MAR 09 2010

Mike Tollstrup, Chief
Project Assessment Branch
Stationary Source Division
California Air Resources Board
PO Box 2815
Sacramento, CA 95812-2815

RE: Notice of Final Action - Authority to Construct
Project Number: S-1095699

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to California Dairies, INC for the revision of CO emission factors on two milk spray dryers (units -7 and -12), at 2000 North Plaza Drive, Visalia.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District’s preliminary decision to issue these Authority to Construct permits was published on February 5, 2010. The District’s analysis of the proposal was also sent to CARB on January 28, 2010. No comments were received following the District’s preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

DW:TM

Enclosures
Mar 09 2010

Jesse Frederick
California Dairies, INC
2000 N Plaza Drive
Visalia, CA 93291

RE: Notice of Final Action - Authority to Construct
Project Number: S-1095699

Dear Mr. Frederick:

The Air Pollution Control Officer has issued Authority to Construct permits to California Dairies, INC for the revision of CO emission factors on two milk spray dryers (units -7 and -12), at 2000 North Plaza Drive, Visalia.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue these Authority to Construct permits was published on February 5, 2010. The District's analysis of the proposal was also sent to CARB on January 28, 2010. No comments were received following the District's preliminary decision on this project.

Also enclosed is an invoice for the engineering evaluation fees pursuant to District Rule 3010. Please remit the amount owed, along with a copy of the attached invoice, within 60 days.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

DW:TM

Enclosures
NOTICE OF FINAL ACTION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued Authority to Construct permits to California Dairies, INC for the revision of CO emission factors on two milk spray dryers (units -7 and -12), at 2000 North Plaza Drive, Visalia.

No comments were received following the District's preliminary decision on this project.

The application review for Project #S-1095699 is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG AVENUE, FRESNO, CA 93726.
AUTHORITY TO CONSTRUCT

PERMIT NO: S-7063-7-2

LEGAL OWNER OR OPERATOR: CALIFORNIA DAIRIES, INC
MAILING ADDRESS: 2000 NORTH PLAZA DRIVE
                 VISALIA, CA 93291

LOCATION: 2000 NORTH PLAZA DRIVE
           VISALIA, CA

EQUIPMENT DESCRIPTION:
MODIFICATION OF 40 MMBTU/HR CPS NATURAL GAS-FIRED MILK SPRAY DRYER WITH A MAXON CROSSFIRE
MODEL 7BIXFLDR ULTRA LOW NOX BURNER SERVED BY FOUR CYCLONES AND TWO 46,450 CFM CPS MODEL
262-015 BAGHOUSE DUST COLLECTORS, SHAKEING FLUID BED AND SURGE HOPPER SERVED BY THE CPS
BAGHOUSES, AND ONE TRANSFER HOPPER SERVED BY A BIN VENT FILTER. LOWER CO EMISSION FACTOR
FROM 42 PPM @ 19% O2 TO 32.6 PPM @ 19% O2 (EQUIVALENT TO 0.227 LB-CO/MMBTU)

CONDITIONS

1. Authority to Construct (ATC) S-7063-7-1 shall be implemented concurrently, or prior to the modification and startup
   of the equipment authorized by this Authority to Construct. [District Rule 2201]

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

3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

4. A spare set of bags shall be maintained on the premises at all times. [District NSR Rule]

5. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District NSR Rule]

6. The baghouse shall be equipped with an operational pressure differential gauge, mounted in an accessible location,
   which indicates the pressure drop across the bags. [District NSR Rule]

7. Visible emissions from the baghouse serving the milk dryer shall not equal or exceed 5% opacity for a period or
   periods aggregating more than three minutes in one hour. [District Rule 2201]

8. The baghouse shall operate at all times with a minimum differential pressure of 2 inches water column and a maximum
   differential pressure of 10 inches water column. [District Rule 2201]

9. The unit shall only be fired on PUC quality natural gas. [District Rules 2201 and 4309]

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 Sadedin, Executive Director / APCO

[Signature]

DAVID WARNER, Director of Permit Services
S-7063-7-2  Rev 8/10/2012  3:30PM  MAGNO/SCI  Joint Inspection NOT Required

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
10. Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201]

11. The maximum amount of material processed shall not exceed 255.2 tons of finished product in any one day. [District Rule 2201]

12. Combustion emissions from the natural gas-fired unit shall not exceed any of the following limits: 5.3 ppmvd NOx @ 19% O2 (equivalent to 0.061 lb-NOx/MMBtu), 0.00285 lb-SOx/MMBtu, 0.0076 lb-PM10/MMBtu, 32.6 ppmvd CO @ 19% O2 (equivalent to 0.227 lb-CO/MMBtu), or 0.0055 lb-VOC/MMBtu. If measured O2 concentration is greater than 19%, the corrected NOx or CO concentration is equal to the measured NOx or CO concentration. [District Rules 2201 and 4309]

