



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT



AUG 25 2014

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

Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-377
Project # 1142949

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. has requested an Authority to Construct permit for the installation of two flavoring lines each with a 6.0 MMBtu/hr natural gas-fired dryer vented to a fabric collector along with conveyors, elevators, and storage bins.

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.

Sayed Sadredin

Executive Director/Air Pollution Control Officer

Northern Region

4800 Enterprise Way

Modesto, CA 95356-8718

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Mr. Lee
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Thank you for your cooperation in this matter.

Sincerely,



Arnaud Marjollet
Director of Permit Services

AM:DT/st

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email
cc: Gerardo C. Rios, EPA (w/enclosure) via email

San Joaquin Valley Air Pollution Control District

Authority to Construct Application Review

Facility Name: Paramount Farms Inc.

Mailing Address: 13646 Highway 33
Lost Hills, CA 93249

Engineer: David Torii

Lead Engineer: Allan Phillips

Contact Person: Daniel Lee

Telephone: (661) 797-6505

Application #(s): S-377-40-14

Project #: 1142949

Deemed Complete: 7/3/14

I. Proposal

Paramount Farms Inc. (PFI) has requested an Authority to Construct (ATC) permit for the installation of two flavoring lines each with a three-stage 6.0 MMBtu/hr natural gas-fired dryer vented to a fabric collector along with conveyors, elevators, and storage bins.

PFI received their Title V Permit on 8/31/01. This modification can be classified as a Title V significant 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. 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 4101	Visible Emissions (2/17/05)
Rule 4102	Nuisance (12/17/92)
Rule 4201	Particulate Matter Concentration (12/17/92)
Rule 4301	Fuel Burning Equipment (12/17/92) does not apply to dryers which utilize direct heat transfer (products of combustion contact material being dried)
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 facility is located on Highway 33 approximately four miles north of Blackwell's Corner, California. 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

The pre-processing operation (S-377-10) may receive almonds from various hulling and shelling operations and passes them through a series of sizing and grading equipment. This equipment sorts the almonds by size and color into storage bins for further processing.

The filtered and cleaned almonds from pre-processing will be conveyed directly to a tank farm in building A1. From there the almonds are conveyed to either the pasteurization process or to flavoring and drying.

The almond processing and packaging operation (S-377-40) completes the sorting process and routes the nuts through various process units (blanchers, slicer/dicers, etc.) for preparation and packaging as required by the end user.

After flavoring and/or pasteurization the almonds are routed to a second tank farm and then to one of four packaging lines.

Whole or sliced nuts that have passed through a flavor coating operation (which is a wet process) to be dried are fed to the unit by a conveyor. The nuts are then conveyed through the heat zones of the dryer, the cooling zones, and then back into storage bins for packaging. The operating parameters of the unit including conveyor speeds, temperatures in the heat zones, and air flow which are all adjusted as needed to obtain the consistency specified by Paramount's product criteria.

V. Equipment Listing

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

S-377-40-13: 13.84 MMBTU/HR (TOTAL) NATURAL GAS-FIRED ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYCLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES, SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT

Proposed ATC:

S-377-40-14: MODIFICATION OF 13.84 MMBTU/HR (TOTAL) NATURAL GAS-FIRED ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYCLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES, SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT: **ADD TWO FLAVORING LINES EACH WITH A THREE-STAGE 6.0 MMBTU/HR WOLVERINE/PROCTOR GAS-FIRED DRYER/COOLER VENTED TO A FABRIC COLLECTOR, CONVEYORS, ELEVATORS AND STORAGE BINS**

Post Project Equipment Description:

S-377-40-14: 25.84 MMBTU/HR (TOTAL) NATURAL GAS-FIRED ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYCLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES, SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT, TWO FLAVORING LINES EACH WITH A THREE STAGE 6.0 MM BTU/HR CPM WOLVERINE/PROCTOR NATURAL GAS FIRED DRYER COOLER VENTED TO A FABRIC COLLECTOR, CONVEYORS, ELEVATORS, AND STORAGE BINS

VI. Emission Control Technology Evaluation

The only portion of almond finishing/flavoring operation equipment that is assessed emissions is the combustion equipment. This type of unit 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 deg F to 230 deg F range with large amounts of excess air.

This relatively cool chamber temperature is achieved with a cool burner temperature, which inherently produces less NO_x than other types of dryers

The proposed equipment is expected to produce abraded pieces of nut, skin and nut >10 microns. The air flow from the proposed dryers will be routed to fabric collectors to collect this material for sale and to prevent a vector for insects and rodents. Therefore, the proposed fabric collectors are not considered as air pollution control devices.

VII. General Calculations

A. Assumptions

- Units will only be fired PUC regulated natural gas.
- PM₁₀ emissions from the proposed equipment are negligible (District assumption based upon prior experience with similar operations).
- Heating value of natural gas is 1,000 MMBtu/MMscf, District practice
- F-factor for natural gas, corrected to 68 °F, is 8,578 dscf/MMBtu.
- Total combined fuel use for proposed dryers: 0.3 MMscf/day and 109.5 MMscf/year
- Emissions from proposed dryers are the same as for current S-377-40 dryer

B. Emission Factors

Proposed Dryer		
	lb/MMscf	Source
NO _x	36.0	PTO S-377-40-13
SO _x	2.85	PTO S-377-40-13
PM ₁₀	7.6	PTO S-377-40-13
CO	21.0	PTO S-377-40-13
VOC	5.5	PTO S-377-40-13

C. Calculations

1. Pre-Project Potential to Emit (PE1)

Since this is a new emissions unit, PE1 = 0 for all pollutants.

