in MMscf, and the fuel meter identification. [District Rule 2201] Federally Enforceable Through Title V Permit

10. Visible emissions at cyclone serving the 8.0 MMBTu/hr roaster shall be inspected quarterly during operation. If visible emissions are observed to be in excess of 5% opacity, corrective action shall be taken to reduce opacity. If visible emissions cannot be corrected within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

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

12. Materials removed from dust collectors shall be disposed of in a manner preventing re-entrainment into atmosphere, with an opacity not to exceed 20%. [District Rule 2201] Federally Enforceable Through Title V Permit

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

Facility Name: PARAMOUNT FARMS
Location: 3.5 MILES NORTH OF HWY 46 ON HWY 33, LOST HILLS, CA
7-07-06 3-1/2 PM
13. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation
   \[ E = 3.59 \times P^{0.62} \text{ if } P \text{ is less than or equal to 30 tons per hour, or } E = 17.31 \times P^{0.16} \text{ if } P \text{ is greater than 30 tons per hour.} \]
   [District Rule 4202] Federally Enforceable Through Title V Permit

14. The dehydrator shall be operated and maintained in proper operating condition as recommended by the dehydrator's manufacturer or APCO-approved alternative procedures. [District Rule 4309] Federally Enforceable Through Title V Permit

15. Permittee shall maintain daily operation and maintenance records that demonstrate the dehydrator is operated within the limits of the manufacturer's specification, and maintenance is performed according to the manufacturer's recommendation or APCO-approved alternative procedures. [District Rule 4309] Federally Enforceable Through Title V Permit

16. A copy of the manufacturer's operation specifications and maintenance instruction manual or APCO-approved alternative procedures shall be maintained on-site during normal business hours. [District Rule 4309] Federally Enforceable Through Title V Permit

17. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070 and 4309] Federally Enforceable Through Title V Permit

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

PERMIT NO: S-377-50-1

AUTHORITY TO CONSTRUCT

LEGAL OWNER OR OPERATOR: PARAMOUNT FARMS
ATTN: DANIEL LEE
13646 HIGHWAY 33
LOST HILLS, CA 93249-9719

MAILING ADDRESS:

ISSUANCE DATE: 03/18/2013

LOCATION:
3.5 MILES NORTH OF HWY 46 ON HWY 33
LOST HILLS, CA

EQUIPMENT DESCRIPTION:
MODIFICATION OF 32.0 MMBTU/HR GAS-FIRED PISTACHIO NUT FLAVORING AND DRYING OPERATION CONSISTING OF BIN DUMPERS, SURGE HOPPERS, BUCKET ELEVATORS, CONVEYORS, 8 MMBTU/HR ROASTER (CONSISTING OF TWO 4 MMBTU/HR BURNERS) AND HIGH-EFFICIENCY CYCLONES SERVING THE EXHAUST STACKS, AND FOUR 6 MMBTU/HR ROTARY ROASTERS EACH EQUIPPED WITH A HIGH-EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER, AND INDUCED DRAFT FAN: INSTALL AN ADDITIONAL 6 MMBTU/HR ROTARY ROASTER WITH A HIGH-EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER, AND INDUCED DRAFT FAN

CONDITIONS

1. 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(e). [District Rule 2201] Federally Enforceable Through Title V Permit

2. 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. Authority to Construct (ATC) S-377-50-0 shall be implemented prior to or concurrently with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit

4. Combustion equipment shall be fired on PUC quality natural gas only. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit

5. Combustion equipment shall be equipped with operational non-resettable, totalizing fuel meters to demonstrate compliance with fuel consumption limits. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5600 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.