13. The combined combustion and material processing PM10 emission factor from the milk drying operation shall not exceed 0.17 lb/ton finished product. [District Rule 2201]

14. PM10 emissions from the bin vent filter serving the transfer hopper shall not exceed 0.0055 lb/ton. [District Rule 2201]

15. Source testing to measure NOx and CO emissions from this unit when fired on natural gas shall be conducted at least once every 24 months thereafter. [District Rules 2201 and 4309]

16. 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]

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

18. 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]

19. 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]

20. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis. [District Rule 4309]

21. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rule 4309]

22. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rule 4309]

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

24. 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]

25. 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]

CONDITIONS CONTINUE ON NEXT PAGE
26. 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]

27. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx 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]

28. Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201]

29. Permittee shall maintain records which demonstrate the unit is fired exclusively on PUC quality natural gas. [District Rule 4309]

30. Permittee shall maintain daily records of the amount of material processed. [District Rule 1070]

31. 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 and 4309]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-7063-12-1

LEGAL OWNER OR OPERATOR: CALIFORNIA DAIRIES, INC
MAILING ADDRESS: 2000 NORTH PLAZA DRIVE
                  VISALIA, CA 93291

LOCATION: 2000 NORTH PLAZA DRIVE
           VISALIA, CA

EQUIPMENT DESCRIPTION:
40.0 MMBTU/HR CPS NATURAL GAS-FIRED MILK SPRAY DRYER WITH A MAXON CROSSFIRE MODEL 7BIXFLDR
ULTRA LOW NOX BURNER SERVED BY FOUR CYCLONES AND TWO CPS BAGHOUSES, SHAKING FLUID BED AND
SURGE HOPPER SERVED BY THE CPS BAGHOUSES, AND ONE TRANSFER HOPPER SERVED BY A BIN VENT
FILTER

CONDITIONS

1. This Authority to Construct (ATC) cancels and replaces ATC S-7063-12-0. [District Rule 2201]
2. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
4. A spare set of bags shall be maintained on the premises at all times. [District NSR Rule]
5. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District NSR Rule]
6. The baghouse shall be equipped with an operational pressure differential gauge, mounted in an accessible location,
   which indicates the pressure drop across the bags. [District NSR Rule]
7. Visible emissions from the baghouse serving the milk dryer shall not equal or exceed 5% opacity for a period or
   periods aggregating more than three minutes in one hour. [District Rule 2201]
8. The baghouse shall operate at all times with a minimum differential pressure of 2 inches water column and a maximum
   differential pressure of 10 inches water column. [District Rule 2201]
9. The unit shall only be fired on PUC quality natural gas. [District Rules 2201 and 4309]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO
OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE.
Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the
approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all
Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this
Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with
all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

David Warner, Director of Permit Services

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
10. Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201]

11. The maximum amount of material processed shall not exceed 255.2 tons of finished product in any one day. [District Rule 2201]

12. Combustion emissions from the natural gas-fired unit shall not exceed any of the following limits: 3.5 ppmv NOx @ 19% O2 (equivalent to 0.04 lb-NOx/MMBtu), 0.00285 lb-SOx/MMBtu, 0.0076 lb-PM10/MMBtu, 32.6 ppmv CO @ 19% O2 (equivalent to 0.227 lb-CO/MMBtu), or 0.0055 lb-VOC/MMBtu. If measured O2 concentration is greater than 19%, the corrected NOx or CO concentration is equal to the measured NOx or CO concentration. [District Rules 2201 and 4309]

13. The combined combustion and material processing PM10 emission factor from the milk drying operation shall not exceed 0.17 lb/ton finished product. [District Rule 2201]

14. PM10 emissions from the bin vent filter serving the transfer hopper shall not exceed 0.059 lb/hr. [District Rule 2201]

15. Source testing to measure NOx 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]

16. Source testing to measure PM10 emissions from the milk dryer shall be conducted within 60 days of initial start-up. [District Rule 2201]

17. 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]

18. 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]

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]

20. 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]

21. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis. [District Rule 4309]

22. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rule 4309]

23. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rule 4309]

24. PM10 emissions for source test purposes shall be determined using EPA Method 201a and EPA Method 202, or EPA Method 201a and EPA Method 202 or CARB Method 501 in combination with CARB Method 5. [District Rule 2201]

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

26. 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]
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