2. Post Project Potential to Emit (PE2)

The potential to emit for the two dryers is calculated as shown, and summarized in the table below:

$$\begin{aligned}
 PE2_{NO_x} &= (36.0 \text{ lb/MMBtu}) * (0.3 \text{ MMscf/day}) \\
 &= 10.8 \text{ lb NO}_x/\text{day} \\
 &= (36.0 \text{ lb/MMBtu}) * (109.5 \text{ MMscf/year}) \\
 &= 3942 \text{ lb NO}_x/\text{year}
 \end{aligned}$$

Total PE2 for Proposed Dryers		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
NO _x	10.8	3,942
SO _x	0.9	312
PM ₁₀	2.3	832
CO	6.3	2,300
VOC	1.7	602

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.

SSPE1 (lb/year)					
Permit Unit	NO _x	SO _x	PM ₁₀	CO	VOC
S-377-3-25	25,376	869	1,569	6,405	1,159
S-377-9-6	0	0	0	0	402
S-377-19-28	32,448	1,112	5,650	15,501	1,482
S-377-21-15	13,728	470	413	3,465	627
S-377-31-6	1,472	524	920	6,807	515
S-377-35-4	328	0	1	270	2
S-377-37-4	1,800	18	24	604	54
S-377-39-5	499	17	30	126	35
S-377-40-13	4,273	221	416	1,496	376
S-377-41-3	0	0	0	0	0
S-377-43-2	0	0	0	0	1,278
S-377-44-2	0	0	0	0	1,278
S-377-45-2	0	0	0	0	1,278
S-377-46-2	0	0	0	0	1,278
S-377-47-6	832	29	28	210	39
S-377-493	0	0	376	0	1,539
S-377-50-3	13,728	470	2,652	3,465	627
S-377-52-0	0	0	5,621	0	0
S-377-54-1	182	0	4	27	7
SSPE1	94,666	3,730	17,704	38,376	11,976

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.

SSPE2 (lb/year)					
Permit Unit	NO _x	SO _x	PM ₁₀	CO	VOC
S-377-3-25	25,376	869	1,569	6,405	1,159
S-377-9-6	0	0	0	0	402
S-377-19-28	32,448	1,112	5,650	15,501	1,482
S-377-21-15	13,728	470	413	3,465	627
S-377-31-6	1,472	524	920	6,807	515
S-377-35-4	328	0	1	270	2
S-377-37-4	1,800	18	24	604	54
S-377-39-5	499	17	30	126	35
ATC S-377-40-14	4,273+3,942 =8,215	221+312 =533	416+832 =1,248	1,496+2,300 =3,796	376+602 =978
S-377-41-3	0	0	0	0	0
S-377-43-2	0	0	0	0	1,278
S-377-44-2	0	0	0	0	1,278
S-377-45-2	0	0	0	0	1,278
S-377-46-2	0	0	0	0	1,278
S-377-47-6	832	29	28	210	39
S-377-493	0	0	376	0	1,539
S-377-50-3	13,728	470	2,652	3,465	627
S-377-52-0	0	0	5,621	0	0
S-377-54-1	182	0	4	27	7
SSPE2	98,608	4,042	18,536	40,676	12,578

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

Rule 2201 Major Source Determination (lb/year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
Facility emissions pre-project	94,666	3,730	17,704	38,376	11,976
Facility emissions – post project	98,608	4,042	18,536	40,676	12,578
Major Source Threshold	20,000	140,000	140,000	200,000	20,000
Major Source?	Yes	No	No	No	No

This source is an existing Major Source for NO_x emissions and will remain a Major Source for NO_x. 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.

PSD Major Source Determination (tons/year)						
	NO ₂	VOC	SO ₂	CO	PM ₁₀	PM ₁₀
Estimated Facility PE before Project Increase	47.3	6.0	1.9	19.2	8.8	8.8
PSD Major Source Thresholds	250	250	250	250	250	250
PSD Major Source ? (Y/N)	n	n	n	n	n	n

As shown above, the facility is not an existing major source for PSD for at least one pollutant. Therefore the facility is not 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 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 this is new equipment, BE = PE1 = 0 for all 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_x, 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			
Pollutant	Project PE2 (lb/year)	Threshold (lb/year)	SB 288 Major Modification Calculation Required?
NO _x	3,942	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.

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 emission increase is compared to the Federal Major Modification Threshold in the following table

Federal Major Modification Thresholds for Emission Increases			
Pollutant	Total Emissions Increases (lb/yr)	Thresholds (lb/yr)	Federal Major Modification?
NO _x *	3,942	0	y

Since there is an increase in NO_x 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:

- NO2 (as a primary pollutant)
- SO2 (as a primary pollutant)
- CO
- PM
- PM10

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)						
	NO2	VOC	SO2	CO	PM	PM10
Total PE from New and Modified Units	2.0	0.3	0.3	1.2	0.4	0.4
PSD Major Source threshold	250	250	250	250	250	250
New PSD Major Source?	n	n	n	n	n	n

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 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 two new dryers each with a PE greater than 2 lb/day for NO_x and CO. BACT is triggered for NO_x 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 a Federal Major Modification for NO_x emissions. Therefore BACT is triggered for NO_x for all emissions units in the project for which there is an emission increase.

2. BACT Guideline

BACT Guideline 1.6.9 applies to the almond processing dryer less than 10 MMBtu/hr heat input (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 C**), BACT has been satisfied with the following:

NO_x: low NO_x burner (stage combustion control)

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.

Offset Determination (lb/year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
SSPE2	98,608	4042	18536	40,676	12,578
Offset Thresholds	20,000	54,750	29,200	200,000	20,000
Offsets triggered?	Yes	No	No	No	No

2. Quantity of Offsets Required

As seen above, the facility is an existing Major Source for NO_x and the SSPE2 is greater than the offset thresholds. Therefore offset calculations will be required for this project.

