SEP 21 2018
Larry Pietrowski
Costa View Farms
16800 Road 15
Madera, CA 93637

Re: Notice of Preliminary Decision - Authority to Construct
Facility Number: C-5467
Project Number: C-1182522

Dear Mr. Pietrowski:

Enclosed for your review and comment is the District’s analysis of Costa View Farms’ application for an Authority to Construct for the replacement of a 700 bhp Cummins Tier 0 certified diesel-fired emergency standby internal combustion (IC) engine powering an electrical generator with a 755 bhp Cummins model QSX15-G9 Tier 2 certified diesel-fired emergency standby IC engine powering an electrical generator, at 16800 Road 15, Madera, CA.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. After addressing all comments made during the 30-day public notice period, the District intends to issue the Authority to Construct. Please submit your written comments on this project within the 30-day public comment period, as specified in the enclosed public notice.

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact Mr. Jonah Aiyabei of Permit Services at (559) 230-5910.

Sincerely,

Arnaud Marjollet
Director of Permit Services

AM:jk

Enclosures

cc: Tung Le, CARB (w/ enclosure) via email
San Joaquin Valley Air Pollution Control District
Authority to Construct Application Review
Diesel-Fired Emergency Standby IC Engine Replacement

Facility Name: Costa View Farms
Mailing Address: 16800 Road 15
Madera, CA 93637
Date: September 13, 2018
Engineer: Jonah Aiyabei
Lead Engineer: Dustin Brown

Contact Person: Larry Pietrowski
Telephone: (559) 675-3131
Application #: C-5467-23-0
Project #: C-1182522
Complete: August 23, 2018

I. Proposal

Costa View Farms has applied for an Authority to Construct (ATC) permit to replace an existing 700 bhp Cummins model V12/VTA17107700 Tier 0 certified diesel-fired emergency standby internal combustion (IC) engine powering an electrical generator with a 755 bhp Cummins model QSX15-G9 Tier 2 certified diesel-fired emergency standby IC engine powering an electrical generator. The existing IC engine is currently permitted as C-5467-10-0.

The proposed engine qualifies as a replacement emissions unit pursuant to the provisions of District Rule 2201, Section 3.35. The following permit condition will be placed on the ATC permit to ensure compliance with the replacement provisions:

- Within 90 days of the startup of the equipment authorized by this Authority to Construct (ATC), Permit to Operate C-5467-10-0 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable. [District Rule 2201]

The draft ATC permit for the proposed replacement engine is included in Appendix A. A copy of Permit to Operate C-5467-10-0 for the existing engine is included in Appendix B.

II. Applicable Rules

Rule 1070 Inspections (12/17/92)
Rule 2201 New and Modified Stationary Source Review Rule (2/18/16)
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  Internal Combustion Engines – Phase 1 (8/21/03)
Rule 4702  Internal Combustion Engines (11/14/13)
Rule 4801  Sulfur Compounds (12/17/92)
CH&SC 41700  Health Risk Assessment
CH&SC 42301.6  School Notice
Title 17 CCR, Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines
Public Resources Code 21000-21177: California Environmental Quality Act (CEQA)
California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387; CEQA Guidelines

III. Project Location

The facility is located at 16800 Road 15 in Madera. The District has verified that the equipment is not located within 1,000 feet of the outer boundary of a K-12 school. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to this project.

IV. Process Description

The 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

C-5467-23-0:  755 BHP CUMMINS MODEL QSX15-G9 TIER 2 CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE POWERING AN ELECTRICAL GENERATOR (REPLACEMENT FOR UNIT C-5467-10)

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 meets the highest applicable tier certification requirements. The engine therefore meets the latest ARB/EPA emissions standards for diesel particulate matter, hydrocarbons, nitrogen oxides, and carbon monoxide.

The use of very low-sulfur diesel fuel (0.0015% by weight sulfur maximum) reduces SOx emissions by over 99% from standard diesel fuel.
VII. General Calculations

A. Assumptions

Emergency operating schedule: 24 hours/day  
Non-emergency operating schedule: 100 hours/year  
Density of diesel fuel: 7.1 lb/gal  
EPA F-factor (adjusted to 60 °F): 9,051 dscf/MMBtu  
Fuel heating value: 137,000 Btu/gal  
BHP to Btu/hr conversion: 2,542.5 Btu/bhp-hr  
Thermal efficiency of engine: commonly ≈ 35%  
PM\text{10} fraction of diesel exhaust: 0.96 (CARB, 1988)  
Conversion factor: 1.341 bhp/kw  

To streamline emissions calculations, PM\text{2.5} emissions are assumed to be equal to PM\text{10} emissions. Only if needed to determine if a project is a Federal major modification for PM\text{2.5} will specific PM\text{2.5} emission calculations be performed.

The engine has certified NO\text{x} + VOC emissions of 6.4 g/kW-hr. It will be assumed the NO\text{x} + VOC emission factor is split 95% NO\text{x} and 5% VOC (per the Carl Moyer program).

