APR 16 2012

James T. McHarry
Ampersand Chowchilla Biomass LLC
16457 Avenue 24-1/2
Chowchilla, CA 93610

Re: Notice of Final Action - Title V Permit
District Facility # C-6923
Project # C-1091575

Dear Mr. McHarry:

The District has issued the Final Title V Permit for Ampersand Chowchilla Biomass LLC. The preliminary decision for this project was made on March 1, 2012. No comments were received subsequent to the District preliminary decision. Enclosed are the Final Title V Permit and public notice to be published approximately three days from the date of this letter.

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

Sincerely,

David Warner
Director of Permit Services

Attachments

cc: Stanley Tom, Permit Services Engineer
APR 16 2012

Gerardo C. Rios, Chief
Permits Office (AIR-3)
U.S. EPA - Region IX
75 Hawthorne St
San Francisco, CA 94105

Re: Notice of Final Action - Title V Permit
District Facility # C-6923
Project # C-1091575

Dear Mr. Rios:

The District has issued the Final Title V Permit for Ampersand Chowchilla Biomass LLC. The preliminary decision for this project was made on March 1, 2012. No comments were received subsequent to the District preliminary decision. Enclosed are the Final Title V Permit and public notice to be published approximately three days from the date of this letter.

I would like to thank you and your staff for working with us. We appreciate your concurrence with this action. Should you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

Attachments

cc: Stanley Tom, Permit Services Engineer
APR 16 2012

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

Re: Notice of Final Action - Title V Permit
District Facility # C-6923
Project # C-1091575

Dear Mr. Tollstrup:

The District has issued the Final Title V Permit for Ampersand Chowchilla Biomass LLC. The preliminary decision for this project was made on March 1, 2012. No comments were received subsequent to the District preliminary decision. Enclosed are the Final Title V Permit and public notice to be published approximately three days from the date of this letter.

I would like to thank you and your staff for working with us. Should you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,

[Signature]
David Warner
Director of Permit Services

Attachments
cc: Stanley Tom, Permit Services Engineer
SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT
NOTICE OF FINAL DECISION TO ISSUE
FEDERALLY MANDATED OPERATING PERMIT

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District has made its final decision to issue the initial Federally Mandated Operating Permit to Ampersand Chowchilla Biomass LLC for its biomass-fired electrical power generation facility at 16457 Avenue 24-1/2, Chowchilla, California.

The District's analysis of the legal and factual basis for this proposed action, project #C-1091575, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. For additional information regarding this matter, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900, or contact David Warner, Director of Permit Services, in writing at SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.
San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

Healthy Air Living™

Permit to Operate

FACILITY: C-6923
LEGAL OWNER OR OPERATOR: AMPERSAND CHOWCHILLA BIOMASS LLC
MAILING ADDRESS: 16457 AVENUE 24-1/2
CHOWCHILLA, CA 93610
FACILITY LOCATION: 16457 AVENUE 24-1/2
CHOWCHILLA, CA
FACILITY DESCRIPTION: BIOMASS PLANT

EXPIRATION DATE: 04/30/2016

The Facility's Permit to Operate may include Facility-wide Requirements as well as requirements that apply to specific permit units.

This Permit to Operate remains valid through the permit expiration date listed above, subject to payment of annual permit fees and compliance with permit conditions and all applicable local, state, and federal regulations. This permit is valid only at the location specified above, and becomes void upon any transfer of ownership or location. Any modification of the equipment or operation, as defined in District Rule 2201, will require prior District approval. This permit shall be posted as prescribed in District Rule 2010.

Seyed Sadredin  
Executive Director / APCO

David Warner  
Director of Permit Services
Facility-wide Requirements

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

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

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

4. The owner or operator shall notify the District of any breakdown condition as soon as reasonably possible, but no later than one hour after its detection, unless the owner or operator demonstrates to the District's satisfaction that the longer reporting period was necessary. [District Rule 1100, 6.1] Federally Enforceable Through Title V Permit

5. The District shall be notified in writing within ten days following the correction of any breakdown condition. The breakdown notification shall include a description of the equipment malfunction or failure, the date and cause of the initial failure, the estimated emissions in excess of those allowed, and the methods utilized to restore normal operations. [District Rule 1100, 7.0] Federally Enforceable Through Title V Permit

6. The owner or operator of any stationary source operation that emits more than 25 tons per year of nitrogen oxides or reactive organic compounds, shall provide the District annually with a written statement in such form and at such time as the District prescribes, showing actual emissions of nitrogen oxides and reactive organic compounds from that source. [District Rule 1160, 5.0] Federally Enforceable Through Title V Permit

7. Any person building, altering or replacing any operation, article, machine, equipment, or other contrivance, the use of which may cause the issuance of air contaminants or the use of which may eliminate, reduce, or control the issuance of air contaminants, shall first obtain an Authority to Construct (ATC) from the District unless exempted by District Rule 2020 (12/20/07). [District Rule 2010, 3.0 and 4.0; and 2020] Federally Enforceable Through Title V Permit