The quantity of offsets in pounds per year for NO_x 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) = $(\Sigma(\text{PE2} + \text{ICCE}) \times \text{DOR})$, for all new or modified emissions units in the project,

Where,

PE2 = Post Project Potential to Emit, (lb/year)

ICCE = Increase in Cargo Carrier Emissions, (lb/year)

DOR = Distance Offset Ratio, determined pursuant to Section 4.8

The project is a Federal Major Modification and therefore the correct offset ratio for NO_x is 1.5:1.

Also, there is only one emissions unit associated with this project and there are no increases in cargo carrier emissions. Therefore offsets can be determined as follows:
Offsets Required (lb/year) = (PE2 + ICCE) x DOR

$$\begin{aligned} \text{PE2 (NO}_x\text{)} &= 3942 \text{ lb/year} \\ \text{ICCE} &= 0 \text{ lb/year} \end{aligned}$$

$$\begin{aligned} \text{Offsets Required (lb/year)} &= (3,942 + 0) \times 1.5 \\ &= 5,913 \text{ lb NO}_x\text{/year} \end{aligned}$$

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

<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
1,478	1,478	1,478	1,478

Pursuant to section 4.13.8 of Rule 2201, AER for NO_x that occurred from April through November may be used to offset increases in NO_x during any period of the year. The applicant has stated that the facility plans to use ERC certificate C-497-2 to offset the increases in NO_x emissions associated with this project. The above certificate has available quarterly NO_x credits as follows:

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
ERC #C-497-2	1,000	2,000	4,000	300

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

Proposed Rule 2201 (offset) Conditions:

- {GC# 4447 - edited} Prior to operating equipment under this Authority to Construct, permittee shall surrender NO_x emission reduction credits for the following quantity of emissions: 1st quarter – 1,478 lb, 2nd quarter – 1,478 lb, 3rd quarter – 1,478 lb, and fourth quarter – 1,478 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201]
- ERC Certificate Number C-497-2 (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]

C. Public Notification

1. Applicability

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, and/or
- d. 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 is a Federal Major Modification. Therefore, public noticing for SB 288 or 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:

Offset Thresholds				
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	Offset Threshold	Public Notice Required?
NO _x	94,666	98,608	20,000 lb/year	No
SO _x	3730	4042	54,750 lb/year	No
PM ₁₀	17,704	18,536	29,200 lb/year	No
CO	38,376	40,676	200,000 lb/year	No
VOC	11,976	12,578	20,000 lb/year	No

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.

SSIPE Public Notice Thresholds					
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
NO _x	94,666	98,608	3,942	20,000 lb/year	No
SO _x	3,730	4,042	312	20,000 lb/year	No
PM ₁₀	17,704	18,536	832	20,000 lb/year	No
CO	38,376	40,676	2,300	20,000 lb/year	No
VOC	11,976	12,578	602	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.

2. Public Notice Action

As discussed above, public noticing is required for this project for NO_x emissions 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:

- Emissions from the Proctor Schwartz and Aeroglide dryers and CPM Wolverine/Proctor dryers shall not exceed any of the following limits: 36.0 lb-NO_x/MMscf, 2.85 lb-SO_x/MMscf, 7.6 lb-PM₁₀/MMscf, 21.0 lb-CO/MMscf, or 5.5 lb-VOC/MMscf. [District Rule 2201] Y
- CPM Wolverine/Proctor dryers' combined total natural gas usage shall not exceed 0.3 MMscf/day. [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.

District Rule 4309 requires NO_x and CO emission testing not less than once every 24 months. Therefore, source testing for NO_x and CO will be required within 60 days of initial operation and at least once every 24 months thereafter. Source testing for Rule

4309 also satisfies any source testing requirements for Rule 2201. No additional source testing is required.

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 records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 19% O₂ (or no correction if measured above 19% O₂), (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rule 4309] Y
- Records of daily and annual natural gas consumption shall be maintained. [District Rules 1070, 2201 and 2520, 9.4] Y
- All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070, 2201 and 2520, 9.4] Y

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 D** of this document for the AAQA summary sheet.

The proposed location is in an attainment area for NO_x, CO, and SO_x. As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for NO_x, CO, or SO_x.

The proposed location is in a non-attainment area for the state's PM₁₀ as well as federal and state PM_{2.5} thresholds. As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for PM₁₀ and PM_{2.5}.

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 E.

H. Alternate Siting Analysis

Since the project will provide almond flavoring capability 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 2410 Prevention of Significant Deterioration

As demonstrated in Section VII.C.9 above, this project is not subject to the requirements of Rule 2410.

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 3.20.2 states that a minor permit modifications are not Title I modifications (Federal Major Modifications) as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act. This project is a Federal Major Modification; consequently, the proposed project constitutes a Significant Modification to the Title V Permit pursuant to Section 3.29.

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 nut drying, or nut flavoring operations.

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 gas-fired nut drying, 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 or equal to one. According to the Technical Services Memo for this project (**Appendix D**), the total facility prioritization score including this project was less than or equal to one. Therefore, no future analysis is required to determine the impact from this project and compliance with the District's Risk Management Policy is expected.

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] Y

Rule 4301 Fuel Burning Equipment

This rule specifies maximum emission rates in lb/hr for SO₂, NO₂, and combustion contaminants (defined as total PM in Rule 1020). This rule also limits combustion contaminants to ≤ 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 proposed dryers 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 Dryer, Dehydrators, and Ovens

The purpose of this rule is to limit emissions of oxides of nitrogen (NO_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 MMBtu/hr or greater. Since the dryers being installed each have a heat input rating greater than 5.0 MMBtu they are subject to the requirements of this rule.