Seyed Sadedin, Executive Director / APCO
6. The dehydrator shall be operated and maintained in proper operating condition as recommended by the dehydrator's manufacturer or APCO-approved alternative procedures. [District Rule 2201] Federally Enforceable Through Title V Permit

7. Materials removed from dust collectors shall be disposed of in a manner preventing re-entrainment into atmosphere, with an opacity not to exceed 20%. [District Rule 2201] Federally Enforceable Through Title V Permit

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

9. Non-combustion PM10 emission rate from the 8 MMBtu/hr roaster shall not exceed 0.01 lb/hr. [District Rule 2201] Federally Enforceable Through Title V Permit

10. PM10 emission rate from the outlet of each scrubber serving the 6.0 MMBtu/hr rotary roasters shall not exceed 0.04 lb/hr. [District Rule 2201] Federally Enforceable Through Title V Permit

11. Daily natural gas consumption shall not exceed 1.83 MMscf/day. [District Rule 2201] Federally Enforceable Through Title V Permit

12. Annual natural gas consumption shall not exceed 165.0 MMscf/yr. [District Rule 2201] Federally Enforceable Through Title V Permit

13. Emission rate per MMscf gas burned shall not exceed any of the following: PM10: 2.8 lb/MMscf, SOx as (SO2): 2.85 lb/MMscf, NOx (as NO2): 83.2 lb/MMscf, VOC: 3.8 lb/MMscf, or CO: 21.0 lb/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit

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   \[ E=3.59xP^{0.62} \] if \( P \) is less than or equal to 30 tons per hour, or \[ E=17.31xP^{0.16} \] if \( P \) is greater than 30 tons per hour. [District Rule 4202] Federally Enforceable Through Title V Permit

17. The permittee shall maintain daily records of the volume of fuel usage for any one day, in MMscf, and the fuel meter identification. [District Rule 2201] Federally Enforceable Through Title V Permit

18. The permittee shall maintain cumulative annual records of the volume of fuel usage for any one calendar year, in MMscf, and the fuel meter identification. [District Rule 2201] Federally Enforceable Through Title V Permit

19. Permittee shall maintain daily operation and maintenance records that demonstrate the dehydrator is operated within the limits of the manufacturer's specification, and maintenance is performed according to the manufacturer's recommendation or APCO-approved alternative procedures. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

20. A copy of the manufacturer's operation specifications and maintenance instruction manual or APCO-approved alternative procedures shall be maintained on-site during normal business hours. [District Rule 1070] Federally Enforceable Through Title V Permit

21. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit
Best Available Control Technology (BACT) Guideline 1.6.8
Last Update: 4/14/1995

Pistachio Nut Dryer

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Achieved in Practice or in the SIP</th>
<th>Technologically Feasible</th>
<th>Alternate Basic Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td></td>
<td>Natural gas with LPG as backup fuel</td>
<td></td>
</tr>
<tr>
<td>NOx</td>
<td>Low NOx burner @ 0.083 lb/MMBtu and natural gas fuel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM10</td>
<td></td>
<td>Natural gas with LPG as backup fuel</td>
<td></td>
</tr>
<tr>
<td>SOx</td>
<td></td>
<td>PUC quality natural gas with LPG as backup fuel</td>
<td></td>
</tr>
<tr>
<td>VOC</td>
<td></td>
<td>Natural gas with LPG as backup fuel</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX D

BACT Analyses
A. BACT Analyses

Step 1 – Identify All Control Technologies
Natural Gas Fuel and 0.083 lb-NOx/MMBtu

Step 2 – Eliminate Technologically Infeasible Options
The control technology is not infeasible and cannot be eliminated.

Step 3 – Rank Remaining Control Technologies by Control Effectiveness
Natural Gas Fuel and 0.083 lb-NOx/MMBtu

Step 4 – Cost Effectiveness Analysis
The applicant is proposing the only control measure identified in the BACT guideline. Therefore, a cost effectiveness analysis is not required.

