



A. PROJECT BACKGROUND INFORMATION

1. Project Title:

Pacific Ethanol Madera, LLC – Application C-4261-29-0 through C-4261-54-0

2. Lead Agency Name and Address:

San Joaquin Valley Unified Air Pollution Control District
1990 E. Gettysburg Avenue
Fresno CA 93726-0244

3. Contact Person:

Planning/CEQA:	Ms. Debbie Johnson	Permit Services:	Dustin Brown
	(559) 230-5800		(559) 230-6000

4. Project Location:

South side of Avenue 12, approximately 0.57 miles west of the intersection with Road 32, unincorporated area of Madera County.

5. Project Sponsor's Name and Address:

Jeff Manternach – Vice President (Pacific Ethanol Madera, LLC)
5711 N. West Avenue
Fresno, CA 93711

6. Assessor's Parcel Number:

047-103-020

7. General Plan Designation/Zoning:

IH (Heavy Industrial; Zoning IH (Industrial, Urban or Rural, Heavy))

8. Project Compatibility with Existing Zones and Plans:

Issuance of District Authorities to Construct (ATC) and Permits to Operate (PTO) will not affect any land use zones or plans.



9. Project Description:

Pacific Ethanol Madera, LLC requests twenty-six (26) Authority to Construct (ATC) permits for the installation of a new fuel grade ethanol production and storage facility located in Madera, California.

Ethanol will be produced from the fermentation and distillation of corn. The proposed maximum capacity of the plant is 40 million gallons per year of non-denatured ethanol.

As a part of this project, Pacific Ethanol Madera acquired an existing company, Coast Grain, which processes corn for cattle feed. Coast Grain was previously permitted under facility C-3666. The new ethanol production facility will be located at the same location as the existing feed mill facility (formerly Coast Grain) and therefore the District will consider the entire facility (grain storage and process facility and ethanol production) as one Stationary Source, #C-4261.

The project will receive corn via truck and rail, and produce ethanol for off-site use as an additive in motor vehicle fuel, and distiller grains for use locally as cattle feed.

The existing corn silos and rail loop track will be utilized for the receiving and storage of corn. Additional facilities to be constructed will include:

- Expanded grain processing building
- Fermentation building and tanks
- Distillation, drying, and evaporation building
- Ethanol storage tanks
- Tanks for the storage of production materials
- Evaporation pond
- Natural gas-fired steam production facility

Ethanol Madera will use the existing equipment previously permitted under #C-3666 to store and supply grain to the ethanol production facility and to process grain for cattle feed. This existing grain operation will be operated for a different purpose than it was previously used for, and will supply grain to the ethanol production operation. Therefore, for this project, the District will consider these grain processes as new operations.

The feed mill operation consisting of grain storage and processing operations will be permitted as follows:

- Grain receiving and storage operation served by a baghouse (ATC C-4261-29-0, previously permitted under Permit to Operate (PTO) C-3666-2-0)



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- One grain flaking and cooling operation (ATC C-4261-30-0, previously permitted under PTO C-3666-4-1)
 - One grain grinding operation (ATC C-4261-31-0, previously permitted under PTO C-3666-8-0),
 - One flaked grain storage operation (ATC C-4261-32-0, previously permitted under PTO C-3666-5-0)
 - One flaked grain truck loading operation (ATC C-4261-33-0, previously permitted under PTO C-3666-5-0)
 - One 19.8 MMBtu/hr Hurst natural gas-fired boiler (ATC C-4261-52-0, previously permitted under PTO C-3666-1-0)
 - One 265 hp John Deere diesel-fired emergency Internal Combustion (IC) engine (ATC C-4261-53-0, previously permitted under PTO C-3666-7-0).

The ethanol production operations will be permitted as follows:

- Two grain grinding operations with hammermills and enclosed conveyors served by baghouses (ATC's C-4261-34-0 and '-35-0)
- One slurry tank served by a distillation wet scrubber (ATC C-4261-36-0)
- One yeast tank served by a fermentation wet scrubber which is vented to a 2.5 MMBtu/hr regenerative thermal oxidizer (RTO) (ATC C-4261-37-0)
- One liquefaction tank served by a fermentation wet scrubber which is vented to a 2.5 MMBtu/hr RTO (ATC C-4261-38-0)
- Fermentation process consisting of four fermentation tanks, all served by a fermentation wet scrubber which is vented to a 2.5 MMBtu/hr RTO (ATC C-4261-39-0)
- One beerwell tank served by a fermentation wet scrubber which is vented to a 2.5 MMBtu/hr RTO (ATC C-4261-40-0)
- Distillation process consisting of a distillation column served by a distillation wet scrubber (ATC C-4261-41-0)
- One process condensate tank served by a fermentation wet scrubber which is vented to a 2.5 MMBtu/hr RTO (ATC C-4261-42-0)