8. The permittee must comply with all conditions of the permit including permit revisions originated by the District. All terms and conditions of a permit that are required pursuant to the Clean Air Act (CAA), including provisions to limit potential to emit, are enforceable by the EPA and Citizens under the CAA. Any permit noncompliance constitutes a violation of the CAA and the District Rules and Regulations, and is grounds for enforcement action, for permit termination, revocation, reopening and reissuance, or modification; or for denial of a permit renewal application. [District Rules 2070, 7.0; 2080; and 2520, 9.9.1 and 9.13.1] Federally Enforceable Through Title V Permit

9. A Permit to Operate or an Authority to Construct shall not be transferred unless a new application is filed with and approved by the District. [District Rule 2031] Federally Enforceable Through Title V Permit

10. Every application for a permit required under Rule 2010 (12/17/92) shall be filed in a manner and form prescribed by the District. [District Rule 2040] Federally Enforceable Through Title V Permit

11. The operator shall maintain records of required monitoring that include: 1) the date, place, and time of sampling or measurement; 2) the date(s) analyses were performed; 3) the company or entity that performed the analysis; 4) the analytical techniques or methods used; 5) the results of such analysis; and 6) the operating conditions at the time of sampling or measurement. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
12. The operator shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, or report. Support information includes copies of all reports required by the permit and, for continuous monitoring instrumentation, all calibration and maintenance records and all original strip-chart recordings. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

13. The operator shall submit reports of any required monitoring at least every six months unless a different frequency is required by an applicable requirement. All instances of deviations from permit requirements must be clearly identified in such reports. [District Rule 2520, 9.5.1] Federally Enforceable Through Title V Permit

14. Deviations from permit conditions must be promptly reported, including deviations attributable to upset conditions, as defined in the permit. For the purpose of this condition, promptly means as soon as reasonably possible, but no later than 10 days after detection. The report shall include the probable cause of such deviations, and any corrective actions or preventive measures taken. All required reports must be certified by a responsible official consistent with section 10.0 of District Rule 2520 (6/21/01). [District Rules 2520, 9.5.2 and 1100, 7.0] Federally Enforceable Through Title V Permit

15. If for any reason a permit requirement or condition is being challenged for its constitutionality or validity by a court of competent jurisdiction, the outcome of such challenge shall not affect or invalidate the remainder of the conditions or requirements in that permit. [District Rule 2520, 9.7] Federally Enforceable Through Title V Permit

16. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit. [District Rule 2520, 9.8.2] Federally Enforceable Through Title V Permit

17. The permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition. [District Rule 2520, 9.8.3] Federally Enforceable Through Title V Permit

18. The permit does not convey any property rights of any sort, or any exclusive privilege. [District Rule 2520, 9.8.4] Federally Enforceable Through Title V Permit

19. The Permittee shall furnish to the District, within a reasonable time, any information that the District may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the District copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee may furnish such records directly to EPA along with a claim of confidentiality. [District Rule 2520, 9.8.5] Federally Enforceable Through Title V Permit

20. The permittee shall pay annual permit fees and other applicable fees as prescribed in Regulation III of the District Rules and Regulations. [District Rule 2520, 9.9] Federally Enforceable Through Title V Permit

21. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 2520, 9.13.2.1] Federally Enforceable Through Title V Permit

22. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 2520, 9.13.2.2] Federally Enforceable Through Title V Permit

23. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to inspect at reasonable times any facilities, equipment, practices, or operations regulated or required under the permit. [District Rule 2520, 9.13.2.3] Federally Enforceable Through Title V Permit

24. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or applicable requirements. [District Rule 2520, 9.13.2.4] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.
25. No air contaminants shall be discharged into the atmosphere for a period or periods aggregating more than 3 minutes in any one hour which is as dark or darker than Ringelmann #1 or equivalent to 20% opacity and greater, unless specifically exempted by District Rule 4101 (02/17/05). If the equipment or operation is subject to a more stringent visible emission standard as prescribed in a permit condition, the more stringent visible emission limit shall supersede this condition. [District Rule 4101] Federally Enforceable Through Title V Permit

26. No person shall manufacture, blend, repackage, supply, sell, solicit or apply any architectural coating with a VOC content in excess of the corresponding limit specified in Table of Standards 1 effective until 12/30/10 or Table of Standards 2 effective on and after 1/1/11 of District Rule 4601 (12/17/09) for use or sale within the District. [District Rule 4601, 5.1] Federally Enforceable Through Title V Permit

27. All VOC-containing materials subject to Rule 4601 (12/17/09) shall be stored in closed containers when not in use. [District Rule 4601, 5.4] Federally Enforceable Through Title V Permit

28. The permittee shall comply with all the Labeling and Test Methods requirements outlined in Rule 4601 sections 6.1 and 6.3 (12/17/09). [District Rule 4601, 6.1 and 6.3] Federally Enforceable Through Title V Permit

29. With each report or document submitted under a permit requirement or a request for information by the District or EPA, the permittee shall include a certification of truth, accuracy, and completeness by a responsible official. [District Rule 2520, 9.13.1 and 10.0] Federally Enforceable Through Title V Permit

