NOV 20 2012

Bennett Slegens
West Star North Dairy
26953 Riverside Street
Buttonwillow, CA 93206

Re: Notice of Preliminary Decision - Authority to Construct
Project Number: S-1123792

Dear Mr. Slegens:

Enclosed for your review and comment is the District's analysis of West Star North Dairy's application for an Authority to Construct for 1,495 bhp (intermittent) diesel-fired emergency standby internal combustion (IC) engine powering an electrical generator, at 26953 Riverside Street, Buttonwillow, CA.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 30-day public comment period which begins on the date of publication of the public notice.

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact Ms. Gurpreet Brar of Permit Services at (559) 230-5926.

Sincerely,

David Warner
Director of Permit Services

Enclosures
NOV 20 2012

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

Re: Notice of Preliminary Decision - Authority to Construct
Project Number: S-1123792

Dear Mr. Tollstrup:

Enclosed for your review and comment is the District's analysis of West Star North Dairy's application for an Authority to Construct for 1,495 bhp (intermittent) diesel-fired emergency standby internal combustion (IC) engine powering an electrical generator, at 26953 Riverside Street, Buttonwillow, CA.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 30-day public comment period which begins on the date of publication of the public notice.

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact Ms. Gurpreet Brar of Permit Services at (559) 230-5926.

Sincerely,

[Signature]

David Warner
Director of Permit Services

DW:gb

Enclosure
NOTICE OF PRELIMINARY DECISION
FOR THE PROPOSED ISSUANCE OF
AN AUTHORITY TO CONSTRUCT

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Unified Air Pollution Control District solicits public comment on the proposed issuance of Authority to Construct to West Star North Dairy for 1,495 bhp (intermittent) diesel-fired emergency standby internal combustion (IC) engine powering an electrical generator, at 26953 Riverside Street, Buttonwillow, CA.

The analysis of the regulatory basis for this proposed action, Project #S-1123792, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. Written comments on this project must be submitted within 30 days of the publication date of this notice to DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG AVENUE, FRESNO, CA 93726.
San Joaquin Valley Air Pollution Control District
Authority to Construct Application Review
Diesel-Fired Emergency Standby IC Engine

Facility Name: West Star North Dairy                                      Date: October 25, 2012
Mailing Address: 26953 Riverside Street                                  Engineer: Gurpreet Brar
                  Buttonwillow, CA 93206                                        Lead Engineer: Martin Keast
Contact Person: Bennett Slegens                                          
Application #: S-5138-7-0
Project #: S-1123792
Complete: October 9, 2012

I. Proposal

West Star North Dairy is proposing to permit a 1,495 bhp (intermittent) diesel-fired emergency standby internal combustion (IC) engine powering an electrical generator. The proposed engine was installed without a permit and has received NOV #5009565 for it.

The facility has replaced an existing 900 bhp diesel-fired emergency standby IC engine under PTO S-5138-5-0 with the proposed 1,495 bhp diesel-fired emergency standby IC engine. Therefore, the following condition will be placed on the ATC:

- Permits to Operate S-5138-5-0 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable not later than the date of initial operation of this modified emissions unit. [District Rule 2201]

II. Applicable Rules

Rule 1070 Inspections (12/17/92)
Rule 2010 Permits Required (12/17/92)
Rule 2020 Exemptions (12/20/07)
Rule 2201 New and Modified Stationary Source Review Rule (4/21/11)
Rule 2520 Federally Mandated Operating Permits (6/21/01)
Rule 4001 New Source Performance Standards (4/14/99)
Rule 4002 National Emission Standards for Hazardous Air Pollutants (5/20/04)
Rule 4101 Visible Emissions (2/17/05)
Rule 4102 Nuisance (12/17/92)
Rule 4201 Particulate Matter Concentration (12/17/92)
Rule 4701 Stationary Internal Combustion Engines – Phase 1 (8/21/03)
Rule 4702 Stationary Internal Combustion Engines (8/18/11)
Rule 4801 Sulfur Compounds (12/17/92)
III. Project Location

The project is located at 26953 Riverside Street, Buttonwillow in Kern County, CA.

IV. Process Description

The primary function of a dairy is the production of milk, which requires a herd of mature dairy cows that are lactating. In order to produce milk, the cows must be bred and give birth. The gestation period is 9 months, and dairy cows are bred again 4 months after calving. Thus, a mature dairy cow produces a calf every 12 to 14 months. Therefore, a dairy operation may have several types of animal groups present, including calves, heifers, mature cows (lactating and dry cows), and bulls.

A dairy cow generates around 150 pounds of manure per day. How the manure is collected, stored and treated depends directly on the manure management techniques of a dairy.

Dairy manure is collected and managed mainly as a solid. Manure accumulates in confinement areas in the pens similar to open corrals, and is primarily deposited in areas where the herd is fed and watered.

The emergency standby engine powers an electrical generator. Other than emergency standby operation, the engine may be operated up to 100 hours per year for maintenance and testing purposes.

V. Equipment Listing

S-5138-7-0: 1,495 BHP (INTERMITTENT) DETROIT MODEL 16V2000G85 SERIAL NO. 5362010281 TIER 2 CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE POWERING AN ELECTRICAL GENERATOR
VI. Emission Control Technology Evaluation

The applicant has proposed to install a Tier 2 certified diesel-fired IC engine that is fired on very low-sulfur diesel fuel (0.0015% by weight sulfur maximum).

The proposed engine(s) meet the latest Tier Certification requirements; therefore, the engine(s) meets the latest ARB/EPA emissions standards for diesel particulate matter, hydrocarbons, nitrogen oxides, and carbon monoxide (see Appendix C for a copy of the emissions data sheet and/or the ARB/EPA executive order).

The use of very low-sulfur diesel fuel (0.0015% by weight sulfur maximum) reduces SO\(_x\) emissions by over 99% from standard diesel fuel.

VII. General Calculations

A. Assumptions

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency operating schedule:</td>
<td>24 hours/day</td>
</tr>
<tr>
<td>Non-emergency operating schedule:</td>
<td>100 hours/year</td>
</tr>
<tr>
<td>Density of diesel fuel:</td>
<td>7.1 lb/gal</td>
</tr>
<tr>
<td>EPA F-factor (adjusted to 60 °F):</td>
<td>9,051 dscf/MMBtu</td>
</tr>
<tr>
<td>Fuel heating value:</td>
<td>137,000 Btu/gal</td>
</tr>
<tr>
<td>BHP to Btu/hr conversion:</td>
<td>2,542.5 Btu/bhp-hr</td>
</tr>
<tr>
<td>Thermal efficiency of engine:</td>
<td>commonly ≈ 35%</td>
</tr>
<tr>
<td>PM(_{10}) fraction of diesel exhaust:</td>
<td>0.96 (CARB, 1988)</td>
</tr>
</tbody>
</table>