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- One wet cake process consisting of stillage tanks, centrifuge, evaporator, syrup tank and conveyors, all served by a distillation wet scrubber (ATC C-4261-43-0)
 - One uncontrolled wet cake storage and truck loadout operation (ATC C-4261-44-0)
 - One 190-proof ethanol storage tank (ATC C-4261-45-0)
 - One 200-proof ethanol storage tank (ATC C-4261-46-0)
 - Two denatured ethanol storage tanks (ATC C-4261-47-0)
 - One natural gasoline (denaturant) storage tank with a bottom truck unloading rack (ATC C-4261-48-0)
 - One denatured ethanol truck loading rack served by a 2.5 MMBtu/hr RTO (ATC C-4261-49-0)
 - Two identical 75.6 MMBtu/hr natural gas-fired boilers with ultra low-NO_x burners (ATC's C-4261-50-0 and '-51-0)
 - One 14,300 gallon/minute induced draft cooling tower with a high efficiency drift eliminator (ATC C-4261-54-0).

10. Other Agencies Whose Approvals Is Required and Permits Needed:

A building permit from the County of Madera will be required for construction related to project and is a ministerial action. Consequently, the District will be the lead agency regarding CEQA.

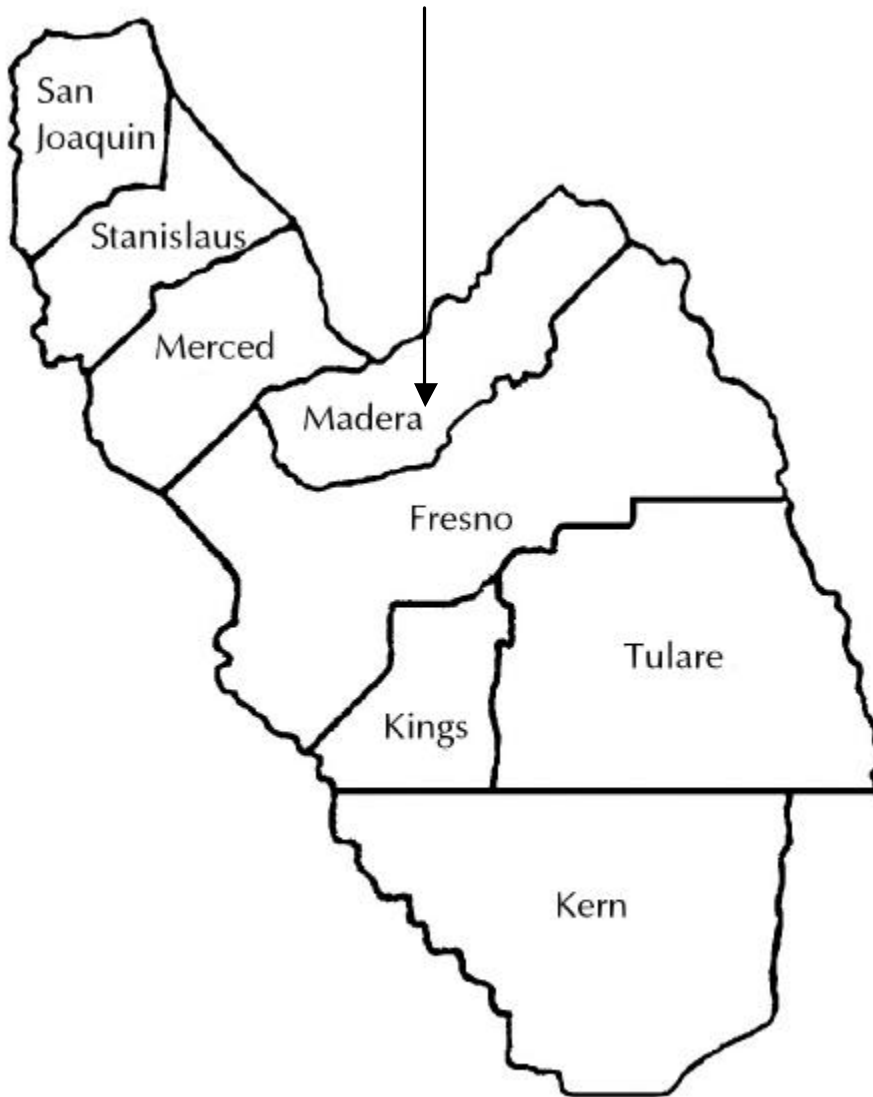
11. Name of Person Who Prepared Initial Study:

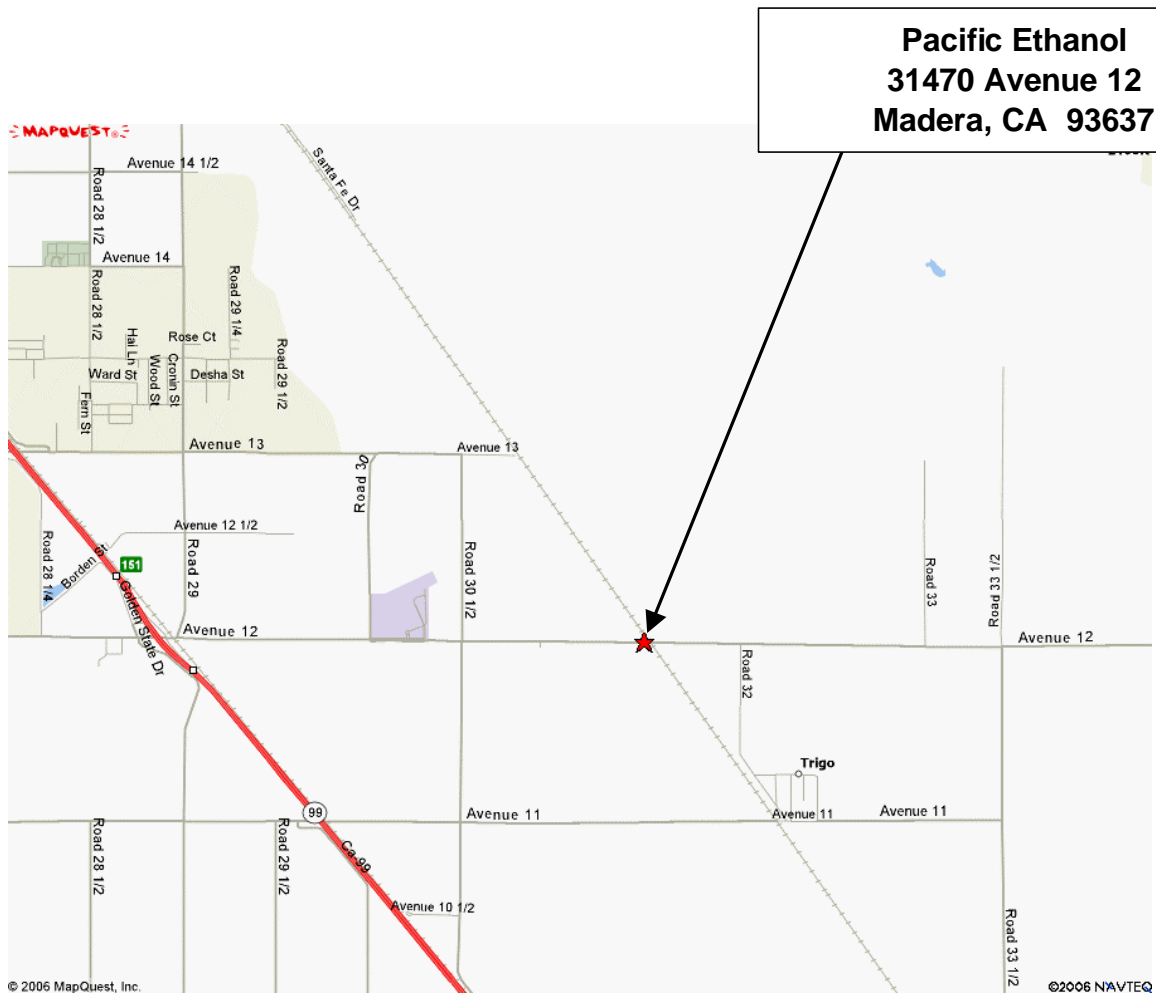
Debbie Johnson
San Joaquin Valley Unified Air Pollution Control District
1990 E. Gettysburg Ave.
Fresno, CA 93726
(559) 230-5800



Project is located in Madera County

Figure 1
Madera County







B. ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by the proposed project, involving at least one impact that is a "Potentially Significant Impact" or "Potentially Significant Unless Mitigated", as indicated by the checklist on the following pages.