Section 5.0, Requirements

Section 5.0 states that all ppmv limits specified in this section are referenced at dry stack gas conditions and adjusted using an oxygen correction factor of 19% by volume.

Section 5.2 requires that except for dehydrators, NO_x and CO emissions shall not exceed the limits specified in the table below on and after the full compliance schedules specified in Sections 7.1 and 7.3, as appropriate. All ppmv emission limits specified in this section are referenced at dry stack gas conditions and 19 percent by volume stack gas oxygen. Emission concentrations shall be corrected to 19 percent oxygen in accordance with Section 5.0.

NO_x and CO Limits				
Process Description	NO _x Limit (in ppmv)		CO Limit (in ppmv)	
	Gaseous Fuel Fired	Liquid Fuel Fired	Gaseous Fuel Fired	Liquid Fuel Fired
Asphalt/Concrete Plants	4.3	12.0	42	64
Milk, Cheese, and Dairy Processing < 20 MMBtu/hr	3.5	3.5	42	42
Milk, Cheese, and Dairy Processing ≥ 20 MMBtu/hr	5.3	5.3	42	42
Other processes not described above	4.3	4.3	42	42

The dryers in this project perform a process not specifically described; therefore they are subject to the requirements of the "Other processes not described above" listed in the table above.

Therefore, the applicable NO_x emission limit is 4.3 ppmvd @ 19% O₂ (0.0492 lb/MMBtu), and the applicable CO emission limit is 42 ppmvd @ 19% O₂ (0.0348 lb/MMBtu).

The dryers' proposed emission factors are as follows:

36.0 lb-NO_x/MMscf = 0.036 lb-NO_x/MMBtu

21.0 lb-CO/MMscf = 0.021 lb-CO/MMBtu

Therefore, compliance with this section is expected.

A permit condition listing the emissions limits will be listed on the permit as shown in the DEL section above.

Section 5.3 states that the applicable emission limits in Section 5.2 shall not apply during start-up or shutdown provided an operator complies with the requirements specified below.

The facility has not requested relaxed emission limit requirements for these units during startup or shutdown, therefore this section does not apply to the unit in this project.

Section 5.4, Monitoring Requirements

Section 5.4.1 states that except for dehydrators, the operator of any unit subject to the applicable emission limits in Sections 4.3.2, or 5.2 shall monitor emissions using one of the techniques specified in Sections 5.4.1.1 or 5.4.1.2.

Section 5.4.1.1 states the first technique as the installation and maintenance of an APCO-approved CEMS for NO_x, and oxygen that meets the following requirements.

- 40 CFR Part 51, and
- 40 CFR Parts 60.7 and 60.13 (except subsection h), and
- 40 CFR Part 60 Appendix B (Performance Specifications), and
- 40 CFR Part 60 Appendix F (Quality Assurance Procedures), and
- The applicable provisions of District Rule 1080 (Stack Monitoring).
- The APCO shall only approve CEMS that meets the requirements of Sections 5.4.1.1.1 through 5.4.1.1.5 of this rule.

Section 5.4.1.2 states the second technique as the installation and maintenance of an alternate emissions monitoring method that meets the requirements of Sections 5.4.1.2.1 through 5.4.1.2.3 of this rule.

Section 5.4.1.2.1 states that the APCO shall not approve an alternative monitoring system unless it is documented that continued operation within ranges of specified emissions-related performance indicators or operational characteristics provides a reasonable assurance of compliance with applicable emission limits.

Section 5.4.1.2.2 states that the approved alternate emission monitoring system shall monitor operational characteristics necessary to assure compliance with the emission limit. Operational characteristics shall be one or more of the following:

- Periodic NO_x exhaust emission concentrations,
- Periodic exhaust oxygen concentration,
- Flow rate of reducing agent added to exhaust,
- Catalyst inlet and exhaust temperature,

- Catalyst inlet and exhaust oxygen concentration,
- Periodic flue gas recirculation rate,
- Other surrogate operating parameter(s) that demonstrate compliance with the emission limit.

Since operation of the units subject to this rule are very similar to the operation of units subject to the requirements of District Rule 4306, *Boilers, Steam Generators, and Process Heaters – Phase 3*, the pre-approved alternate monitoring plans in District Policy SSP-1105 will be considered approved alternate monitoring plans for District Rule 4309 compliance.

In order to satisfy the requirements of District Rule 4309, the applicant has proposed to use pre-approved alternate monitoring scheme A (pursuant to District Policy SSP-1105), which requires that monitoring of NO_x, CO, and O₂ exhaust concentrations shall be conducted at least once per month (in which a source test is not performed) using a portable analyzer.

The following conditions will be incorporated into the permit in order to ensure compliance with the requirements of the proposed alternate monitoring plan:

- {3741} The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rule 4309]
- {3742} If either the NO_x or CO concentrations corrected to 19% O₂ (or no correction if measured above 19% O₂), as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rule 4309]
- {3743} All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rule 4309]
- {3744} The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 19% O₂ (or no correction if measured above 19% O₂), (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rule 4309]

Section 5.5, Compliance Determination

Section 5.5.1 states that all emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the PTO.

Section 5.5.2 states that except for as provided in Section 5.5.3, no determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0.

The following condition will be added to the permit to assure compliance with Sections 5.5.1 and 5.5.2.

- {3713} All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4309. [District Rule 4309]

Section 5.5.3 states that notwithstanding the requirements of Section 5.5.2, the APCO, ARB, and US EPA may approve a longer or shorter period before compliance determination, if an operator submits an application for a PTO condition which provides a justification for the requested duration.