Step 5 – Select BACT
Natural Gas Fuel and 0.083 lb-NOx/MMBtu
APPENDIX E
HRA/AAQA
San Joaquin Valley Air Pollution Control District  
Risk Management Review & AAQA

To: David Torii – Permit Services  
From: Kyle Melching – Technical Services  
Date: May 30, 2013  
Facility Name: Paramount Farms, Inc.  
Location: 13646 Highway 33, Lost Hills  
Application #: S-377-50-2  
Project #: S-1131768

A. RMR SUMMARY

<table>
<thead>
<tr>
<th>Categories</th>
<th>Natural Gas Roaster (Unit 50-2)</th>
<th>Project Totals</th>
<th>Facility Totals</th>
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</thead>
<tbody>
<tr>
<td>Prioritization Score</td>
<td>0.00</td>
<td>0.00</td>
<td>&gt;1</td>
</tr>
<tr>
<td>Acute Hazard Index</td>
<td>0.03</td>
<td>0.03</td>
<td>0.15</td>
</tr>
<tr>
<td>Chronic Hazard Index</td>
<td>0.00</td>
<td>0.00</td>
<td>0.57</td>
</tr>
<tr>
<td>Maximum Individual Cancer Risk</td>
<td>1.19E-08</td>
<td>1.19E-08</td>
<td>4.35E-07</td>
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<tr>
<td>T-BACT Required?</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Permit Conditions?</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Proposed Permit Conditions

To ensure that human health risks will not exceed District allowable levels; the following permit conditions must be included for:

**Unit 50-2**

1. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction.
B. RMR REPORT

I. Project Description

Technical Services received a request on May 29, 2013, to perform a Risk Management Review (RMR) and Ambient Air Quality Analysis (AAQA) for the installation of a new 6 MMBtu/hr natural gas rotary nut roaster to serve a new pistachio nut flavoring drying operation. This unit will be removing an 8 MMBtu/hr natural gas (NG) roaster; therefore, the new NG burning rating for this unit is 36.0 MMBtu/hr. Despite the decrease in burner rating; this analysis will consider the new 6 MMBtu/hr NG nut roaster as new emissions, since only 12 MMBtu/hr NG have been modeled and accounted for.

II. Analysis

For the RMR, toxic emissions from the proposed unit were calculated using 2001 Ventura County Air Pollution Control District emission factors for natural gas external combustion. In accordance with the District’s Risk Management Policy for Permitting New and Modified Sources (APR 1905-1, March 2, 2001), risks from the proposed unit were prioritized using the procedures in the 1990 CAPCOA Facility Prioritization Guidelines and incorporated in the District’s HEART’s database. The unit’s prioritization score was less than 1.0 (see RMR Summary Table); however, the facility’s total prioritization scores were already over 1. Therefore, a refined Health Risk Assessment was required and performed for the unit. AERMOD was used with point source parameters outlined below and concatenated 5-year meteorological data from Hanford to determine maximum dispersion factors at the nearest residential and business receptors. The dispersion factors were input into the HARP model to calculate the Chronic and Acute Hazard Indices and the Carcinogenic Risk.

The following parameters were used for the review:

<table>
<thead>
<tr>
<th>Analysis Parameters</th>
<th>Unit 50-2</th>
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</thead>
<tbody>
<tr>
<td><strong>Source Type</strong></td>
<td><strong>Closest Receptor Distance (m)</strong></td>
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<tr>
<td>Stack Height (m)</td>
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</tr>
<tr>
<td>Stack Diameter (m)</td>
<td>0.61</td>
</tr>
<tr>
<td>Stack Exit Velocity (m/s)</td>
<td>32.34</td>
</tr>
<tr>
<td>Stack Exit Temperature (K)</td>
<td>322</td>
</tr>
</tbody>
</table>

Technical Services also performed modeling for criteria pollutants CO, NOx, SOx, PM_{10}, and PM_{2.5}, as well as the RMR for the unit. Emission rates used for criteria pollutant modeling were 0.13 lb/hr and 1,104 lb/yr CO, 0.5 lb/hr and 4,373 lb/yr NOx, 0.02 lb/hr and 150 lb/yr SOx, 0.1 lb/hr and 511 lb/yr PM_{10}, and 0.1 lb/hr and 511 lb/yr PM_{2.5}. 
The results from the Criteria Pollutant Modeling are as follows:

**Criteria Pollutant Modeling Results**

Values are in $\mu g/m^3$

<table>
<thead>
<tr>
<th>NG Nut Roaster</th>
<th>1 Hour</th>
<th>3 Hours</th>
<th>8 Hours</th>
<th>24 Hours</th>
<th>Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td>Pass</td>
<td></td>
<td>Pass</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>NOx</td>
<td>Pass</td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>SOx</td>
<td>Pass</td>
<td>Pass</td>
<td>Pass</td>
<td>X</td>
<td>Pass</td>
</tr>
<tr>
<td>PM$_{10}$</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Pass</td>
<td>Pass</td>
</tr>
<tr>
<td>PM$_{2.5}$</td>
<td>X</td>
<td></td>
<td>X</td>
<td>X</td>
<td>Pass</td>
</tr>
</tbody>
</table>

*Results were taken from the attached PSD spreadsheet.

1The criteria pollutants are below EPA's level of significance as found in 40 CFR Part 51.165 (b)(2).

**III. Conclusions**

The criteria modeling runs indicate the emissions from the proposed equipment will not cause or significantly contribute to a violation of a State or National AAQS.

The acute and chronic indices are below 1.0; and the maximum individual cancer risk associated with the unit is 1.19E-08, which is less than the 1 in a million threshold. In accordance with the District's Risk Management Policy, the project is approved without Toxic Best Available Control Technology (T-BACT).

To ensure that human health risks will not exceed District allowable levels; the permit conditions listed on Page 1 of this report must be included for the proposed unit.

These conclusions are based on the data provided by the applicant and the project engineer. Therefore, this analysis is valid only as long as the proposed data and parameters do not change.

**IV. Attachments**

A. RMR request from the project engineer
B. Additional information from the applicant/project engineer
C. Stack Parameter Worksheet
D. Prioritization score w/ toxic emissions summary
E. HARP Risk Report
F. Facility Summary
G. AAQA Summary
APPENDIX F
Compliance Certification
CERTIFICATION

Paramount Farms, LLC hereby certifies as follows:

1. Paramount Farms owns or operates certain major stationary sources in the State of California. Such sources are comprised of a vast number of emission points. As used in this certification, the term "major stationary source" shall, with respect to Paramount Farms stationary sources in the SJVUAPCD, have the meaning ascribed thereto in SJVUAPCD Rule 2201, Section 3.23, and shall, with respect to all of Paramount’s other stationary sources in the State of California, have the meaning ascribed thereto in section 302(j) of the Clean Air Act (42 U.S.C. Section 7602(j)).

2. Subject to paragraphs 3 and 4 below, all major stationary sources owned or operated by Paramount Farms in the State of California are either in compliance, or on an approved schedule of compliance, with all applicable emission limitations and standards under the Clean Air Act and all of the State Implementation Plan approved by the Environmental Protection Agency.

3. This certification is made on information and belief and is based upon a review of Paramount Farms major stationary sources in the State of California by those employees of Paramount Farms who have operational responsibility for compliance. In conducting such reviews, Paramount Farms and its employees have acted in good faith and have exercised best efforts to identify any exceedance of the emission limitations and standards referred to in paragraph 2 thereof.

4. This certification shall speak as of the time and date of its execution.

CERTIFICATION

By: ____________________________

Dave Szefflin

Title: Vice President of Operations Date: 4/16/2013
APPENDIX G
Draft ATC
San Joaquin Valley  
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: S-377-50-2
LEGAL OWNER OR OPERATOR: PARAMOUNT FARMS
MAILING ADDRESS: ATTN: DANIEL LEE  
13646 HIGHWAY 33  
LOST HILLS, CA 93249-9719
LOCATION:  
3.5 MILES NORTH OF HWY 46 ON HWY 33  
LOST HILLS, CA