- | | | |
|--|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology/Soils |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology/Water Quality | <input type="checkbox"/> Land Use/Planning |
| <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise | <input type="checkbox"/> Population/Housing |
| <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation | <input type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Utilities/Service Systems | <input type="checkbox"/> Mandatory Findings of Significance | |

C. DETERMINATION

I certify that this project was independently reviewed and analyzed and that this document reflects the independent judgment of the District.

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a significant effect(s) on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets, if the effect is a "potentially significant impact" or "potentially significant unless mitigated." An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

Signature: _____ Date: _____

Printed name: Debbie Johnson



Title: Air Quality Specialist

D. ENVIRONMENTAL IMPACT CHECKLIST

Explanations of all answers on the check-off list are located in Section E.

	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
I. AESTHETICS Would the proposal:				
a) Affect a scenic vista or scenic highway?				v
b) Have a demonstrable negative aesthetic effect?				v
c) Create light or glare?				v
II. AGRICULTURE RESOURCES In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				v
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				v
c) Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?				v
III. AIR QUALITY Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				v
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				v
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?				v
d) Expose sensitive receptors to substantial pollutant concentrations?				v
e) Create objectionable odors affecting a substantial				v



	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
number of people?				
IV. BIOLOGICAL RESOURCES Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				v
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				v
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				v
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				v
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				v
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				v
V. CULTURAL RESOURCES Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?				v
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?				v
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				v
d) Disturb any human remains, including those interred outside of formal cemeteries?				
VI. GEOLOGY/SOILS Would the project:				
a) Expose people or structures to potential substantial				



	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				v
ii) Strong seismic ground shaking?				v
iii) Seismic-related ground failure, including liquefaction?				v
iv) Landslides?				v
b) Result in substantial soil erosion or the loss of topsoil?				v
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				v
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				v
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				v
VII. HAZARDS & HAZARDOUS MATERIALS				
Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			v	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			v	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				v



- d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?
- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?
- f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?
- g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?
- h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

VIII. HYDROLOGY/WATER QUALITY Would the project:

- a) Violate any water quality standards or waste discharge requirements?
- b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?
- c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?
- d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?
- e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?

	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
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e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				v
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				v
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				v
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				v
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c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				v
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				v
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?				v



	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
f) Otherwise substantially degrade water quality?				v
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				v
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				v
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				v
IX. LAND USE/PLANNING Would the project:				
a) Physically divide an established community?				v
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				v
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				v
X. MINERAL RESOURCES Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				v
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				v
XI. NOISE Would the project result in:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				v
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				v
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			v	
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				v



	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				v
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				v
XII. POPULATION/HOUSING Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				v
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				v
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				v
XIII. PUBLIC SERVICES				
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
Fire protection?			v	
Police protection?				v
Schools?				v
Parks?				v
Other public facilities?				v
b) Cumulatively exceed official regional or local population projections?				v
c) Induce substantial growth in an area either directly or indirectly (e.g., through projects in an undeveloped area or extension of major infrastructure)?				v
d) Displace existing housing, especially affordable housing?				v



	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
XIV. RECREATION				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				v
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				v
XV. TRANSPORTATION/TRAFFIC Would the project:				
a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?				v
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?				v
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				v
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				v
e) Result in inadequate emergency access?				v
f) Result in inadequate parking capacity?				v
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				v
XVI. UTILITIES/SERVICE SYSTEMS Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				v
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				v
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				



	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				v
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				v
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				v
g) Comply with federal, state, and local statutes and regulations related to solid waste?				v
XVII. MANDATORY FINDINGS OF SIGNIFICANCE				
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				v
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively Considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				v
c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?				v



E. ENVIRONMENTAL IMPACT CHECKLIST COMMENTS

I. AESTHETICS

There will be no adverse aesthetic impact of the proposed project because the site is already developed into an industrial facility that has significant aesthetic impacts.

All of the new structures will be clustered near the existing concrete silos so they will not obstruct existing views of the Sierra or the agricultural open space to the east. The project would not create aesthetically offensive sites visible to the public. No significant adverse aesthetic impacts are anticipated.

II. AGRICULTURE RESOURCES

The project will not lead to the conversion of prime or unique farmland to non-agricultural use. The project will not conflict with existing zoning for agricultural use, or Williamson Act contract.