Section 5.5.4 states that all CEMS emissions measurements shall be averaged over a period of 15 consecutive minutes to demonstrate compliance with the applicable emission limits of this rule. Any 15-consecutive-minute block average CEMS measurement exceeding the applicable emission limits of this rule shall constitute a violation of this rule.

The facility has not proposed to utilize a CEMS; therefore the requirements of this section are not applicable to the dryer in this project.

Section 5.5.5 states that for emissions monitoring pursuant to Section 5.4.1.2.2.1, emission readings shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15-consecutive-minute sample reading or by taking at least five (5) readings evenly spaced out over the 15-consecutive-minute period.

The following condition will be added to the permit to assure compliance with this section.

- {3743} All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rule 4309] N

Section 5.5.6 states that for emissions source testing performed pursuant to Section 6.3.1 to determine compliance with an applicable emission limit of this rule, the arithmetic average of three (3) 30-consecutive-minute test runs shall apply. If two of the three runs individually demonstrate emissions above the applicable limit, the test cannot be used to demonstrate compliance for the unit, even if the averaged emissions of all three test runs are less than the

applicable limit. The following condition will be added to the permit to assure compliance with this section.

- {3715} For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rule 4309]

Section 6.1, Recordkeeping

Section 6.1.1 states the recordkeeping requirements of a unit that uses CEMS to monitor emissions. Since the applicant has not proposed a CEMS to monitor emissions, the requirements of this section do not apply to the unit in this project.

Section 6.1.2 states that operators using an alternate emissions monitoring system shall maintain the following records on a periodic basis:

- Total hours of operation.
- Type and quantity of fuel used during operations.
- Measurement for each surrogate parameter.
- Range of allowed values for each surrogate parameter.
- The period for recordkeeping shall be specified in the PTO conditions.

Section 6.1.3 only applies to dehydrators; therefore this section is not applicable to the unit in this project.

Section 6.1.4 states that the operator of a unit subject to Section 5.2 and performing start-up or shutdown of that unit shall keep records of the duration of each start-up and each shutdown. The facility has not proposed start-up or shutdown emissions for the dryer in this operation; therefore the requirements of this section do not apply to the dryer in this project.

Section 6.1.5 states the recordkeeping requirements of an operator of any unit operated under the exemption of Section 4.3.

Since the applicant has not applied for the exemption in Section 4.3, the requirements in this section do not apply to the dryer in this project.

Section 6.1.6 states the records and manufacturer's specifications required by Sections 6.1.1 through 6.1.5 shall meet all of the following requirements.

- The records shall be maintained for five (5) calendar years,
- The records shall be made available on-site during normal business hours, and
- The records shall be submitted to the APCO upon request.

The following condition will be added to the permit to assure compliance with this section.

- All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 2201, and 4309]

Section 6.2, Test Methods

Section 6.2 lists the test methods required by the rule. In lieu of the test methods listed below the facility can utilize alternative APCO and US EPA approved test methods.

Pollutant	Units	Test Method Required
Fuel hhv	Fuel hhv shall be certified by third party fuel supplier or:	
	Liquid fuels	ASTM D 240-87 or D 2382-88
	Gaseous fuels	ASTM D 1826-88 or D 1945-81 in conjunction with ASTM D 3588-89
NO _x	ppmv	EPA Method 7E or ARB Method 100
CO	ppmv	EPA Method 10 or ARB Method 100
Stack Gas O ₂	%	EPA Method 3 or 3A, or ARB Method 100
Stack Gas Velocities	ft/min	EPA Method 2
Stack Gas Moisture Content	%	EPA Method 4

The following permit conditions will be listed on the permit as follows:

- {3718} NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis. [District Rule 4309]
- {3719} CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rule 4309]
- {3720} Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rule 4309]

Section 6.3.2 states that each unit subject to the requirements in Sections 4.3, or 5.2 shall be initially source tested to determine compliance with the applicable emission limits not later than the applicable full compliance schedule specified in Section 7.0. Thereafter, each unit subject to Section 5.2 emission limits shall be source tested at least once every 24 months. Units subject to Section 5.2 and operating less than 50 days per calendar year shall follow the source test frequency prescribed in Section 6.3.3. The following condition will be added to the permit to assure compliance with this section.

- Source testing to measure NO_x and CO emissions from this unit when fired on natural gas shall be conducted within 60 days of initial start-up and at least once every 24 months thereafter. [District Rules 2201 and 4309]

Section 6.3.5 states that the APCO shall be notified according to the provisions of Rule 1081 (Source Sampling). The following conditions will be added to the permit to assure compliance with this section.

- {109} Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081]

- {3721} The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]

Section 6.3.6 states that emissions source testing shall be conducted with the unit operating either at conditions representative of normal operations or conditions specified in the PTO. The requirements of this section will be satisfied by the condition listed in Sections 5.5.1 and 5.5.2 of this rule evaluation.

Section 6.3.7 states that all test results for NOx and CO shall be reported in ppmv, corrected to dry stack conditions and adjusted using the oxygen correction factor. The following condition will be added to the permit to assure compliance with this section.

- {3722} All test results for NOx and CO shall be reported in ppmv @ 19% O2 (or no correction if measured above 19% O2), corrected to dry stack conditions. [District Rule 4309]

Section 6.3.8 states that for the purpose of determining compliance with an applicable emission limit, the arithmetic average of three (3) 30-consecutive-minute test runs shall apply.

Section 6.3.9 states that if two of the three runs specified by Section 6.3.8 individually demonstrate emissions above the applicable limit, the test cannot be used to demonstrate compliance for the unit, even if the averaged emissions of all three runs is less than the applicable limit.