B. Emission Factors

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Emission Factor (g/bhp-hr)</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO(_x)</td>
<td>4.0</td>
<td>EPA Certification</td>
</tr>
<tr>
<td>SO(_x)</td>
<td>0.0051</td>
<td>Mass Balance Equation Below</td>
</tr>
<tr>
<td>PM(_{10})</td>
<td>0.12</td>
<td>EPA Certification</td>
</tr>
<tr>
<td>CO</td>
<td>1.2</td>
<td>EPA Certification</td>
</tr>
<tr>
<td>VOC</td>
<td>0.15</td>
<td>EPA Certification</td>
</tr>
</tbody>
</table>

\[
\frac{0.000015 \text{ lb} - S}{\text{ lb - fuel}} \times \frac{7.1 \text{ lb} - \text{ fuel}}{\text{ gallon}} \times \frac{2 \text{ lb} - \text{ SO}_2}{1 \text{ lb} - S} \times \frac{1 \text{ gal}}{137,000 \text{ Btu}} \times \frac{1 \text{ bhp input}}{0.35 \text{ bhp out}} \times \frac{2,542.5 \text{ Btu}}{1 \text{ bhp - hr}} \times \frac{453.6 \text{ g}}{\text{ lb}} = \frac{g - \text{ SO}_x}{\text{ bhp - hr}}
\]
C. Calculations

1. Pre-Project Emissions (PE1)

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

2. Post-Project PE (PE2)

The daily and annual PE are calculated as follows:

<table>
<thead>
<tr>
<th>Daily Potential to Emit (PE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO(_x)</td>
</tr>
<tr>
<td>SO(_x)</td>
</tr>
<tr>
<td>PM(_{10})</td>
</tr>
<tr>
<td>CO</td>
</tr>
<tr>
<td>VOC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual Actual Emissions (AE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO(_x)</td>
</tr>
<tr>
<td>SO(_x)</td>
</tr>
<tr>
<td>PM(_{10})</td>
</tr>
<tr>
<td>CO</td>
</tr>
<tr>
<td>VOC</td>
</tr>
</tbody>
</table>

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

Pursuant to Section 4.9 of District Rule 2201, the Pre-Project Stationary Source Potential to Emit (SSPE1) is the Potential to Emit (PE) from all units with valid ATCs or PTOs at the Stationary Source and the quantity of Emission Reduction Credits (ERCs) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

The SSPE1 is taken from project #S-1111448 and is summarized in the following table:

<table>
<thead>
<tr>
<th>Pre-Project Stationary Source Potential to Emit [SSPE1] (lb/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit Unit</td>
</tr>
<tr>
<td>S-5138-1-2 through -4-2 &amp; -6-1</td>
</tr>
<tr>
<td>S-5138-5-0</td>
</tr>
<tr>
<td>SSPE1 Total</td>
</tr>
</tbody>
</table>
4. Post-Project Stationary Source Potential to Emit (SSPE2)

Pursuant to Section 4.10 of District Rule 2201, the Post-Project Stationary Source Potential to Emit (SSPE2) is the Potential to Emit (PE) from all units with valid ATCs or PTOs, except for emissions units proposed to be shut down as part of the Stationary Project, at the Stationary Source and the quantity of Emission Reduction Credits (ERCs) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

For this project the change in emissions for the facility is due to the installation of the new emergency standby IC engine, permit unit -7-0 and removal of permit unit, -5-0. Thus:

<table>
<thead>
<tr>
<th>Permit Unit</th>
<th>NO\textsubscript{X}</th>
<th>SO\textsubscript{X}</th>
<th>PM\textsubscript{10}</th>
<th>CO</th>
<th>VOC</th>
</tr>
</thead>
<tbody>
<tr>
<td>S-5138-1-2 through -4-2 &amp; -6-1</td>
<td>0</td>
<td>0</td>
<td>73,868</td>
<td>0</td>
<td>214,172</td>
</tr>
<tr>
<td>S-5138-7-0</td>
<td>1,318</td>
<td>2</td>
<td>40</td>
<td>396</td>
<td>49</td>
</tr>
<tr>
<td>SSPE2 Total</td>
<td>1,318</td>
<td>2</td>
<td>73,908</td>
<td>396</td>
<td>214,221</td>
</tr>
</tbody>
</table>

5. Major Source Determination

Pursuant to Section 3.24 of District Rule 2201, a Major Source is a stationary source with post project emissions or a Post Project Stationary Source Potential to Emit (SSPE2), equal to or exceeding one or more of the following threshold values. However, Section 3.24.2 states, “for the purposes of determining major source status, the SSPE2 shall not include the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.”

The VOC emissions for major source determination are taken from project #S-1111448 and are summarized in the following table:

<table>
<thead>
<tr>
<th>Major Source Determination (lb/year)</th>
<th>NO\textsubscript{X}</th>
<th>SO\textsubscript{X}</th>
<th>PM\textsubscript{10}</th>
<th>CO</th>
<th>VOC</th>
</tr>
</thead>
<tbody>
<tr>
<td>S-5138-1-2 through -4-2 &amp; -6-1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>8,322</td>
</tr>
<tr>
<td>S-5138-7-0</td>
<td>1,318</td>
<td>2</td>
<td>40</td>
<td>396</td>
<td>49</td>
</tr>
<tr>
<td>Stationary Source Potential to Emit</td>
<td>1,318</td>
<td>2</td>
<td>40</td>
<td>396</td>
<td>8,371</td>
</tr>
</tbody>
</table>

As seen in the table above, the facility is not an existing Major Source and also is not becoming a Major Source as a result of this project.
6. Baseline Emissions (BE)

BE = Pre-project Potential to Emit for:
- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to Section 3.23

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

7. SB 288 Major Modification

SB 288 Major Modification is defined in 40 CFR Part 51.165 as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act."

As discussed in Section VII.C.5 above, this facility is not a major source for any of the pollutants addressed in this project; therefore, the project does not constitute a SB 288 Major Modification.

8. Federal Major Modification

District Rule 2201, Section 3.18 states that Federal Major Modifications are the same as "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

Since this facility is not a Major Source for any pollutants, this project does not constitute a Federal Major Modification. Additionally, since the facility is not a major source for PM$_{10}$ (140,000 lb/year), it is not a major source for PM$_{2.5}$ (200,000 lb/year).

9. Quarterly Net Emissions Change (QNEC)

The QNEC is calculated solely to establish emissions that are used to complete the District’s PAS emissions profile screen. Detailed QNEC calculations are included in Appendix E.
VIII. Compliance

Rule 1070 Inspections

This rule applies to any source operation, which emits or may emit air contaminants.

This rule allows the District to perform inspections for the purpose of obtaining information necessary to determine whether air pollution sources are in compliance with applicable rules and regulations. The rule also allows the District to require record keeping, to make inspections and to conduct tests of air pollution sources. Therefore, the following conditions will be listed on each PTO to ensure compliance:

General Conditions

- {3215} 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 1070] N

- {3216} 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 1070] N

- {3496} The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.), and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702]

Rule 2010 Permits Required

This rule requires 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, to first obtain authorization from the District in the form of an ATC. By the submission of the above-described ATC application, the applicant is complying with the requirements of this Rule.
Rule 2020 Exemptions

Per Section 6.20, agricultural sources are exempt from District permit requirements to the extent provided by CH&SC, section 42301.16. However this facility does not qualify for permit exemption since the NOx and/or VOC emissions are greater than 10,000 lb/year (equivalent to ½ the Major Source Threshold).