30. If the permittee performs maintenance on, or services, repairs, or disposes of appliances, the permittee shall comply with the standards for Recycling and Emissions Reduction pursuant to 40 CFR Part 82, Subpart F. [40 CFR 82 Subpart F] Federally Enforceable Through Title V Permit

31. If the permittee performs service on motor vehicles when this service involves the ozone-depleting refrigerant in the motor vehicle air conditioner (MVAC), the permittee shall comply with the standards for Servicing of Motor Vehicle Air Conditioners pursuant to all the applicable requirements as specified in 40 CFR Part 82, Subpart B. [40 CFR Part 82, Subpart B] Federally Enforceable Through Title V Permit

32. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 (8/19/2004) or Rule 8011 (8/19/2004). [District Rule 8021 and 8011] Federally Enforceable Through Title V Permit

33. Outdoor handling, storage and transport of any bulk material which emits dust shall comply with the requirements of District Rule 8031, unless specifically exempted under Section 4.0 of Rule 8031 (8/19/2004) or Rule 8011 (8/19/2004). [District Rule 8031 and 8011] Federally Enforceable Through Title V Permit

34. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/2004) or Rule 8011 (8/19/2004). [District Rule 8041 and 8011] Federally Enforceable Through Title V Permit

35. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 (8/19/2004) or Rule 8011 (8/19/2004). [District Rule 8051 and 8011] Federally Enforceable Through Title V Permit

36. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 (8/19/2004) or Rule 8011 (8/19/2004). [District Rule 8061 and Rule 8011] Federally Enforceable Through Title V Permit

37. Any unpaved vehicle/equipment area that anticipates more than 50 Average annual daily Trips (AADT) shall comply with the requirements of Section 5.1.1 of District Rule 8071. Any unpaved vehicle/equipment area that anticipates more than 150 vehicle trips per day (VDT) shall comply with the requirements of Section 5.1.2 of District Rule 8071. On each day that 25 or more VDT with 3 or more axles will occur on an unpaved vehicle/equipment traffic area, the owner/operator shall comply with the requirements of Section 5.1.3 of District Rule 8071. On each day when a special event will result in 1,000 or more vehicles that will travel/park on an unpaved area, the owner/operator shall comply with the requirements of Section 5.1.4 of District Rule 8071. All sources shall comply with the requirements of Section 4.0 of District Rule 8071 unless specifically exempted under Section 4.0 of Rule 8071 (9/16/2004) or Rule 8011 (8/19/2004). [District Rule 8071 and Rule 8011] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE
38. Any owner or operator of a demolition or renovation activity, as defined in 40 CFR 61.141, shall comply with the applicable inspection, notification, removal, and disposal procedures for asbestos containing materials as specified in 40 CFR 61.145 (Standard for Demolition and Renovation). [40 CFR 61 Subpart M] Federally Enforceable Through Title V Permit

39. The permittee shall submit certifications of compliance with the terms and standards contained in Title V permits, including emission limits, standards and work practices, to the District and the EPA annually (or more frequently as specified in an applicable requirement or as specified by the District). The certification shall include the identification of each permit term or condition, the compliance status, whether compliance was continuous or intermittent, the methods used for determining the compliance status, and any other facts required by the District to determine the compliance status of the source. [District Rule 2520, 9.1.6] Federally Enforceable Through Title V Permit

40. The permittee shall submit an application for Title V permit renewal to the District at least six months, but not greater than 18 months, prior to the permit expiration date. [District Rule 2520, 5.2] Federally Enforceable Through Title V Permit

41. When a term is not defined in a Title V permit condition, the definition in the rule cited as the origin and authority for the condition in a Title V permits shall apply. [District Rule 2520, 9.1.1] Federally Enforceable Through Title V Permit

42. Compliance with permit conditions in the Title V permit shall be deemed in compliance with the following applicable requirements: SJVUAPCD Rules 1100, sections 6.1 and 7.0 (12/17/92); 2010, sections 3.0 and 4.0 (12/17/92); 2031 (12/17/92); 2040 (12/17/92); 2070, section 7.0 (12/17/92); 2080 (12/17/92); 4101 (2/17/05); 4601 (12/17/09); 8021 (8/19/2004); 8031 (8/19/2004); 8041 (8/19/2004); 8051 (8/19/2004); 8061 (8/19/2004); and 8071 (9/16/2004). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

43. On April 30, 2012, the initial Title V permit was issued. The reporting periods for the Report of Required Monitoring and the Compliance Certification Report are based upon this initial permit issuance date, unless alternative dates are approved by the District Compliance Division. These reports are due within 30 days after the end of the reporting period. [District Rule 2520] Federally Enforceable Through Title V Permit

44. When applicable to 40 CFR Part 68, a subject facility shall submit to the proper authority a Risk Management Plan when mandated by the regulation. [40 CFR Part 68] Federally Enforceable Through Title V Permit