The requirements of Sections 6.3.8 and 6.3.9 will be satisfied by the condition listed in Section 5.5.6 of this rule evaluation.

Section 6.4 lists the source testing requirements for asphalt/concrete plants. Since this facility is not an asphalt or concrete plant, the requirements of this section do not apply to the dryer in this project.

Conclusion

Conditions will be incorporated into the permit in order to ensure compliance with each section of this rule. Therefore, compliance with District Rule 4309 requirements is expected.

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 SO₂, 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:

- All burners shall only be fired on PUC regulated natural gas. [Kern County Rule 407 and District Rule 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 prepared or will prepare an environmental review document for the project. Thus the District is the Lead Agency for this project.

On December 17, 2009, the District's Governing Board adopted a policy, APR 2005, *Addressing GHG Emission Impacts for Stationary Source Projects Under CEQA When Serving as the Lead Agency*, for addressing GHG emission impacts when the District is Lead Agency under CEQA and approved the District's guidance document for use by other agencies when addressing GHG impacts as lead agencies under CEQA. Under this policy, the District's determination of significance of project-specific GHG emissions is founded on the principal that projects with GHG emission reductions consistent with AB 32 emission reduction targets are considered to have a less than significant impact on global climate change. Consistent with District Policy 2005, projects complying with an approved GHG emission reduction plan or GHG mitigation program, which avoids or substantially reduces GHG emissions within the geographic area in which the project is located, would be determined to have a less than significant individual and cumulative impact for GHG emission.

The California Air Resources Board (ARB) adopted a Cap-and-Trade regulation as part one of the strategies identified for AB 32. This Cap-and-Trade regulation is a statewide plan, supported by a CEQA compliant environmental review document, aimed at reducing or mitigating GHG emissions from targeted industries. Facilities subject to the Cap-and-Trade regulation are subject to an industry-wide cap on overall GHG emissions. 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. Further, the cap decreases over time, resulting in an overall decrease in GHG emissions.

Under District policy APR 2025, *CEQA Determinations of Significance for Projects Subject to ARB's GHG Cap-and-Trade Regulation*, the District finds that the Cap-and-Trade is a regulation plan approved by ARB, consistent with AB32 emission reduction targets, and supported by a CEQA compliant environmental review document. As such, consistent with District Policy 2005, projects complying project complying with Cap-and-Trade requirements are determined to have a less than significant individual and cumulative impact for GHG emissions.

The GHG emissions increases associated with this project result from the combustion of fossil fuel(s), other than jet fuel, delivered from suppliers subject to the Cap-and-Trade regulation. Therefore, as discussed above, consistent with District Policies APR 2005 and APR 2025, the District concludes that the GHG emissions increases associated with this project would have a less than significant individual and cumulative 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 § 15301 (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. Pending a successful NSR and EPA Public Noticing period, issue ATC S-377-40-14 subject to the permit conditions on the attached draft ATC in **Appendix F**.

X. Billing Information

Annual Permit Fees			
Permit Number	Fee Schedule	Fee Description	Annual Fee
S-377-40-14	3020-02.H	>15 MMBtu/hr	\$1030

Appendixes

- A: Quarterly Net Emissions Change
- B: Current PTO
- C: Top-Down BACT Analysis
- D: HRA/AAQA
- E: Compliance Certification
- F: Draft ATC

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:

$QNEC = PE2 - PE1$, 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.6 in the evaluation above, quarterly PE2 and quarterly PE1 can be calculated as follows:

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

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

Quarterly NEC [QNEC]					
	PE2 (lb/yr)	PE2 (lb/qtr)	PE1 (lb/yr)	PE1 (lb/qtr)	QNEC (lb/qtr)
NO _x	3,942	986	0	0	986
SO _x	312	78	0	0	78
PM ₁₀	832	208	0	0	208
CO	2,300	575	0	0	575
VOC	602	151	0	0	151

SJVUAPCD
SOUTHERN

Application Emissions

7/7/14
6:37 am

Permit #: S-377-40-14	Last Updated
Facility: PARAMOUNT FARMS	07/04/2014 TORID

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	3942.0	312.0	832.0	2300.0	602.0
Daily Emis. Limit (lb/Day):	10.8	0.9	2.3	6.3	1.7
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	986.0	78.0	208.0	575.0	151.0
Q2:	988.0	78.0	208.0	575.0	151.0
Q3:	986.0	78.0	208.0	575.0	151.0
Q4:	986.0	78.0	208.0	575.0	151.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio	1.5				
Quarterly Offset Amounts (lb/Qtr)					
Q1:	1478.0				
Q2:	1478.0				
Q3:	1478.0				
Q4:	1478.0				

APPENDIX B

Current PTO

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-377-40-13

EXPIRATION DATE: 10/31/2016

SECTION: NE23 TOWNSHIP: 26S RANGE: 19E

EQUIPMENT DESCRIPTION:

13.84 MMBTU/HR (TOTAL) NATURAL GAS-FIRED ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYCLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES, SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT

PERMIT UNIT REQUIREMENTS

1. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
2. All burners shall only be fired on PUC regulated natural gas. [Kern County Rule 407 and District Rule 4801] Federally Enforceable Through Title V Permit
3. Emissions from the slicer and sliver lines (two plasticizers and two dryers) shall not exceed any of the following limits: 44.0 lb-NOx/MMscf, 2.85 lb-SOx/MMscf, 5.0 lb-PM10/MMscf, 8.6 lb-CO/MMscf, or 5.8 lb-VOC/MMscf. [District NSR Rule] Federally Enforceable Through Title V Permit
4. The slicer and sliver lines (two plasticizers and two dryers) natural gas usage shall not exceed 103,500 scf/day and 10.0 MMscf/year. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Emissions from the Proctor Schwartz and Aeroglide dryers shall not exceed any of the following limits: 36.0 lb-NOx/MMscf, 2.85 lb-SOx/MMscf, 7.6 lb-PM10/MMscf, 21.0 lb-CO/MMscf, or 5.5 lb-VOC/MMscf. [District NSR Rule] Federally Enforceable Through Title V Permit
6. The Proctor Schwartz and Aeroglide dryers' natural gas usage shall not exceed 163,200 scf/day and 37.15 MMscf/year. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Emission rate per MMscf gas burned from the 4.0 MMBtu/hr Aeroglide nut dryer #3 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
8. Natural gas combusted in the 4.0 MMBtu/hr Aeroglide nut dryer (#3) shall not exceed 0.096 MMscf/day nor 30 MMscf/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
9. This almond finishing and packaging operation shall be equipped with two operational non-resettable totalizing fuel meters: one serving the slicer and sliver lines (two plasticizers and two dryers) and one serving the two roasters, to show compliance with the fuel usage limits set forth in this permit. [District NSR Rule] Federally Enforceable Through Title V Permit

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

Facility Name: PARAMOUNT FARMS
Location: 3.5 MILES NORTH OF HWY 48 ON HWY 33, LOST HILLS, CA
S-377-40-13: Jul 7 2014 8:42AM - TORLO

10. Records of daily and annual natural gas consumption shall be maintained. [District Rule 1070 and 2520, 9.4] Federally Enforceable Through Title V Permit
11. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070 and 2520, 9.4] Federally Enforceable Through Title V Permit

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

Facility Name: PARAMOUNT FARMS
Location: 3.5 MILES NORTH OF HWY 48 ON HWY 33, LOST HILLS, CA
S-377-40-13 : Jul 7 2014 8:42AM - TORID

Appendix C

Top-Down BACT Analysis

Best Available Control Technology (BACT) Guideline 1.6.9
Last Update: 10/30/1996

Dryer - Almond Processing, < 10 MMBtu/hr

Pollutant	Achieved in Practice or in the SIP	Technologically Feasible	Alternate Basic Equipment
NOx		Low NOx burner (utilizing stage combustion technology)	

Top Down BACT Analysis for NO_x Emissions from Almond Dryer

Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse guideline 1.6.9 identifies achieved in practice NO_x BACT for almond processing dryers as follows:

Low NO_x burner (utilizing staged combustion technology) (technologically feasible)

Step 2 - Eliminate Technologically Infeasible Options

The above technology is technologically feasible.

Step 3 - Rank Remaining Control Technologies by Control Effectiveness

Low NO_x burner (utilizing staged combustion technology) (technologically feasible)

Step 4 - Cost Effectiveness Analysis

PFI is proposing the only control technology listed in step 3; a cost effectiveness analysis is not required.

Step 5 - Select BACT for NO_x

The applicant has proposed the installation of low NO_x burners utilizing staged combustion technology

APPENDIX D HRA/AAQA

San Joaquin Valley Air Pollution Control District Risk Management Review

To: Richard Edgehill – Permit Services
From: Cheryl Lawler – Technical Services
Date: August 6, 2013
Facility Name: Paramount Farms LLC
Location: 13646 Highway 33, Lost Hills
Application #(s): S-377-40-12
Project #: S-1130510

A. RMR SUMMARY

RMR Summary			
Categories	Natural Gas Dryers (Unit 40-12)	Project Totals	Facility Totals
Prioritization Score	0.00	0.00	>1
Acute Hazard Index	0.00	0.00	0.15
Chronic Hazard Index	0.00	0.00	0.57
Maximum Individual Cancer Risk	7.88E-09	7.88E-09	4.56E-07
T-BACT Required?	No		
Special Permit Conditions?	Yes		

Proposed Permit Conditions

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

Unit 40-12

1. {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
N

B. RMR REPORT

I. Project Description

Technical Services received a request on August 5, 2013, to perform a Risk Management Review (RMR) and Ambient Air Quality Analysis (AAQA) for three new 2.5 MMBtu/hr natural gas dryers. An existing 1.2 MMBtu/hr dryer will be removed.

II. Analysis

For the Risk Management Review, toxic emissions from the dryers were calculated using 2001 Ventura County Air Pollution Control District emission factors for natural gas fired 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 project were prioritized using the procedures in the 1990 CAPCOA Facility Prioritization Guidelines and incorporated in the District's HEART's database. The prioritization score was less than 1.0 (see RMR Summary Table); however, the facility's combined prioritization scores totaled to greater than one. Therefore, a refined Health Risk Assessment was required and performed for the project. AERMOD was used with point source parameters outlined below and concatenated 5-year meteorological data from Bakersfield 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 for the project.

The following parameters were used for the review:

Analysis Parameters			
Source Type	Point	Closest Receptor (m)	1859
Stack Height (m)	6.1	Closest Receptor Type	Residence
Stack Diameter (m)	0.61	Project Location Type	Rural
Stack Gas Temperature (K)	322	Natural Gas Rates (mmscf)	0.0075 hr 56.3 yr
Stack Gas Velocity (m/s)	32.34		

Technical Services also performed modeling for criteria pollutants CO, NO_x, SO_x, PM₁₀, and PM_{2.5}, as well as the RMR. Emission rates used for criteria pollutant modeling were 32.9 lb/day CO, 20.5 lb/day NO_x, 1.6 lb/day SO_x, 2.5 lb/day PM₁₀, and 2.5 lb/day PM_{2.5}.