Rule 2201 New and Modified Stationary Source Review Rule

A. Best Available Control Technology (BACT)

1. BACT Applicability

BACT requirements are triggered on a pollutant-by-pollutant basis and on an emissions unit-by-emissions unit basis for the following*:

a. Any new emissions unit with a potential to emit exceeding two pounds per day,
b. The relocation from one Stationary Source to another of an existing emissions unit with a potential to emit exceeding two pounds per day,
c. Modifications to an existing emissions unit with a valid Permit to Operate resulting in an AIPE exceeding two pounds per day, and/or
d. Any new or modified emissions unit, in a stationary source project, which results in an SB288 Major Modification or a Federal Major Modification, as defined by the rule.

*Except for CO emissions from a new or modified emissions unit at a Stationary Source with an SSPE2 of less than 200,000 pounds per year of CO.

a. New emissions units – PE > 2 lb/day

As seen in Section VII.C.2 of this evaluation, the applicant is proposing to install a new diesel-fired IC engine with a PE greater than 2 lb/day for NOx, PM10, CO, and VOC. BACT is triggered for NOx, PM10, and VOC since the PEs are greater than 2 lbs/day. BACT is not triggered for CO since the SSPE2 for CO is less than 200,000 lbs/year, as demonstrated in Section VII.C.5 of this document.

b. Relocation of emissions units – PE > 2 lb/day

As discussed in Section I above, there are no emissions units being relocated from one stationary source to another; therefore BACT is not triggered.

c. Modification of emissions units – AIPE > 2 lb/day

As discussed in Section I above, there are no modified emissions units associated with this project; therefore BACT is not triggered.
d. Major Modification

As discussed in Section VII.C.7 above, this project does not constitute a Major Modification; therefore, BACT is not triggered as a result of a Major Modification.

2. BACT Guideline

BACT Guideline 3.1.1, which appears in Appendix B of this report, covers diesel-fired emergency IC engines.

3. Top Down BACT Analysis

Per District Policy APR 1305, Section IX, “A top-down BACT analysis shall be performed as a part of the Application Review for each application subject to the BACT requirements pursuant to the District’s NSR Rule for source categories or classes covered in the BACT Clearinghouse, relevant information under each of the following steps may be simply cited from the Clearinghouse without further analysis.”

Pursuant to the attached Top-Down BACT Analysis, which appears in Appendix B of this report, BACT is satisfied with:

- NOX: Latest EPA Tier Certification level for applicable horsepower range
- VOC: Latest EPA Tier Certification level for applicable horsepower range
- PM10: 0.15 g/hp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. (ATCM)

The following conditions will be listed on the ATC to ensure compliance with the PM10 BACT emissions limit:

- Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801, 17 CCR 93115, 40 CFR Part 60 Subpart IIII]

- Emissions from this IC engine shall not exceed 0.12 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102, 17 CCR 93115, 40 CFR Part 60 Subpart IIII]

B. Offsets

Since emergency IC engines are exempt from the offset requirements of Rule 2201, per Section 4.6.2, offsets are not required for this engine, and no offset calculations are required.
C. Public Notification

1. Applicability

Public noticing is required for:

a. Any new Major Source, which is a new facility that is also a Major Source,
b. Major Modifications,
c. Any new emissions unit with a Potential to Emit greater than 100 pounds
during any one day for any one pollutant,
d. Any project which results in the offset thresholds being surpassed, and/or
e. Any project with an SSIP of greater than 20,000 lb/year for any pollutant.

a. New Major Source

Since there is not an increase in emissions, this facility is not becoming a
Major Source as a result of this project; public noticing is not required for this
project for New Major Source purposes.

b. Major Modification

As demonstrated in Section VII.C.7 above, this project does not qualify as a
Major Modification; public noticing is not required for Major Modification
purposes.

c. PE > 100 lb/day

The PE2 for this new unit is compared to the daily PE Public Notice
thresholds in the following table:

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>PE2 (lb/day)</th>
<th>Public Notice Threshold</th>
<th>Public Notice Triggered?</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO_x</td>
<td>316.4</td>
<td>100 lb/day</td>
<td>Yes</td>
</tr>
<tr>
<td>SO_x</td>
<td>0.4</td>
<td>100 lb/day</td>
<td>No</td>
</tr>
<tr>
<td>PM_{10}</td>
<td>9.5</td>
<td>100 lb/day</td>
<td>No</td>
</tr>
<tr>
<td>CO</td>
<td>94.9</td>
<td>100 lb/day</td>
<td>No</td>
</tr>
<tr>
<td>VOC</td>
<td>11.9</td>
<td>100 lb/day</td>
<td>No</td>
</tr>
</tbody>
</table>

Therefore, public noticing for PE > 100 lb/day purposes is required.

d. Offset Threshold

Since there is not an increase in emissions as a result of this project, an
offset threshold cannot be surpassed; therefore, public notice is not triggered
due to offset thresholds.
e. SSIPE > 20,000 lb/year

An SSIPE exceeding 20,000 pounds per year for any one pollutant triggers public notice, where SSIPE = SSPE2 - SSPE1.

Since there is not an increase in emissions as a result of this project, the SSIPE is zero; therefore, public notice is not triggered due to offset thresholds.

2. Public Notice Action

As discussed above, public noticing is required for this project for NOx emissions in excess of 100 lb/day. Therefore, public notice documents will be submitted to the California Air Resources Board (CARB) and a public notice will be published in a local newspaper of general circulation prior to the issuance of the ATC for this equipment.

D. Daily Emissions Limits

Daily Emissions Limitations (DELS) and other enforceable conditions are required by Section 3.16 to restrict a unit’s maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. Per Sections 3.16.1 and 3.16.2, the DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis.

Therefore, the following conditions will be listed on the ATC to ensure compliance:

- Emissions from this IC engine shall not exceed any of the following limits: 4.0 g-NOx/bhp-hr, 1.2 g-CO/bhp-hr, or 0.15 g-VOC/bhp-hr. [District Rule 2201 and 4702, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII]

- Emissions from this IC engine shall not exceed 0.12 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII]

- Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII]

E. Compliance Assurance

1. Source Testing

Pursuant to District Policy APR 1705, source testing is not required for emergency standby IC engines to demonstrate compliance with Rule 2201.
2. Monitoring

No monitoring is required to demonstrate compliance with Rule 2201. However, monitoring is required per Rule 4702 (Internal Combustion Engines - Phase 2), see the 4702 discussion below.

3. Recordkeeping

Recordkeeping requirements, in accordance with District Rule 4702, will be discussed in Section VIII, District Rule 4702, of this evaluation.

4. Reporting

No reporting is required to ensure compliance with Rule 2201.