III. AIR QUALITY

The project will not conflict or obstruct implementation of air quality plans, result in a cumulatively considerable net increase in any criteria pollutant, expose sensitive receptors to substantial pollutants or create any objectionable odors and is considered less than significant.

The project stationary equipment will be equipped with Best Available Control Technology (BACT). Expected emissions are as follows (see Application for Authority to Construct for detailed emission calculations)

Oxides of Nitrogen (NO _x)	16, 048 lb/year
Carbon Monoxide (CO)	51,186 lb/year
Volatile Organic Compounds (VOC)	32,542 lb/year
Oxides of Sulfur (Sox)	3,862 lb/year
Particulate Matter (PM ₁₀)	28,088 lb/year

The projects' NO_x, Sox, and PM₁₀ (particulate matter comprises particles with an aerodynamic diameter less than or equal to a nominal 10 microns) will be under the District's Major Source thresholds. VOC emissions are projected to be above the District's threshold and offsets will be required. Offsets are the use of Emission Reduction Credits (ERC) to mitigate emission increases of an affected pollutant from a new or modified source subject to the requirements of Rule 2201 (New and Modified Stationary Source Review Rule).



Emission Reduction Credits are reductions of actual emissions from emission units recognized by the District as available for use as tradeoffs or offsets in accordance with the requirements of this Rule 2301. To be eligible for certification as ERCs, emissions reductions must be real, surplus, permanent, quantifiable, and enforceable. All emission reductions meeting these requirements may be certified as ERCs.

Pacific Ethanol Madera, LLC will be required to provide 12,537 lb/year of VOC offsets. In addition, based on the ERCs certificate Pacific Ethanol Madera, LLC has proposed to use and in accordance with District Rule 2201, they will need to include the 1.5: 1 offset ratio. Therefore, the total amount of ERC's Pacific Ethanol Madera, LLC will need to surrender for this project is 18,806 lb-VOC/year.

Mobile source emissions were calculated using District approved methodology. New employees and additional new truck trips were used to determine future mobile source emissions. The projects' mobile source emissions were calculated to be under the District threshold, and are considered less than significant.

The District limits public exposure to hazardous air pollutants (HAPs) through a number of programs. A comprehensive health risk screening analysis was performed to assess impacts of the criteria pollutants and HAPs for this facility. The District is prioritizing the facility based on the quantity and toxicity of the pollutants, and their proximity to areas where the public or employees may be exposed to health risks. The Pacific Ethanol Madera, LLC facility passed the health risk screening analysis and is determined to have insignificant impacts.

IV. BIOLOGICAL RESOURCES

Currently the site is developed with industrial uses and the new development is even more intense development of the area already dedicated to industrial use. The project will not have a substantial adverse effect on the habitat of sensitive species, riparian areas, federally protected wetlands, or interfere with any migratory fish or wildlife species with established migratory corridors. The project will not conflict with any local policies or ordinances protecting biological resources or conflict with any Habitat Conservation Plan.

V. CULTURAL RESOURCES

No cultural resources are known to exist on the existing project site; therefore, no impacts to known cultural resources are expected to occur. There is the possibility of discovering unknown cultural resources during construction activities related to the project. If this should occur, the contractor or project official shall consult: Central California Information Center (CCIC), CSU Stanislaus, Turlock, the State Office of Historic Preservation in Sacramento, or the Native American Heritage Commission in



Sacramento for recommended procedures, as required under Section 7050 of the Health and Safety Code and Section 5097 of the Public Resources Code.

VI. GEOLOGY AND SOILS

No significant adverse impacts are anticipated from the proposed project. There is an extremely low chance of geologic hazards due to the project location toward the center of the San Joaquin Valley floor. There are no known faults or unstable geologic features in the vicinity of the project site.

The land in the vicinity of the site is essentially flat and with well-compacted natural sediment so collapse or landslides are unlikely. The site is adjacent to the Burlington Northern Santa Fe (BNSF) railway line, which has not experienced any soil problems in this area.