EQUIPMENT DESCRIPTION:
MODIFICATION OF 32.0 MMBTU/HR GAS-FIRED PISTACHIO NUT FLAVORING AND DRYING OPERATION CONSISTING OF BIN DUMPERS, SURGE HOPPERS, BUCKET ELEVATORS, CONVEYORS, 8 MMBTU/HR ROASTER (CONSISTING OF TWO 4 MMBTU/HR BURNERS) AND HIGH-EFFICIENCY CYCLONES SERVING THE EXHAUST STACKS, AND FOUR 6 MMBTU/HR ROTARY ROASTERS EACH EQUIPPED WITH A HIGH-EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER, AND INDUCED DRAFT FAN: REMOVE REFERENCE TO PERMIT EXEMPT EQUIPMENT, INSTALL A SIXTH 6.0 MMBTU/HR ROTARY ROASTER EQUIPPED WITH A HIGH EFFICIENCY CYCLONE, ANDERSON 2000 WET SCRUBBER AND INDUCED DRAFT FAN, REMOVE 8.0 MMBTU/HR AEROGlide ROASTER

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 2201, 5.3.4] Federally Enforceable Through Title V Permit

3. Authority to Construct (ATC) S-377-50-1 shall be implemented prior to or concurrently with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit

4. Combustion equipment shall be fired on PUC quality natural gas only. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 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.

Seyed Sadredin, Executive Director APCO

DAVID WARNER, Director of Permit Services
Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
5. Combustion equipment shall be equipped with operational non-resettable, totaling fuel meters to demonstrate compliance with fuel consumption limits. [District Rule 2201] Federally Enforceable Through Title V Permit

6. The dehydrator shall be operated and maintained in proper operating condition as recommended by the dehydrator's manufacturer or APCO-approved alternative procedures. [District Rule 2201] Federally Enforceable Through Title V Permit

7. Materials removed from dust collectors shall be disposed of in a manner preventing re-entrainment into atmosphere, with an opacity not to exceed 20%. [District Rule 2201] Federally Enforceable Through Title V Permit

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

9. PM10 emission rate from the outlet of each scrubber serving the 6.0 MMBtu/hr rotary roasters shall not exceed 0.04 lb/hr. [District Rule 2201] Federally Enforceable Through Title V Permit

10. Daily natural gas consumption shall not exceed 1.83 MMscf/day. [District Rule 2201] Federally Enforceable Through Title V Permit

11. Annual natural gas consumption shall not exceed 165.0 MMscf/yr. [District Rule 2201] Federally Enforceable Through Title V Permit

12. Emission rate per MMscf gas burned shall not exceed any of the following: PM10: 2.8 lb/MMscf, SOx as (SO2): 2.85 lb/MMscf, NOx (as NO2): 83.2 lb/MMscf, VOC: 3.8 lb/MMscf, or CO: 21.0 lb/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit

13. Particulate matter emissions shall not exceed 0.1 gr/scf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit

14. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation E=3.59xP^0.62 if P is less than or equal to 30 tons per hour, or E=17.31xP^0.16 if P is greater than 30 tons per hour. [District Rule 4202] Federally Enforceable Through Title V Permit

15. The permittee shall maintain daily records of the volume of fuel usage for any one day, in MMscf, and the fuel meter identification. [District Rule 2201] Federally Enforceable Through Title V Permit

16. The permittee shall maintain cumulative annual records of the volume of fuel usage for any one calendar year, in MMscf, and the fuel meter identification. [District Rule 2201] Federally Enforceable Through Title V Permit

17. Permittee shall maintain daily operation and maintenance records that demonstrate the dehydrator is operated within the limits of the manufacturer's specification, and maintenance is performed according to the manufacturer's recommendation or APCO-approved alternative procedures. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

18. A copy of the manufacturer's operation specifications and maintenance instruction manual or APCO-approved alternative procedures shall be maintained on-site during normal business hours. [District Rule 1070] Federally Enforceable Through Title V Permit

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