F. Ambient Air Quality Analysis (AAQA)

Section 4.14.1 of this rule requires that an ambient air quality analysis (AAQA) be conducted for the purpose of determining whether a new or modified Stationary Source will cause or make worse a violation of an air quality standard. The Technical Services Division of the SJVAPCD conducted the required analysis.

As shown by the AAQA summary sheet in Appendix D, the proposed equipment will not cause or make worse a violation of an air quality standard for NOx, CO, PM10, or SOx.

Rule 2520 Federally Mandated Operating Permits

As discussed in Section VII.C.5 above, this facility is not a Major Source for any pollutant; therefore, Rule 2520 does not apply.

Rule 4001 New Source Performance Standards (NSPS)

40 CFR 60 Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines

The following table demonstrates how the proposed engine will comply with the requirements of 40 CFR Part 60 Subpart IIII.
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Engine(s) must meet the appropriate Subpart III emission standards for new engines, based on the model year, size, and number of liters per cylinder.</td>
<td>The applicant has proposed the use of engine(s) that are certified to the latest EPA Tier Certification level for the applicable horsepower range, guaranteeing compliance with the emission standards of Subpart III.</td>
</tr>
<tr>
<td>Engine(s) must be fired on 500 ppm sulfur content fuel or less, and fuel with a minimum cetane index of 40 or a maximum aromatic content of 35 percent by volume. Starting in October 1, 2010, the maximum allowable sulfur fuel content will be lowered to 15 ppm.</td>
<td>The applicant has proposed the use of CARB certified diesel fuel, which meets all of the fuel requirements listed in Subpart III. A permit condition enforcing this requirement was included earlier in this evaluation.</td>
</tr>
</tbody>
</table>
| The operator/owner must install a non-resettable hour meter prior to startup of the engine(s). | The applicant has proposed to install a non-resettable hour meter. The following condition will be included on the permit:  
- This engine shall be equipped with an operational non-resettable elapse time meter or other APCO approved alternative. [District Rule 4702, 17 CCR 93115, and 40 CFR 60 Subpart III] |
| Emergency engine(s) may be operated for the purpose of maintenance and testing up to 100 hours per year. There is no limit on emergency use. | The Air Toxic Control Measure for Stationary Compression Ignition Engines (Stationary ATCM) limits this engine maintenance and testing to 50 hours/year. Thus, compliance is expected. |
| The owner/operator must operate and maintain the engine(s) and any installed control devices according to the manufacturers written instructions. | The following condition will be included on the permit:  
- This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702 and 40 CFR 60 Subpart III] |

**Rule 4002 National Emission Standards for Hazardous Air Pollutants**


Emergency engines are subject to this subpart if they are operated at a major or area source of Hazardous Air Pollutant (HAP) emissions. A major source of HAP emissions is a facility that has the potential to emit any single HAP at a rate of 10 tons/year or greater or any combinations of HAPs at a rate of 25 tons/year or greater. An area source of HAPs is a facility is not a major source of HAPs. The proposed engine(s) are new stationary RICE located at an area source of HAP emissions; therefore, these engines are subject to this Subpart.
40 CFR 63 Subpart ZZZZ requires the following engines to comply with 40 CFR 60 Subpart III:

1. New emergency engines located at area sources of HAPs
2. Emergency engines rated less than or equal to 500 bhp and located at major sources of HAPs

The proposed engine(s) will be in compliance with 40 CFR 60 Subpart III.

Additionally, 40 CFR 63 Subpart ZZZZ requires engines rated greater 500 bhp and located at major sources of HAPs to meet the notification requirements of §63.6645(h); however, that section only applies if an initial performance test is required. Since an initial performance test is not required for emergency engines, the notification requirement is not applicable.

The proposed engines are expected to be in compliance with 40 CFR 63 Subpart ZZZZ.

Rule 4101 Visible Emissions

Rule 4101 states that 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. Therefore, the following condition will be listed on the ATC to ensure compliance:

- {15} 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]

Rule 4102 Nuisance

Rule 4102 states that no air contaminant shall be released into the atmosphere which causes a public nuisance. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, the following condition will be listed on the ATC to ensure compliance:

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

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 - Risk Management Policy for Permitting New and Modified Sources specifies that for an increase in emissions associated with a proposed new source or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite. Therefore pursuant to the policy, a risk management review has been performed for this project to analyze the impact of toxic emissions.
The HRA results for each new engine proposed for this project are shown below (see the HRA Summary in Appendix D):

<table>
<thead>
<tr>
<th>HRA Results (ATC #S-5138-7-0)</th>
<th>Acute Hazard Index</th>
<th>Chronic Hazard Index</th>
<th>Cancer Risk</th>
<th>T-BACT Required for each engine?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negligible</td>
<td>Negligible</td>
<td>0.34 in a million</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

District policy APR 1905 also specifies that the increase in emissions associated with a proposed new source or modification not have acute or chronic indices, or a cancer risk greater than the District's significance levels (i.e. acute and/or chronic indices greater than 1 and a cancer risk greater than 10 in a million). The following conditions will be listed on the ATC to ensure compliance:

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

- Emissions from this IC engine shall not exceed 0.12 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102, 17 CCR 93115, 40 CFR Part 60 Subpart IIII]

- **{1344}** The engine shall be operated only for maintenance, testing, and required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 100 hours per year. [District Rule 4702 and 17 CCR 93115]

**Discussion of T-BACT**

BACT for toxic emission control (TBACT) is required if the cancer risk exceeds one in one million. As demonstrated above, T-BACT is not required because the HRA indicates that the risk from each unit is not above the District’s thresholds for triggering T-BACT requirements (1 in a million); therefore, compliance with the District’s Risk Management Policy is expected.

**Rule 4201 Particulate Matter Concentration**

Section 3.1 prohibits discharge of dust, fumes, or total particulate matter into the atmosphere from any single source operation in excess of 0.1 grain per dry standard cubic foot.

\[
0.4 \frac{g}{hp \cdot hr} \times \frac{1hp \cdot hr}{2,542.5 Btu} \times \frac{10^6 Btu}{9,051 dscf} \times \frac{0.35 Btu_{net}}{1 Btu_{in}} \times \frac{15.43 grain}{1 g} \frac{g}{dscf} = 0.094 \frac{grain}{dscf}
\]
Since 0.094 grain/dscf is not greater than 0.1 grain/dscf, compliance with this rule is expected. Therefore, the following condition will be listed on the ATC:

- {14} Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

**Rule 4701 Internal Combustion Engines – Phase 1**

The provisions of this rule do not apply to engines used in agricultural operations, i.e. for the growing of crops or raising of fowl or animals.

The following standard condition from the District's GEAR for diesel IC engines used in agricultural operations will be included on the permit:

- This IC engine shall only be used for the growing and harvesting of crops or the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution. [District Rule 4701]

**Rule 4702 Internal Combustion Engines**

The purpose of this rule is to limit the emissions of Nitrogen Oxides (NOx), Carbon Monoxide (CO), and Volatile Organic Compounds (VOC) from internal combustion engines.