45. The facility gasoline throughput shall not exceed 10,000 gallons per month. The permittee shall maintain monthly gasoline throughput records which shall be retained on-site for a period of at least five years and be made available for District inspection upon request. [40 CFR 63.111111] Federally Enforceable Through Title V Permit

46. The permittee shall operate and maintain the gasoline dispensing facility, including associated air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions. Determination of whether such operation and maintenance procedures are being used will be based on information available to the Administrator which may include, but is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance records, and inspection of the source. [40 CFR 63.111115] Federally Enforceable Through Title V Permit

47. The permittee shall not allow gasoline to be handled in a manner that would result in vapor releases to the atmosphere for extended periods of time. Measures to be taken include, but are not limited to, the following: (1) Minimize gasoline spills; (2) Clean up spills as expeditiously as practicable; (3) Cover all open gasoline containers and all gasoline storage tank fill-pipes with a gasketed seal when not in use; (4) Minimize gasoline sent to open waste collection systems that collect and transport gasoline to reclamation and recycling devices, such as oil/water separators. The permittee is not required to submit notifications or reports as specified in §63.11125, §63.11126, or subpart A of this part, but must have records available within 24 hours of a request by the Administrator to document the gasoline throughput. [40 CFR 63.111116] Federally Enforceable Through Title V Permit

FACILITY-WIDE REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.
48. Each owner or operator shall keep records of the occurrence and duration of each malfunction of operation (i.e., process equipment) or the air pollution control and monitoring equipment and records of actions taken during periods of malfunction to minimize emissions in accordance with §63.11115(a), including corrective actions to restore malfunctioning process and air pollution control and monitoring equipment to its normal or usual manner of operation. [40 CFR 63.11125] Federally Enforceable Through Title V Permit
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-6923-1-2
EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:
BIOMASS RECEIVING, STORAGE, TRANSFER, AND SIZING OPERATION WITH OPTIONAL TRUCK TIPPER SERVED
BY WATER SPRAY SYSTEM, DISC SCREEN, FUEL SIZER SERVED BY A WET MISTING SYSTEM AND FUEL
STORAGE AREA WITH ENCLOSED CONVEYORS

PERMIT UNIT REQUIREMENTS

1. The maximum amount of biomass received at the facility shall not exceed any of the following limits: 1250 tons/day, or 155,136 tons/yr. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit

2. PM10 emissions rate from the truck tipping/unloading operation shall not exceed 0.0001 lb PM10/ton biomass. [District Rule 2201] Federally Enforceable Through Title V Permit

3. PM10 emissions rate from front-end loader to fuel yard shall not exceed 0.0011 lb PM10/ton biomass. [District Rule 2201] Federally Enforceable Through Title V Permit

4. PM10 emissions rate from front-end loader to N/S drag chain reclaim conveyor shall not exceed 0.0011 lb PM10/ton biomass. [District Rule 2201] Federally Enforceable Through Title V Permit

5. PM10 emissions rate from fuel yard to N/S drag chain reclaim conveyor shall not exceed 0.0011 lb PM10/ton biomass. [District Rule 2201] Federally Enforceable Through Title V Permit

6. PM10 emissions rate from each enclosed conveyor shall not exceed 0.000046 lb PM10/ton biomass. [District Rule 2201] Federally Enforceable Through Title V Permit

7. PM10 emissions rate from each uncontrolled conveyor shall not exceed 0.0011 lb PM10/ton biomass. [District Rule 2201] Federally Enforceable Through Title V Permit

8. PM10 emissions rate from the disc screen shall not exceed 0.00074 lb PM10/ton biomass. [District Rule 2201] Federally Enforceable Through Title V Permit

9. PM10 emissions rate from the fuel sizer shall not exceed 0.0022 lb PM10/ton biomass. [District Rule 2201] Federally Enforceable Through Title V Permit

10. The maximum net charge rate of biomass to the fluidized bed combustor through the receiving, storage, transfer, & sizing operation shall not exceed any of the following limits: 449 tons/day, or 155,136 tons/yr. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit

11. Records of daily, and annual amount of biomass received (in tons) at the facility shall be maintained, retained on-site for a period of at least five (5) years and made available for District inspection upon request. [District Rules 1070, 2201, and 4102] Federally Enforceable Through Title V Permit

12. Records of daily, and annual amount of biomass charged to the fluidized bed combustor through the receiving, storage, transfer, & sizing operation shall be maintained, retained on-site for a period of at least five (5) years and made available for District inspection upon request. [District Rules 1070, 2201, and 4102] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-6923-2-2

EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:
LIMESTONE RECEIVING, STORAGE, AND TRANSFER OPERATION WITH AN ENCLOSED LIMESTONE STORAGE SILO SERVED BY A BIN VENT FILTER, ENCLOSED LIMESTONE TRUCK UNLOADING SYSTEM AND ENCLOSED LIMESTONE TRANSFER SYSTEM

PERMIT UNIT REQUIREMENTS

1. Material removed from dust collector(s) shall be disposed of in a manner preventing entrainment into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit

2. The baghouse shall be maintained and operated according to manufacturer's specifications. [District Rule 2201] Federally Enforceable Through Title V Permit

3. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District NSR Rule] Federally Enforceable Through Title V Permit

4. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District NSR Rule] Federally Enforceable Through Title V Permit

5. Replacement bags numbering at least 10% of the total number of bags in the largest baghouse using each type of bag shall be maintained on the premises. [District NSR Rule] Federally Enforceable Through Title V Permit

6. The differential pressure gauge reading range shall be maintained between 0.5" and 8" water column. [District Rule 2201] Federally Enforceable Through Title V Permit

7. Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201] Federally Enforceable Through Title V Permit

8. Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit

9. There shall be no visible emissions from the limestone transfer operation, for a period or periods aggregating more than three minutes in any one hour. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit

10. Visible emissions from the bin vent filter serving the storage silo shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in one hour. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit

11. The maximum throughput of limestone loaded into the limestone storage silo shall not exceed either of the following limits: 44 tons/day or 3200 tons/year. [District Rule 2201] Federally Enforceable Through Title V Permit

12. PM10 emissions rate from the limestone silo loading operation shall not exceed 0.00034 lb PM10/ton limestone. [District Rule 2201] Federally Enforceable Through Title V Permit

13. Records of daily and annual amounts (in tons) of limestone processed at the receiving and storage operation shall be maintained, retained on-site for a period of at least five (5) years and made available for District inspection upon request. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-6923-3-1                      EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:
185 MMBTU/HR ENERGY PRODUCTS OF IDAHO (EPI) BIOMASS-FIRED FLUIDIZED BUBBLING BED COMBUSTOR
WITH ONE 10 MMBTU/HR NATURAL GAS-FIRED PREHEAT BURNER POWERING A 12.5 MW STEAM TURBINE
GENERATOR, SERVED BY A SELECTIVE NON-CATALYTIC REDUCTION (SNCR) SYSTEM, A LIMESTONE
INJECTION SYSTEM, A MULTICLONE, AND A PULSE JET BAGHOUSE

PERMIT UNIT REQUIREMENTS

1. Operating schedule of the main combustor shall not exceed 337 days per year. [District Rule 2201] Federally
   Enforceable Through Title V Permit

2. The baghouse shall be maintained and operated according to manufacturer's specifications. [District Rule 2201]
   Federally Enforceable Through Title V Permit

3. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District NSR Rule]
   Federally Enforceable Through Title V Permit

4. Material removed from the dust collector(s) shall be disposed of in a manner preventing entrainment into the
   atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit

5. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The
   gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location.
   [District NSR Rule and 40 CFR 63.11205(a) and 40 CFR 64] Federally Enforceable Through Title V Permit

6. Replacement bags numbering at least 10% of the total number of bags in the largest baghouse using each type of bag
   shall be maintained on the premises. [District NSR Rule] Federally Enforceable Through Title V Permit

7. The differential pressure gauge reading range shall be maintained between 0.5" and 8" water column. [District Rule
   2201 and and 40 CFR 64] Federally Enforceable Through Title V Permit

8. Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule
   2201 and 40 CFR 64] Federally Enforceable Through Title V Permit

9. Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District
   Rule 2201] Federally Enforceable Through Title V Permit

10. The applicant shall install and maintain an operational ammonia volume flow-rate indicator for the selective non-
    catalytic reduction (SNCR) ammonia injection system. [District Rule 2201] Federally Enforceable Through Title V
    Permit

11. The applicant shall install, maintain, and operate a continuous emissions monitoring system (CEMS) to measure stack
    gas NOx, SOx, CO, and O2 concentration and shall meet the performance specification requirements in 40 CFR, Part
    60, Appendix B or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and
    the EPA. The CEM systems shall also be operated, maintained, and calibrated pursuant to the requirements of 40 CFR
    60.7(c) and 40 CFR 60.13. [District Rules 1080, 2201, 4352, and 40 CFR 64] 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.
12. The applicant shall install, maintain, and operate a continuous opacity monitor (COM) and shall meet the performance specification requirements in 40 CFR, Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rules 1080 and 2201 and 40 CFR 60.48b(a) and 40 CFR 64] Federally Enforceable Through Title V Permit

13. The facility shall install and maintain equipment, facilities, and systems compatible with the District's CEM data polling software system and shall make CEM data available to the District's automated polling system on a daily basis. [District Rule 1080] Federally Enforceable Through Title V Permit

14. Upon notice by the District that the facility's CEM system is not providing polling data, the facility may continue to operate without providing automated data for a maximum of 30 days per calendar year provided the CEM data is sent to the District by a District-approved alternative method. [District Rule 1080] Federally Enforceable Through Title V Permit

15. Results of continuous emissions monitoring shall be reduced according to the procedure established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. [District Rule 1080] Federally Enforceable Through Title V Permit

16. Audits (CGAs) of continuous emission monitors shall be conducted quarterly, except during quarters in which a relative accuracy test audit (RATA) is performed, in accordance with EPA guidelines. The District shall be notified prior to completion of the audits. Audit reports shall be submitted along with quarterly compliance reports to the District. [District Rule 1080] Federally Enforceable Through Title V Permit