The results from the Criteria Pollutant Modeling are as follows:

Criteria Pollutant Modeling Results*

Values are in $\mu\text{g}/\text{m}^3$

Natural Gas Dryers	1 Hour	3 Hours	8 Hours	24 Hours	Annual
CO	Pass	X	Pass	X	X
NO _x	Pass ²	X	X	X	Pass
SO _x	Pass	Pass	X	Pass	Pass
PM ₁₀	X	X	X	Pass ¹	Pass ¹
PM _{2.5}	X	X	X	Pass ¹	Pass ¹

*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).

²The project was compared to the 1-hour NO₂ National Ambient Air Quality Standard that became effective on April 12, 2010, using the District's approved procedures.

³For this case as per District procedure, minor PM_{2.5} sources are modeled only for primary PM_{2.5} concentrations, and these concentrations are compared to the 24-hour SIL of 1.2 $\mu\text{g}/\text{m}^3$ and the annual SIL of 0.3 $\mu\text{g}/\text{m}^3$.

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 project is **7.88E-09**, 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 project.

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.

APPENDIX E

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)).

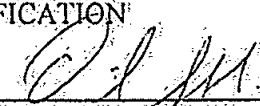
2. Subject to paragraphs 3 and 4 below, all major stationary sources owned or operated by Paramount Farms in the State of California are either in compliance, or on an approved schedule of compliance, with all applicable emission limitations and standards under the Clean Air Act and all of the State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

7/7/14

APPENDIX F

Draft ATC

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: S-377-40-14

ISSUANCE DATE: DRAFT

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

SECTION: NE23 TOWNSHIP: 26S RANGE: 19E

EQUIPMENT DESCRIPTION:

MODIFICATION OF ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGlide MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYCLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES, SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT: ADD TWO FLAVORING LINES EACH WITH A THREE-STAGE 6.0 MMBTU/HR CPM WOLVERINE/PROCTOR NATURAL GAS-FIRED DRYER/COOLER VENTED TO A FABRIC COLLECTOR, WITH CONVEYORS, ELEVATORS AND STORAGE BINS

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

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

Arnaud Marjolle, Director of Permit Services

8-3/7-40-14: Aug 19 2014 1:17PM - TORID - Joint Inspection NOT Required

3. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOx emission reduction credits for the following quantity of emissions: 1st quarter - 1478 lb, 2nd quarter - 1478 lb, 3rd quarter - 1478 lb, and fourth quarter - 1478 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. ERC Certificate Number C-497-2 (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
5. This almond finishing and packaging operation shall be equipped with three operational non-resettable totalizing fuel meters: one serving the slicer and sliver lines (two plasticizers and two dryers), one serving the two roasters and one serving the flavoring line's two dryers, to show compliance with the fuel usage limits set forth in this permit. [District Rule 2201] Federally Enforceable Through Title V Permit
6. All burners shall only be fired on PUC regulated natural gas. [Kern County Rule 407 and District Rule 4801] Federally Enforceable Through Title V Permit
7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
8. Emissions from the slicer and sliver lines (two plasticizers and two dryers) shall not exceed any of the following limits: 44.0 lb-NOx/MMscf, 2.85 lb-SOx/MMscf, 5.0 lb-PM10/MMscf, 8.6 lb-CO/MMscf, or 5.8 lb-VOC/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit
9. The slicer and sliver lines (two plasticizers and two dryers) natural gas usage shall not exceed 103,500 scf/day and 10.0 MMscf/year. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Emissions from the Proctor Schwartz and Aeroglide dryers and CPM Wolverine/Proctor dryers shall not exceed any of the following limits: 36.0 lb-NOx/MMscf, 2.85 lb-SOx/MMscf, 7.6 lb-PM10/MMscf, 21.0 lb-CO/MMscf, or 5.5 lb-VOC/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit
11. The Proctor Schwartz and Aeroglide dryers' natural gas usage shall not exceed 163,200 scf/day and 37.15 MMscf/year. [District Rule 2201] Federally Enforceable Through Title V Permit
12. CPM Wolverine/Proctor dryers' combined total natural gas usage shall not exceed 0.3 MMscf/day. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Emission rate per MMscf gas burned from the 4.0 MMBtu/hr Aeroglide nut dryer #3 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
14. Natural gas combusted in the 4.0 MMBtu/hr Aeroglide nut dryer (#3) shall not exceed 0.096 MMscf/day nor 30 MMscf/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
15. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rule 4309] Federally Enforceable Through Title V Permit
16. If either the NOx or CO concentrations corrected to 19% O2 (or no correction if measured above 19% O2), as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rule 4309] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

17. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rule 4309] Federally Enforceable Through Title V Permit
18. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 19% O₂ (or no correction if measured above 19% O₂), (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rule 4309] Federally Enforceable Through Title V Permit
19. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4309. [District Rule 4309] Federally Enforceable Through Title V Permit
20. Source testing to measure NO_x and CO emissions from this unit when fired on natural gas shall be conducted within 60 days of initial start-up and at least once every 24 months thereafter. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
21. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rule 4309] Federally Enforceable Through Title V Permit
22. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis. [District Rule 4309] Federally Enforceable Through Title V Permit
23. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rule 4309] Federally Enforceable Through Title V Permit
24. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rule 4309] Federally Enforceable Through Title V Permit
25. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
26. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
27. All test results for NO_x and CO shall be reported in ppmv @ 19% O₂ (or no correction if measured above 19% O₂), corrected to dry stack conditions. [District Rule 4309] Federally Enforceable Through Title V Permit
28. Records of daily and annual natural gas consumption shall be maintained. [District Rules 1070, 2201 and 2520, 9.4] Federally Enforceable Through Title V Permit
29. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070, 2201 and 2520, 9.4] Federally Enforceable Through Title V Permit

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