This rule applies to any internal combustion engine with a rated brake horsepower greater than 50 horsepower.

Pursuant to Section 4.2, except for the requirements of Sections 5.9 and 6.2.3, the requirements of this rule shall not apply to an internal combustion engine that meets the following condition:

- An emergency standby engine as defined in Section 3.0 of this rule, and provided that it is operated with a nonresettable elapsed operating time meter. In lieu of a nonresettable time meter, the owner of an emergency engine may use an alternative device, method, or technique, in determining operating time provided that the alternative is approved by the APCO. The owner of the engine shall properly maintain and operate the time meter or alternative device in accordance with the manufacturer's instructions.

Section 3.15 defines an "Emergency Standby Engine" as an internal combustion engine which operates as a temporary replacement for primary mechanical or electrical power during an unscheduled outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the operator.
An engine shall be considered to be an emergency standby engine if it is used only for the following purposes: (1) periodic maintenance, periodic readiness testing, or readiness testing during and after repair work; (2) unscheduled outages, or to supply power while maintenance is performed or repairs are made to the primary power supply; and (3) if it is limited to operate 100 hours or less per calendar year for non-emergency purposes. An engine shall not be considered to be an emergency standby engine if it is used: (1) to reduce the demand for electrical power when normal electrical power line service has not failed, or (2) to produce power for the utility electrical distribution system, or (3) in conjunction with a voluntary utility demand reduction program or interruptible power contract.

Therefore, the emergency standby IC engine involved with this project will only have to meet the requirements of sections 5.9 and 6.2.3 of this Rule.

Section 5.9 of this Rule requires that the owner of an emergency standby engine shall comply with the requirements specified in section 5.9.2 through section 5.9.5 below:

1) Properly operate and maintain each engine as recommended by the engine manufacturer or emission control system supplier.

2) Monitor the operational characteristics of each engine as recommended by the engine manufacturer or emission control system supplier.

3) Install and operate a nonresettable elapsed operating time meter. In lieu of installing a nonresettable time meter, the owner of an engine may use an alternative device, method, or technique, in determining operating time provided that the alternative is approved by the APCO and is allowed by Permit-to-Operate or Stationary Equipment Registration condition. The owner of the engine shall properly maintain and operate the time meter or alternative device in accordance with the manufacturer's instructions.

Therefore, the following conditions will be listed on the permit to ensure compliance:

- {3405} This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702]

- {3478} During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702]
• {3404} This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702]

• This engine shall be operated only for maintenance, testing, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 100 hours per year. [District Rule 4702]

• {3807} An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702]

• {3808} This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702]

Section 6.2.3 requires that an owner claiming an exemption under Section 4.2 or Section 4.3 shall maintain annual operating records. This information shall be retained for at least five years, shall be readily available, and submitted to the APCO upon request and at the end of each calendar year in a manner and form approved by the APCO. Therefore, the following condition will be listed on the permit to ensure compliance:

• The permittee shall maintain monthly records of the type of fuel purchased. [District Rule 4702]

• {3496} The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.), and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702]

• {3497} 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 Rule 4702]
Rule 4801  Sulfur Compounds

Rule 4801 requires that sulfur compound emissions (as SO₂) shall not exceed 0.2% by volume. Using the ideal gas equation, the sulfur compound emissions are calculated as follows:

\[ \text{Volume SO}_2 = (n \times R \times T) \div P \]

\[ n = \text{moles SO}_2 \]

\[ T \text{ (standard temperature)} = 60 \degree \text{F or 520} \degree \text{R} \]

\[ R \text{ (universal gas constant)} = \frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot \degree \text{R}} \]

\[
\frac{0.000015 \text{ lb} - \text{s}}{\text{gal}} \times \frac{7.1 \text{ lb}}{32 \text{ lb} - \text{S}} \times \frac{64 \text{ lb} - \text{SO}_2}{\text{MMBtu}} \times \frac{1 \text{ gal}}{\text{MMBtu}} \times \frac{\text{lb} - \text{mol}}{\text{lb} - \text{mol}} \times \frac{10.73 \text{ psi} \cdot \text{ft}^3}{14.7 \text{ psi}} \times \frac{520\degree \text{R}}{1,000,000} = 1.0 \text{ ppmv}
\]

Since 1.0 ppmv is \leq 2,000 ppmv, this engine is expected to comply with Rule 4801. Therefore, the following condition will be listed on the ATC to ensure compliance:

- Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII]

California Health & Safety Code 42301.6  (School Notice)

The District has verified that this site is located within 1,000 feet of a school. However, pursuant to California Health and Safety Code 42301.6, since this project will not result in an increase in emissions, a school notice is not required.

Title 17 California Code of Regulations (CCR), Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines

The following table demonstrates how the proposed engine(s) will comply with the requirements of Title 17 CCR Section 93115.
<table>
<thead>
<tr>
<th>Title 17 CCR Section 93115 Requirements for New Emergency IC Engines Powering Electrical Generators</th>
<th>Proposed Method of Compliance with Title 17 CCR Section 93115 Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency engine(s) must be fired on CARB diesel fuel, or an approved alternative diesel fuel.</td>
<td>The applicant has proposed the use of CARB certified diesel fuel. The proposed permit condition, requiring the use of CARB certified diesel fuel, was included earlier in this evaluation.</td>
</tr>
<tr>
<td>The engine(s) must emit diesel PM at a rate less than or equal to 0.15 g/bhp-hr or must meet the diesel PM standard, as specified in the Off-road compression ignition standards for off-road engines with the same maximum rated power (Title 13 CCR, Section 2423).</td>
<td>The applicant has proposed the use of engine(s) that are certified to the latest EPA Tier Certification level for the applicable horsepower range, guaranteeing compliance with the emission standards of Subpart III. Additionally, the proposed diesel PM emissions rate is less than or equal to 0.15 g/bhp-hr.</td>
</tr>
<tr>
<td>The engine may not be operated more than 50 hours per year for maintenance and testing purposes.</td>
<td>The following condition will be included on the permit:</td>
</tr>
<tr>
<td>New stationary emergency standby diesel-fueled CI engines (&gt; 50 bhp) must meet the standards for off-road engines of the same model year and maximum rated power as specified in the Off-Road Compression Ignition Engine Standards (Title 13, CCR, Section 2423).</td>
<td>• This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year. [District Rule 4702, 17 CCR 93115 and 40 CFR Part 60 Subpart III]</td>
</tr>
<tr>
<td>Engines, with a PM10 emissions rate greater than 0.01 g/bhp-hr and located at schools, may not be operated for maintenance and testing whenever there is a school sponsored activity on the grounds. Additionally, engines located within 500 feet of school grounds may not be operated for maintenance and testing between 7:30 AM and 3:30 PM</td>
<td>The applicant has proposed the use of engine(s) that are certified to the latest EPA Tier Certification level for the applicable horsepower range.</td>
</tr>
<tr>
<td>An owner or operator shall maintain monthly records of the following: emergency use hours of operation; maintenance and testing hours of operation; hours of operation for emission testing; initial start-up testing hours; hours of operation for all other uses; and the type of fuel used. All records shall be retained for a minimum of 36 months.</td>
<td>The District has verified that this engine is not located within 500' of a school.</td>
</tr>
<tr>
<td>Permit conditions enforcing these requirements were shown earlier in the evaluation.</td>
<td></td>
</tr>
</tbody>
</table>
California Environmental Quality Act (CEQA)

The California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The San Joaquin Valley Unified Air Pollution Control District (District) adopted its Environmental Review Guidelines (ERG) in 2001. The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly reduced.
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

The District performed an Engineering Evaluation (this document) for the proposed project and determined that the project qualifies for ministerial approval under the District’s Guideline for Expedited Application Review (GEAR). Section 21080 of the Public Resources Code exempts from the application of CEQA those projects over which a public agency exercises only ministerial approval. Therefore, the District finds that this project is exempt from the provisions of CEQA.