VII. HAZARD & HAZARDOUS MATERIALS

The proposed project will employ hazardous materials but no significant adverse impacts are anticipated from the proposed project. Each material will be handled and contained with all required information and skill to minimize the chances of a release. The following potentially hazardous materials will be stored and utilized on the project site:

<u>Material</u>	<u>Storage Method</u>
Ethanol	Carbon steel storage tanks
Diesel Fuel	Above ground carbon steel storage tanks
Aqueous Ammonia	Stainless steel tank
Enzymes (alpha amylase, etc.)	Stainless steel tank
Sulfuric acid	Stainless steel tank
Urea	Stainless steel tank
Gasoline	Carbon steel tank

All tanks will be surrounded by spill containment structures and will be equipped with vapor control features. The site is surrounded by land developed for various agricultural uses. A buffer area will be maintained between facility structures and open space. The project is not within one-quarter mile of an existing or proposed school. The project is not located on a site included on the list of hazardous materials sites. The project is not located on a private airstrip and the existing buildings are in compliance with the applicable airport and land use plan. This project will not interfere with an adopted emergency response/evacuation plan.



Employees will be trained in the proper use, handling, and storage of potentially hazardous materials. Proper training, handling techniques, and buffers will be utilized to ensure that any potential hazards or hazardous materials spills are minimized

VIII. HYDROLOGY/WATER QUALITY

There is no water quality impact associated with the proposed modifications because there will be no waste discharge from the project.

The project should not affect local groundwater supplies. The project will use less groundwater per acre than is required to support adjacent irrigated lands. The area surrounding the project is primarily devoted to irrigated agriculture. If the parcel where the project is located were similarly devoted to irrigated agriculture, the irrigation demand would range from approximately 500 to 700 acre-feet per year of groundwater depending on the crop type. The project will require up to approximately 550 acre-feet per year of groundwater, which is equivalent to approximately 340 gallons per minute of water from a well. Recent testing of a project well indicates that such well is capable of being pumped at a sustained rate of 1,000 gallons per minute. Therefore, the project will require much less than the full production capacity of the project well.¹

IX. LAND USE/PLANNING

The site is in area zoned for heavy industrial uses. The Madera County Planning Department has found the proposed project to be consistent with the existing zoning and the applicable sections of the County General Plan.

The project will not conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect.

X. MINERAL RESOURCES

There are no known mineral resources on the site or in the immediate vicinity of the site. No impact on mineral resources is anticipated.

XI. NOISE

¹ Eric Cole, Attorney At Law, E-mailed to the District July 12, 2006



There will be a slight increase in area noise levels due to an increase of traffic generated by the facility. Noise levels will remain below significant levels and no adverse impacts are anticipated.

XII. POPULATION/HOUSING

The facility will employ approximately 35 individuals, seventeen more than employed at the existing Coast Grain facility. New employees will be drawn from the existing local labor pool. No impact on local population or the need for housing is anticipated.

XIII. PUBLIC SERVICES

The facility has the potential to increase the demand for local fire protection services. However, the facility will be designed to meet all local fire safety codes. The on-site well will be available to provide water should the need for fire-fighting purposes occur. All fire safety measures will require approval by the California Department of Forestry which contracts with Madera County for fire protection in this area.

The facility is not expected to produce an increase in the demand for other public services.

XIV. RECREATION

The project is an industrial facility and will not result in any increase in local population or the demand for recreation services.

XV. TRANSPORTATION/TRAFFIC

The proposed project is not anticipated to generate any significant adverse impacts to transportation or traffic systems.

XVI. UTILITIES/SERVICE SYSTEMS

The project will not exceed wastewater treatment requirements or require that new wastewater treatment facilities be built. Construction of new storm water drainage facilities will not be required. Waste disposal needs can be met for this project as required by the County of Madera.



XVII. MANDATORY FINDINGS OF SIGNIFICANCE

This project does not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory.

This project does not have the potential to achieve short-term, to the disadvantage of long-term, environmental goals. Neither does this project have impacts, which are individually limited, but cumulatively considerable. This project will have no potential environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly.

Based upon consideration of the information provided in the comments to the Environmental Checklist and other analyses performed for this project, it does not have the potential to degrade the quality of the environment or to interfere with either short-term or long-term environmental goals. There will not be any significant cumulative impacts.

F. REFERENCES

1. San Joaquin Valley Unified Air Pollution Control District, "Authority to Construct: Application Review".
2. San Joaquin Valley Unified Air Pollution Control District, "Authority to Construct: Application Review," Attachment A, Prepared by Pacific Ethanol, Inc. "Project Description, July 2003.
3. URBEMIS 2002, Version 8.7, Emission Estimations, For Land Use Development Projects (computer software).
4. Cole, E. (2006) Attorney At Law, E-mailed to the San Joaquin Valley Unified Air Pollution Control District, July 12, 2006.