17. Permits shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 60, Appendix F. [District Rule 1080] Federally Enforceable Through Title V Permit

18. The preheat burner shall be used during start-up to reach the solid fuel ignition temperature throughout the combustor before feeding any solid fuel. [District Rule 2201] Federally Enforceable Through Title V Permit

19. "Startup" is the period of time during which the boiler is heated to operating temperature at steady state load from a lower temperature, not to exceed 96 hours. If curing of the refractory is required after furnace repair or modification, startup time may be extended to no longer than 192 hours. "Shutdown" is the period of time during which the boiler is allowed to cool from it's operating temperature at steady state load to a lower temperature, not to exceed 12 hours. [District Rule 4352] Federally Enforceable Through Title V Permit

20. Emissions from the fluidized bed combustor unit, except during periods of startup and shutdown, shall not exceed any of the following limits: NOx - 14.8 lb/hr or 0.08 lb/MMBtu, SOx - 7.40 lb/hr or 0.04 lb/MMBtu, PM10 - 7.40 lb/hr or 0.04 lb/MMBtu, CO - 10.55 lb/hr or 72 ppmv @ 3% O2 (equivalent to 0.05 lb/MMBtu), or VOC - 0.93 lb/hr or 0.005 lb/MMBtu. NOx (as NO2) and CO emission limits are based on 24 hour rolling averages. SOx emission limits are based on 1 hour rolling averages. All other emission limits are 15-minute rolling averages. [District Rules 2201, 4352, and 4801] Federally Enforceable Through Title V Permit

21. The ammonia (NH3) emissions shall not exceed 85 ppmv @ 3% O2 (equivalent to 0.041 lb/MMBtu) over a 24 hour rolling average. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit

22. Emissions from the preheat burner shall not exceed any of the following limits: NOx - 0.1 lb/MMBtu, SOx - 0.00285 lb/MMBtu, PM10 - 0.0076 lb/MMBtu, CO -0.084 lb/MMBtu, or VOC - 0.0055 lb/MMBtu. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit

23. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of natural gas combusted in the preheat burner shall be installed, utilized and maintained. [District Rule 2201] Federally Enforceable Through Title V Permit

24. Maximum natural gas fuel usage by the preheat burner shall not exceed 120,000 scf/day or 1,200,000 scf/year. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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25. The exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods and shall be equipped with safe permanent provisions to sample stack gases with a portable NOx, CO, and O2 analyzer during District inspections. The sampling ports shall be located in accordance with the CARB regulation titled California Air Resources Board Air Monitoring Quality Assurance Volume VI, Standard Operating Procedures for Stationary Emission Monitoring and Testing. [District Rule 1081] Federally Enforceable Through Title V Permit

26. Source testing to measure the NOx, SOx, PM10, CO, VOC, and NH3 emission rates (lb/hr, lb/MMBtu and/or ppmvd @ 3% O2) for the fluidized bubbling bed combustor shall be conducted within 120 days after initial operation and at least once every twelve months thereafter. [District Rules 1081 and 4352] Federally Enforceable Through Title V Permit

27. All emission measurements shall be made with the unit operating at condition representative of normal operations. No compliance shall be established within two hours after a continuous period in which fuel flow to the unit is zero, or is shut off for 30 minutes or longer. [District Rule 4352] Federally Enforceable Through Title V Permit

28. Compliance demonstration (source testing) shall be District witnessed or authorized and samples shall be collected by a certified testing laboratory. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. 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

29. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, SOx - EPA Method 6 or ARB Method 100, PM10 - EPA Method 5 (front half and back half) or 201 and 202a, CO (ppmv) - EPA Method 10 or ARB Method 100, CO2 - EPA Method 3 or ARB Method 100, VOC - EPA Method 18 or 25 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, ammonia - BAAQMD ST-1B, Stack Gas Flow Rate - EPA Method 2, Moisture Content - EPA Method 4, Fuel Heating Value - ASTM Method D2015-85 or E711. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. The request to utilize EPA approved alternative source testing methods must be submitted in writing and written approval received from the District prior to the submission of the source test plan. [District Rules 1081, 4001, and 4352] Federally Enforceable Through Title V Permit

30. No owner or operator of an affected facility that combusts wood, or wood with other fuels, except coal, shall cause to be discharged from that affected facility any gases that contain particulate matter in excess of the following emission limits: (1) 43 ng/J (0.10 lb/million Btu) heat input if the affected facility has an annual capacity factor greater than 30 percent (0.30) for wood. (2) 86 ng/J (0.20 lb/million Btu) heat input if (i) The affected facility has an annual capacity factor of 30 percent (0.30) or less for wood, (ii) Is subject to a federally enforceable requirement limiting operation of the affected facility to an annual capacity factor of 30 percent (0.30) or less for wood, and (iii) Has a maximum heat input capacity of 73 MW (250 million Btu/hour) or less. [40 CFR 60.43b(c)] Federally Enforceable Through Title V Permit