However, to ensure that issuance of this permit does not conflict with any conditions imposed by any local agency permit process, the following permit condition will be listed on ATC as follows:

- {3658} This permit does not authorize the violation of any conditions established for this facility in the Conditional Use Permit (CUP), Special Use Permit (SUP), Site Approval, Site Plan Review (SPR), or other approval documents issued by a local, state, or federal agency. [District Rules 2070 and 2080, and Public Resources Code 21000-21177: California Environmental Quality Act].

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Issue Authority to Construct S-5138-7-0 subject to the permit conditions on the attached draft Authority to Construct in Appendix A.
X. Billing Information

<table>
<thead>
<tr>
<th>Billing Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit Number</td>
</tr>
<tr>
<td>S-5138-7-0</td>
</tr>
</tbody>
</table>

Appendixes

A. Draft ATC
B. BACT Guideline and BACT Analysis
C. Emissions Data Sheet
D. HRA Summary and AAQA
E. QNEC Calculations
Appendix A

Draft ATC
San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: S-5138-7-0

LEGAL OWNER OR OPERATOR: WEST-STAR NORTH DAIRY
MAILING ADDRESS: 26953 RIVERSIDE ST
BUTTONWILLOW, CA 93206

LOCATION: 26953 RIVERSIDE ST
BUTTONWILLOW, CA 93206

EQUIPMENT DESCRIPTION:
1,495 BHP (INTERMITTENT) DETROIT MODEL 16V2000G85 SERIAL NO. 5362010281 TIER 2 CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE POWERING AN ELECTRICAL GENERATOR

CONDITIONS

1. Permits to Operate S-5138-5-0 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable not later than the date of initial operation of this modified emissions unit. [District Rule 2201]

2. {3215} 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 1070]

3. {3216} 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 1070]

4. {3658} This permit does not authorize the violation of any conditions established for this facility in the Conditional Use Permit (CUP), Special Use Permit (SUP), Site Approval, Site Plan Review (SPR), or other approval documents issued by a local, state, or federal agency. [Public Resources Code 21000-21177: California Environmental Quality Act]

5. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]

6. {14} Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

7. {15} 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]

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
S-5138-7-0: Oct 25 2012 4:22PM - DRAFT: Joint Inspection NOT Required

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
8. {4264} This engine shall only be used for the growing of crops or raising of fowl or animals. [District Rule 4702]

9. {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]

10. {4257} This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702, 17 CCR 93115, and 40 CFR 60 Subpart III]

11. {4258} Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801, 17 CCR 93115, 40 CFR Part 60 Subpart III]

12. Emissions from this IC engine shall not exceed any of the following limits: 4.0 g-NOx/bhp-hr, 1.2 g-CO/bhp-hr, or 0.15 g-VOC/bhp-hr. [District Rule 2201, 17 CCR 93115 and 40 CFR Part 60 Subpart III]

13. Emissions from this IC engine shall not exceed 0.12 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102, 17 CCR 93115 and 40 Part CFR 60 Subpart III]

14. {4261} This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702 and 40 CFR 60 Subpart III]

15. {3478} During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702]

16. {3807} An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702]

17. {3808} This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702]

18. {3496} The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702 and 17 CCR 93115]

19. {3809} This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 100 hours per calendar year. [District Rule 4702 and 17 CCR 93115]

20. {4263} The permittee shall maintain monthly records of the type of fuel purchased. [District Rule 4702 and 17 CCR 93115]

21. {3475} 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 Rule 4702 and 17 CCR 93115]
Appendix B

BACT Guideline and BACT Analysis
<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Achieved in Practice or in the SIP</th>
<th>Technologically Feasible</th>
<th>Alternate Basic Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td>Latest EPA Tier Certification level for applicable horsepower range</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NOX</td>
<td>Latest EPA Tier Certification level for applicable horsepower range</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.15 g/hp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. (ATCM)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM10</td>
<td>Very low sulfur diesel fuel (15 ppmw sulfur or less)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOX</td>
<td>Latest EPA Tier Certification level for applicable horsepower range</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

BACT is the most stringent control technique for the emissions unit and class of source. Control techniques that are not achieved in practice or contained in a state implementation plan must be cost effective as well as feasible. Economic analysis to demonstrate cost effectiveness is required for all determinations that are not achieved in practice or contained in an EPA approved State Implementation Plan.
Top Down BACT Analysis for the Emergency IC Engine(s)

BACT Guideline 3.1.1 (July 10, 2009) applies to emergency diesel IC engines. In accordance with the District BACT policy, information from that guideline will be utilized without further analysis.

1. BACT Analysis for NOₓ and VOC Emissions:
   
a. Step 1 - Identify all control technologies

   BACT Guideline 3.1.1 identifies only the following option:
   
   • *Latest EPA Tier Certification level for applicable horsepower range*

   To determine the latest applicable Tier level, the following EPA and state regulations were consulted:
   
   • 40 CFR Part 60 Subpart III – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines
   
   • 40 CFR Part 89 – Control of Emissions from New and In-Use Nonroad Compression – Ignition Engines
   
   • 40 CFR Part 1039 – Control of Emissions from New and In-Use Nonroad Compression-Ignition Engines
   
   • Title 17 CCR, Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines

   40 CFR Parts 89 and 1039, which apply only to nonroad engines, do not directly apply because the proposed emergency engine(s) do not meet the definition of a nonroad engine. Therefore, only Title 17 CCR, Section 93115 and 40 CFR Part 60 Subpart III apply directly to the proposed emergency engine(s).

   Title 17 CCR, Section 93115.6(a)(3)(A) (CARB stationary diesel engine ATCM) applies to emergency standby diesel-fired engines and requires that such engines be certified to the emission levels in Table 1 (below). Please note that these levels are at least as stringent or more stringent than the emission levels in 40 CFR Subpart III.
Table 1: Emission Standards for New Stationary Emergency Standby Diesel-Fueled CI Engines g/bhp-hr (g/kW-hr)

<table>
<thead>
<tr>
<th>Maximum Engine Power</th>
<th>Tier</th>
<th>Model Year(s)</th>
<th>PM</th>
<th>NMHC+NOx</th>
<th>CO</th>
</tr>
</thead>
<tbody>
<tr>
<td>50 ≤ HP &lt; 75 (37 ≤ kW &lt; 56)</td>
<td>2</td>
<td>2007</td>
<td>0.15 (0.20)</td>
<td>5.6 (7.5)</td>
<td>3.7 (5.0)</td>
</tr>
<tr>
<td></td>
<td>4i</td>
<td>2008+</td>
<td></td>
<td>3.5 (4.7)</td>
<td></td>
</tr>
<tr>
<td>75 ≤ HP &lt; 100 (56 ≤ kW &lt; 75)</td>
<td>2</td>
<td>2007</td>
<td>0.15 (0.20)</td>
<td>5.6 (7.5)</td>
<td>3.7 (5.0)</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>2008+</td>
<td></td>
<td>3.5 (4.7)</td>
<td></td>
</tr>
<tr>
<td>100 ≤ HP &lt; 175 (75 ≤ kW &lt; 130)</td>
<td>3</td>
<td>2007</td>
<td>0.15 (0.20)</td>
<td>3.0 (4.0)</td>
<td>3.7 (5.0)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2008+</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>175 ≤ HP &lt; 300 (130 ≤ kW &lt; 225)</td>
<td>3</td>
<td>2007</td>
<td>0.15 (0.20)</td>
<td>3.0 (4.0)</td>
<td>2.6 (3.5)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2008+</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300 ≤ HP &lt; 600 (225 ≤ kW &lt; 450)</td>
<td>3</td>
<td>2007</td>
<td>0.15 (0.20)</td>
<td>3.0 (4.0)</td>
<td>2.6 (3.5)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2008+</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>600 ≤ HP &lt; 756 (450 ≤ kW ≤ 560)</td>
<td>3</td>
<td>2007</td>
<td>0.15 (0.20)</td>
<td>3.0 (4.0)</td>
<td>2.6 (3.5)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2008+</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HP &gt; 750 (kW &gt; 560)</td>
<td>2</td>
<td>2007</td>
<td>0.15 (0.20)</td>
<td>4.8 (6.4)</td>
<td>2.6 (3.5)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2008+</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Additionally, 40 CFR Subpart III establishes emission standards for emergency diesel IC engines. These emission standards are the same as those specified in the CARB ATCM, except for engines rated greater than or equal to 50 and less than 75 hp. For such IC engines, the CARB ATCM is more stringent.

Therefore, the most stringent applicable emission standards are those listed in the CARB ATCM (Table 1).

For IC engines rated greater than or equal to 50 hp and less than 75 hp the the higherst Tier required is Tier 4i. For IC engines rated greater than or equal to 75 hp and less than 750 hp the highest Tier required is Tier 3. For engines rated equal to or greater than 750 hp the highest Tier required is Tier 2.

Also, please note that neither the state ATCM nor the Code of Federal Regulations require the installation of IC engines meeting a higher Tier standard than those listed above for emergency applications, due to concerns regarding the effectiveness of the exhaust emissions controls during periods of short-term operation (such as testing operational readiness of an emergency engine).

The proposed engine(s) is/are rated at 1,495 hp. Therefore, the applicable control technology option is EPA Tier 2 certification.

b. Step 2 - Eliminate technologically infeasible options

The control option listed in Step 1 is not technologically infeasible.
c. Step 3 - Rank remaining options by control effectiveness

No ranking needs to be done because there is only one control option listed in Step 1.

d. Step 4 - Cost Effectiveness Analysis

The applicant has proposed the only control option remaining under consideration. Therefore, a cost effectiveness analysis is not required.

e. Step 5 - Select BACT

BACT for NOx and VOC will be the use of an EPA Tier 2 certified engine. The applicant is proposing such a unit. Therefore, BACT will be satisfied.
2. **BACT Analysis for PM₁₀ Emissions:**

   a. **Step 1 - Identify all control technologies**

   BACT Guideline 3.1.1 identifies only the following option:

   - 0.15 g/bhp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. *(ATCM)*

   The latest EPA Tier Certification level for an engine of the proposed model year and horsepower rating is Tier 2. Refer to the Top-Down BACT analysis for NOx for a discussion regarding the determination of the EPA Tier level to be considered.

   Please note Tier 2 or 3 IC engines do not have a PM emission standard that is more stringent than 0.15 g/hp-hr. Additionally, the ATCM requires a PM emission standard of 0.15 g/hp-hr for all new emergency diesel IC engines.

   Therefore, a PM/PM₁₀ emission standard of 0.15 g/hp-hr is required as BACT.

   b. **Step 2 - Eliminate technologically infeasible options**

   The control option listed in Step 1 is not technologically infeasible.

   c. **Step 3 - Rank remaining options by control effectiveness**

   No ranking needs to be done because there is only one control option listed in Step 1.

   d. **Step 4 - Cost Effectiveness Analysis**

   The applicant has proposed the only control option remaining under consideration. Therefore, a cost effectiveness analysis is not required.

   e. **Step 5 - Select BACT**

   BACT for PM₁₀ is emissions of 0.15 g/hp-hr or less. The applicant is proposing an engine that meets this requirement. Therefore, BACT will be satisfied.
Appendix C

Emissions Data Sheet
<table>
<thead>
<tr>
<th>Engine Model</th>
<th>Rating (BHP)</th>
<th>Rating (KW)</th>
<th>Appl. No. (CEP#)</th>
<th>Exp. Date</th>
<th>Comments</th>
<th>HC</th>
<th>NOx</th>
<th>CO</th>
<th>PM</th>
</tr>
</thead>
<tbody>
<tr>
<td>12V200G45 TB/TD (R1238A37)</td>
<td>1046</td>
<td>780</td>
<td>495341</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>12V200G45 TB/TD (R1238A37)</td>
<td>1086</td>
<td>810</td>
<td>495342</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>16V200G45 TB/TD (R1638A37)</td>
<td>1227</td>
<td>915</td>
<td>495344</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>16V200G45 TB/TD (R1638A37)</td>
<td>1354</td>
<td>1010</td>
<td>495345</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>16V200G45 TB/TD (R1638A37)</td>
<td>1354</td>
<td>1010</td>
<td>495345</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>16V200G45 TB/TD (R1638A37)</td>
<td>1495</td>
<td>1115</td>
<td>495347</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>18V200G85 TB/TD</td>
<td>1757</td>
<td>1310</td>
<td>495348</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>18V200G85 TB/TD</td>
<td>1597</td>
<td>1191</td>
<td>495349</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>12V200G45 TB/TD (R1238A37)</td>
<td>952</td>
<td>710</td>
<td>495350</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.15</td>
<td>4</td>
<td>1.2</td>
<td>0.12</td>
</tr>
<tr>
<td>10V160G80S</td>
<td>752</td>
<td>561</td>
<td>503819</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.22</td>
<td>4.38</td>
<td>0.92</td>
<td>0.14</td>
</tr>
<tr>
<td>12V160G80S</td>
<td>898</td>
<td>658</td>
<td>503820</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.22</td>
<td>4.38</td>
<td>0.92</td>
<td>0.14</td>
</tr>
<tr>
<td>12V160G70S</td>
<td>822</td>
<td>613</td>
<td>503822</td>
<td>12/31/2010</td>
<td>TIER 2</td>
<td>0.22</td>
<td>4.38</td>
<td>0.92</td>
<td>0.14</td>
</tr>
</tbody>
</table>
Appendix D