31. No owner or operator of an affected facility that combusts municipal-type solid waste or mixtures of municipal-type solid waste with other fuels, shall cause to be discharged into the atmosphere from that affected facility any gases that contain particulate matter in excess of the following emission limits: (1) 43 ng/J (0.10 lb/million Btu) heat input, (i) If the affected facility combusts only municipal-type solid waste, or (ii) If the affected facility combusts municipal-type solid waste and other fuels and has an annual capacity factor for the other fuels of 10 percent (0.10) or less. (2) 86 ng/J (0.20 lb/million Btu) heat input if the affected facility combusts municipal-type solid waste or municipal-type solid waste and other fuels; and (i) Has an annual capacity factor for municipal-type solid waste and other fuels of 30 percent (0.30) or less, (ii) Has a maximum heat input capacity of 73 MW (250 million Btu/hour) or less, (iii) Has a federally enforceable requirement limiting operation of the affected facility to an annual capacity factor of 30 percent (0.30) for municipal-type solid waste, or municipal-type solid waste and other fuels, and (iv) Construction of the affected facility commenced after June 19, 1984, but before November 25, 1986. [40 CFR 60.43b(d)] Federally Enforceable Through Title V Permit
32. No owner or operator of an affected facility that combusts coal, oil, wood, or mixtures of these fuels with any other fuels shall cause to be discharged into the atmosphere any gases that exhibit greater than 20 percent opacity (6-minute average), except for one 6-minute period per hour of not more than 27 percent opacity. [40 CFR 60.43b(f)] Federally Enforceable Through Title V Permit

33. The particulate matter emission standards and opacity limits under 40 CFR 60.43b apply at all times except during periods of startup, shutdown, or malfunction. [40 CFR 60.46b(a)] Federally Enforceable Through Title V Permit

34. The owner or operator of an affected facility shall record and maintain records of the amounts of each fuel combusted during each day and calculate the annual capacity factor individually for each fuel combusted for the reporting period. The annual capacity factor is determined on a 12-month rolling average basis with a new annual capacity factor calculated at the end of each calendar month. [40 CFR 60.49b(d)(1)] Federally Enforceable Through Title V Permit

35. The owner or operator shall maintain records of opacity. [40 CFR 60.49b(f) and 40 CFR 64] Federally Enforceable Through Title V Permit

36. The owner or operator shall submit reports of excess emissions and monitoring system downtime for opacity, in accordance with 40 CFR 60.7(c) and (d), on a semi-annual basis. For the purpose of reports required under 40 CFR Part 60.7(c), periods of excess emission and monitor downtime that shall be reported are defined in 40 CFR 60.49b(h). All reports shall be submitted to the Administrator and shall be postmarked by the 30th day following the end of the reporting period. [40 CFR 60.49b(h), 60.49b(w) and 40 CFR 64] Federally Enforceable Through Title V Permit

37. The owner of operator may submit electronic quarterly reports for opacity in lieu of submitting the written reports. The format of each quarterly electronic report shall be coordinated with the permitting authority. The electronic report(s) shall be submitted no later than 30 days after the end of the calendar quarter and shall be accompanied by a certification statement from the owner or operator, indicating whether compliance with the applicable emission standards and minimum data requirements of this subpart was achieved during the reporting period. Before submitting reports in the electronic format, the owner or operator shall coordinate with the permitting authority to obtain their agreement to submit reports in this alternative format. [40 CFR 60.49b(v) and 40 CFR 64] Federally Enforceable Through Title V Permit

38. Upon detecting any excursion from the acceptable range of baghouse differential pressure readings, the permittee shall investigate the excursion and take corrective action to minimize excessive emissions and prevent recurrence of the excursion as expeditiously as practicable. If the daily average baghouse differential pressure reading is not within the acceptable established range for two consecutive days, permittee shall notify the APCO of such exceedance within 96 hours. [40 CFR 64.7] Federally Enforceable Through Title V Permit

39. If the District or EPA determines that a Quality Improvement Plan is required under 40 CFR 64.7(d)(2), the permittee shall develop and implement the Quality Improvement Plan in accordance with 40 CFR 64.8. [40 CFR 64.7 and 40 CFR 64.8] Federally Enforceable Through Title V Permit

40. Permittee shall submit a written report to the APCO for each calendar quarter, within 30 days of the end of the quarter, including: time intervals, data and magnitude of excess emissions; nature and cause of excess (averaging period used for data reporting shall correspond to the averaging period for each respective emission standard); corrective actions taken and preventive measures adopted; applicable time and date of each period during a CEM was inoperative (except for zero and span checks) and the nature of system repairs and adjustments; a negative declaration when no excess emissions occurred, and reports on opacity monitors giving the number of three minute periods during which the average opacity exceeded the standard for each hour of operation. The averaged may be obtained by integration over the averaging period or by arithmetically averaging a minimum of four equally spaced instantaneous opacity measurements per minute. Any time exempted shall be considered before determining the excess averages of opacity. [District Rule 1080] Federally Enforceable Through Title V Permit