HRA Summary and AAQA
San Joaquin Valley Air Pollution Control District
Risk Management Review

To:        Gurpreet Brar - Permit Services
From:     Cheryl Lawler - Permit Services
Date:     October 23, 2012
Facility Name:    West Star North Dairy
Location:  26953 Riverside Street, Buttonwillow
Application #(s):  S-5138-7-0
Project #:  S-1123792

A. RMR SUMMARY

<table>
<thead>
<tr>
<th>Categories</th>
<th>Emergency Diesel ICE (Unit 7-0)</th>
<th>Project Totals</th>
<th>Facility Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prioritization Score</td>
<td>N/A&lt;sup&gt;1&lt;/sup&gt;</td>
<td>N/A&lt;sup&gt;1&lt;/sup&gt;</td>
<td>&gt;1</td>
</tr>
<tr>
<td>Acute Hazard Index</td>
<td>N/A&lt;sup&gt;2&lt;/sup&gt;</td>
<td>N/A&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.00</td>
</tr>
<tr>
<td>Chronic Hazard Index</td>
<td>N/A&lt;sup&gt;2&lt;/sup&gt;</td>
<td>N/A&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.00</td>
</tr>
<tr>
<td>Maximum Individual Cancer Risk</td>
<td>3.4E-07</td>
<td>3.4E-07</td>
<td>3.4E-07</td>
</tr>
<tr>
<td>T-BACT Required?</td>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Permit Conditions?</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Prioritization for this unit was not conducted since it has been determined that all diesel-fired IC engines will result in a prioritization score greater than 1.0.
2 Acute and Chronic Hazard Indices were not calculated since there is no risk factor, or the risk factor is so low that the risk has been determined to be insignificant for this type of unit.

**Proposed Permit Conditions**

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

**Unit 7-0**

1. The PM10 emissions rate shall not exceed 0.12 g/bhp-hr based on US EPA certification using ISO 8178 test procedure. [District Rules 2201]
2. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
3. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 100 hours per calendar year. [District Rule 4702 and 17 CCR 93115]
B. RMR REPORT

I. Project Description

Technical Services received a request on October 16, 2012, to perform an Ambient Air Quality Analysis (AAQA) and a Risk Management Review (RMR) for a 1495 bhp emergency diesel IC engine.

II. Analysis

Technical Services performed a screening level health risk assessment using the District developed DICE database.

The following parameters were used for the review:

<table>
<thead>
<tr>
<th>Analysis Parameters</th>
<th>Unit 7-0</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Source Type</strong></td>
<td>Point</td>
</tr>
<tr>
<td>BHP</td>
<td>1495</td>
</tr>
<tr>
<td>Closest Receptor (m)</td>
<td>521</td>
</tr>
<tr>
<td>Max Hours per Year</td>
<td>100</td>
</tr>
</tbody>
</table>

Technical Services also performed modeling for criteria pollutants NO$_x$, SO$_x$, PM$_{10}$, and PM$_{2.5}$; as well as the RMR. The emission rates used for criteria pollutant modeling were 1318 lb/yr NO$_x$, 2 lb/yr SO$_x$, 40 lb/yr PM$_{10}$, and 40 lb/yr PM$_{2.5}$.

The results from the Criteria Pollutant Modeling are as follows:

**Criteria Pollutant Modeling Results**

<table>
<thead>
<tr>
<th>Diesel ICE</th>
<th>1 Hour</th>
<th>3 Hours</th>
<th>8 Hours</th>
<th>24 Hours</th>
<th>Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO</td>
<td>NA$^1$</td>
<td>X</td>
<td>NA$^1$</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>NO$_x$</td>
<td>NA$^1$</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Pass</td>
</tr>
<tr>
<td>SO$_x$</td>
<td>NA$^1$</td>
<td>NA$^1$</td>
<td>X</td>
<td>NA$^1$</td>
<td>Pass</td>
</tr>
<tr>
<td>PM$_{10}$</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>NA$^1$</td>
<td>Pass$^2$</td>
</tr>
<tr>
<td>PM$_{2.5}$</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>NA$^1$</td>
<td>Pass$^2$</td>
</tr>
</tbody>
</table>

*Results were taken from the attached PSD spreadsheet.

$^1$The project is an intermittent source as defined in APR-1920. In accordance with APR-1920, compliance with short-term (i.e., 1-hour, 3-hour, 8-hour, and 24-hour) standards is not required.

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

III. Conclusions

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

The cancer risk associated with the operation of the proposed diesel IC engine is less than 1.0 in a million. In accordance with the District’s Risk Management Policy, the project is approved **without** Toxic Best Available Control Technology (T-BACT) for PM10.
To ensure that human health risks will not exceed District allowable levels; the permit conditions listed on page 1 of this report must be included for the proposed unit.

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

QNEC Calculations
Quarterly Net Emissions Change (QNEC)

The Quarterly Net Emissions Change is used to complete the emission profile screen for the District’s PAS database. The QNEC shall be calculated as follows:

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

\[
\begin{align*}
\text{QNEC} &= \text{Quarterly Net Emissions Change for each emissions unit, lb/qtr} \\
\text{PE2} &= \text{Post-Project Potential to Emit for each emissions unit, lb/qtr} \\
\text{PE1} &= \text{Pre-Project Potential to Emit for each emissions unit, lb/qtr}
\end{align*}
\]

Since this is a new unit, \( \text{PE1} = 0 \) for all pollutants. Thus, \( \text{QNEC} = \text{PE2} \) (lb/qtr).

Using the \( \text{PE2} \) (lb/yr) values calculated in Section VII.C.2, Quarterly \( \text{PE2} \) is calculated as follows:

\[
\text{PE2}_{\text{quarterly}} = \frac{\text{PE2} \ \text{(lb/yr)}}{4 \ \text{quarters/year}} = \text{QNEC}
\]

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>PE2 Total (lb/yr)</th>
<th>Quarterly PE2 (lb/qtr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO(_x)</td>
<td>1,318</td>
<td>329.5</td>
</tr>
<tr>
<td>SO(_x)</td>
<td>2</td>
<td>0.5</td>
</tr>
<tr>
<td>PM(_{10})</td>
<td>40</td>
<td>10.0</td>
</tr>
<tr>
<td>CO</td>
<td>396</td>
<td>99.0</td>
</tr>
<tr>
<td>VOC</td>
<td>49</td>
<td>12.3</td>
</tr>
</tbody>
</table>