41. Permittee shall maintain accurate records of continuous emissions monitoring (CEM) results, dates of occurrences and duration of start-up, shutdown, malfunction, performance testing, evaluations, calibrations, checks, adjustments and maintenance, and daily records of propane fuel usage. [District Rules 1080 and 2201] Federally Enforceable Through Title V Permit
42. The owner/operator shall maintain an operating log that includes the type and quantity of fuel used (hourly and annually) and the hhv of each fuel as determined by District Rule 4352, section 6.4 (as amended 05/18/06), or as certified by a third party fuel supplier. [District Rule 4352] Federally Enforceable Through Title V Permit

43. The owner/operator shall maintain an operating log that includes the number of days of operation of the fluidized bed combustor and daily and annual natural gas usage of the preheat burner. [District Rule 1070] Federally Enforceable Through Title V Permit

44. By March 21, 2012, and every two years thereafter, permittee shall conduct a performance tune-up of the boiler in accordance with 40 CFR 63.11223(b). Permittee shall submit a signed statement of the Notification of Compliance Status report that a tune-up of the boiler was completed. [40 CFR 63.11214(b)] Federally Enforceable Through Title V Permit

45. By March 21, 2012, the permittee shall conduct a one-time energy assessment as described in 40 CFR 63, Subpart JJJJJ, Table 2. Permittee shall submit a signed statement in the Notification of Compliance Status report that the energy assessment was completed, and shall submit the energy assessment report upon request. [40 CFR 63.11214(c)] Federally Enforceable Through Title V Permit

46. Permittee shall submit the Notification of Compliance Status report by July 19, 2012. [40 CFR 63.11225(a)(4)] Federally Enforceable Through Title V Permit

47. All records shall be maintained for a period of at least five years and made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit

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

Facility Name: AMPERSAND CHOWCHILLA BIOMASS LLC
Location: 16457 AVENUE 24 1/2, CHOWCHILLA, CA
C-6923-3-1 Apr 9 2012 2:00PM - TOMS
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-6923-4-1
EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:
14,500 GALLON PER MINUTE MECHANICAL/INDUCED DRAFT COOLING TOWER WITH 2 CELLS SERVED BY DRIFT ELIMINATORS

PERMIT UNIT REQUIREMENTS

1. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
2. Operating schedule shall not exceed 337 days per year. [District Rule 2201] Federally Enforceable Through Title V Permit
3. No hexavalent chromium containing compounds shall be added to cooling tower circulating water. [District Rule 7012] Federally Enforceable Through Title V Permit
4. Drift eliminator drift rate shall not exceed 0.005%. [District Rule 2201] Federally Enforceable Through Title V Permit
5. PM10 emission rate for the cooling tower shall not exceed 8.7 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Compliance with the PM10 daily emission limit shall be demonstrated as follows: PM10 lb/day = water recirculation rate x total dissolved solids concentration in the blowdown water x design drift rate. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Compliance with PM10 emission limit shall be determined by blowdown water sample analysis by independent laboratory within 60 days of initial operation and quarterly thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit

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San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-6923-5-2

EXPIRATION DATE: 04/30/2016

EQUIPMENT DESCRIPTION:
FLY ASH HANDLING, STORAGE AND LOAD OUT OPERATION CONSISTING OF FLY ASH STORAGE SILO SERVED
BY THE PULSE JET BAGHOUSE IDENTIFIED IN PERMIT C-6923-3-0. TOTALLY ENCLOSED ROTARY FEEDERS,
SCREW CONVEYORS, DRAG CHAIN CONVEYORS, AND A WET CONDITIONING SCREW CONVEYOR

PERMIT UNIT REQUIREMENTS

1. Material removed from dust collector(s) shall be disposed of in a manner preventing entrainment into the atmosphere.
   [District NSR Rule] Federally Enforceable Through Title V Permit

2. There shall be no visible emissions from the fly ash transfer operation, for a period or periods aggregating more than
   three minutes in any one hour. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit

3. PM10 emissions rate from each conveyor shall not exceed 0.000046 lb PM10/ton fly ash. [District Rule 2201]
   Federally Enforceable Through Title V Permit

4. The maximum throughput of fly ash in the fly ash storage silo, as measured by the load out operation, shall not exceed
   either of the following limits: 48 tons/day or 11,000 tons/year. [District Rule 2201] Federally Enforceable Through
   Title V Permit

5. PM10 emissions rate from the fly ash silo loading operation shall not exceed 0.00034 lb PM10/ton fly ash. [District
   Rule 2201] Federally Enforceable Through Title V Permit

6. Records of daily amount of fly ash generated (in tons) at the facility shall be maintained, retained on-site for a period
   of at least five (5) years and made available for District inspection upon request. [District Rules 1070 and 2201]
   Federally Enforceable Through Title V Permit

7. Records of the daily amount of fly ash processed (in tons) by load out operation shall be maintained, retained on-site
   for a period of at least five (5) years and made available for District inspection upon request. [District Rules 1070 and
   2201] Federally Enforceable Through Title V Permit

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