B. Emission Factors

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Emission Factor (g/bhp-hr)</th>
<th>Emission Factor (g/kw-hr)</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO\text{x}</td>
<td>4.53</td>
<td>6.08</td>
<td>Certification*</td>
</tr>
<tr>
<td>SO\text{x}</td>
<td>0.0051</td>
<td>-</td>
<td>Mass Balance Equation Below</td>
</tr>
<tr>
<td>PM\text{10}</td>
<td>0.149</td>
<td>0.20</td>
<td>Certification</td>
</tr>
<tr>
<td>CO</td>
<td>2.6</td>
<td>3.5</td>
<td>Certification</td>
</tr>
<tr>
<td>VOC</td>
<td>0.24</td>
<td>0.32</td>
<td>Certification</td>
</tr>
</tbody>
</table>

*The applicant has proposed the Tier 2 certification standards. The values listed in EPA's database for this engine's family number (CEXL015.AAB) are slightly lower than the certification standards.

\[
\frac{0.000015 \text{ lb } - S}{\text{gallon}} \times \frac{7.1 \text{ lb } - \text{ fuel}}{\text{gallon}} \times \frac{2 \text{ lb } - \text{ SO}_2}{\text{gallon}} \times \frac{1 \text{ gal}}{1 \text{ h}} \times \frac{\text{L h input}}{1 \text{ bhp}} \times \frac{2,542.5 \text{ Btu}}{1 \text{ Btu } - \text{ hr}} \times \frac{453.6 \text{ g}}{1 \text{ lb}} = \frac{g - \text{SO}_2}{\text{bhp } - \text{ hr}}
\]

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 PE2 are calculated as follows:

\[
\text{Daily PE2 (lb-pollutant/day)} = \frac{\text{EF (g-pollutant/bhp-hr)} \times \text{rating (bhp)}}{\text{operation (hr/day)}} / 453.6 \text{ g/lb}
\]

\[
\text{Annual PE2 (lb-pollutant/yr)} = \frac{\text{EF (g-pollutant/bhp-hr)} \times \text{rating (bhp)}}{\text{operation (hr/yr)}} / 453.6 \text{ g/lb}
\]

The PE2 Calculations are summarized in the following table:

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Emissions Factor (g/bhp-hr)</th>
<th>Rating (bhp)</th>
<th>Daily Hours of Operation (hrs/day)</th>
<th>Annual Hours of Operation (hrs/year)</th>
<th>Daily PE2 (lb/day)</th>
<th>Annual PE2 (lb/yr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO\textsubscript{x}</td>
<td>4.53</td>
<td>755</td>
<td>24</td>
<td>100</td>
<td>181.0</td>
<td>754</td>
</tr>
<tr>
<td>SO\textsubscript{x}</td>
<td>0.0051</td>
<td>755</td>
<td>24</td>
<td>100</td>
<td>0.2</td>
<td>1</td>
</tr>
<tr>
<td>PM\textsubscript{10}</td>
<td>0.149</td>
<td>755</td>
<td>24</td>
<td>100</td>
<td>6.0</td>
<td>25</td>
</tr>
<tr>
<td>CO</td>
<td>2.6</td>
<td>755</td>
<td>24</td>
<td>100</td>
<td>103.9</td>
<td>433</td>
</tr>
<tr>
<td>VOC</td>
<td>0.24</td>
<td>755</td>
<td>24</td>
<td>100</td>
<td>9.6</td>
<td>40</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.

This facility does not have any ERCs. Based on the PE calculations recently conducted in project C-1170174 (finalized on June 6, 2017), SSPE1 is as summarized in the following table:
SSPE1 (lb/year)

<table>
<thead>
<tr>
<th>Permit Unit</th>
<th>NOx</th>
<th>SOx</th>
<th>PM10</th>
<th>CO</th>
<th>VOC</th>
<th>NH3</th>
<th>H2S</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-5467-1-3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,649</td>
<td>906</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-2-4</td>
<td>0</td>
<td>0</td>
<td>76,969</td>
<td>0</td>
<td>98,541</td>
<td>187,660</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-3-4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>24,033</td>
<td>67,291</td>
<td>1,054</td>
</tr>
<tr>
<td>C-5467-4-2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,801</td>
<td>25,181</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-10-0</td>
<td>1,543</td>
<td>1</td>
<td>73</td>
<td>469</td>
<td>176</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-11-0</td>
<td>882</td>
<td>0</td>
<td>42</td>
<td>268</td>
<td>101</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-12-0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3,915</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-14-1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>113,132</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>SSPE1</strong></td>
<td><strong>2,425</strong></td>
<td><strong>1</strong></td>
<td><strong>77,084</strong></td>
<td><strong>737</strong></td>
<td><strong>247,348</strong></td>
<td><strong>281,038</strong></td>
<td><strong>1,054</strong></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 SSPE is due to the replacement of permit unit C-5467-10 with the newly proposed unit C-5467-23. Based on these changes, the SSPE2 is as summarized in the following table:

SSPE2 (lb/year)

<table>
<thead>
<tr>
<th>Permit Unit</th>
<th>NOx</th>
<th>SOx</th>
<th>PM10</th>
<th>CO</th>
<th>VOC</th>
<th>NH3</th>
<th>H2S</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-5467-1-3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,649</td>
<td>906</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-2-4</td>
<td>0</td>
<td>0</td>
<td>76,969</td>
<td>0</td>
<td>98,541</td>
<td>187,660</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-3-4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>24,033</td>
<td>67,291</td>
<td>1,054</td>
</tr>
<tr>
<td>C-5467-4-2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,801</td>
<td>25,181</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-11-0</td>
<td>882</td>
<td>0</td>
<td>42</td>
<td>268</td>
<td>101</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-12-0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3,915</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-14-1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>113,132</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-23-0</td>
<td>754</td>
<td>1</td>
<td>25</td>
<td>433</td>
<td>40</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>SSPE2</strong></td>
<td><strong>1,636</strong></td>
<td><strong>1</strong></td>
<td><strong>77,036</strong></td>
<td><strong>701</strong></td>
<td><strong>247,212</strong></td>
<td><strong>281,038</strong></td>
<td><strong>1,054</strong></td>
</tr>
</tbody>
</table>
5. Major Source Determination

**Rule 2201 Major Source Determination:**

Pursuant to District Rule 2201, a Major Source is a stationary source with a SSPE2 equal to or exceeding one or more of the following threshold values. For the purposes of determining major source status the following shall not be included:

- Any ERCs associated with the stationary source
- Emissions from non-road IC engines (i.e. IC engines at a particular site at the facility for less than 12 months)
- Fugitive emissions, except for the specific source categories specified in 40 CFR 51.165

Since agricultural operations do not fall under any of the specific source categories specified in 40 CFR 51.165, fugitive emissions are not counted when determining if an agricultural operation is a major source.

Since emissions at this facility are not actually collected, a determination of whether emissions could be reasonably collected must be made by the permitting authority. The California Air Pollution Control Association (CAPCOA) prepared guidance in 2005 for estimating potential to emit of Volatile Organic Compounds from dairy farms. The guidance states that “VOC emissions from the milking centers, cow housing areas, corrals, common manure storage areas, and land application of manure are not physically contained and could not reasonably pass through a stack, chimney, vent, or other functionally-equivalent opening. No collection technologies currently exist for VOC emissions from these emissions units. Therefore, the VOC emissions from these sources are considered fugitive.” The guidance also concludes that, because VOC collection technologies do exist for liquid waste systems at dairies, “... the VOC emissions from waste lagoons and storage ponds are considered non-fugitive.”

The District has researched this issue and concurs with the CAPCOA assessment. All fugitive emissions are excluded from the Major Source determination.

Based on the PE calculations recently conducted in project C-1170174 (finalized on June 6, 2017), the non-fugitive SSPE1 for this facility is as summarized in the following table:
Non-Fugitive SSPE1 (lb/year)

<table>
<thead>
<tr>
<th>Permit Unit</th>
<th>NOx</th>
<th>SOx</th>
<th>PM₁₀</th>
<th>CO</th>
<th>VOC</th>
<th>NH₃</th>
<th>H₂S</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-5467-3-4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>11,564</td>
<td>0</td>
<td>1,054</td>
</tr>
<tr>
<td>C-5467-10-0</td>
<td>1,543</td>
<td>1</td>
<td>73</td>
<td>469</td>
<td>176</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-11-0</td>
<td>882</td>
<td>0</td>
<td>42</td>
<td>268</td>
<td>101</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-12-0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3,915</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>2,425</td>
<td>1</td>
<td>115</td>
<td>737</td>
<td>15,756</td>
<td>0</td>
<td>1,054</td>
</tr>
</tbody>
</table>

For this project the change in non-fugitive SSPE is due to the replacement of permit unit C-5467-10 with the newly proposed unit C-5467-23. Based on these changes, the non-fugitive SSPE2 is as summarized in the following table:

Non-Fugitive SSPE2 (lb/year)

<table>
<thead>
<tr>
<th>Permit Unit</th>
<th>NOx</th>
<th>SOx</th>
<th>PM₁₀</th>
<th>CO</th>
<th>VOC</th>
<th>NH₃</th>
<th>H₂S</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-5467-3-4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>11,564</td>
<td>0</td>
<td>1,054</td>
</tr>
<tr>
<td>C-5467-11-0</td>
<td>882</td>
<td>0</td>
<td>42</td>
<td>268</td>
<td>101</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-12-0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3,915</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C-5467-23-0</td>
<td>754</td>
<td>1</td>
<td>25</td>
<td>433</td>
<td>40</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>1,636</td>
<td>1</td>
<td>67</td>
<td>701</td>
<td>15,620</td>
<td>0</td>
<td>1,054</td>
</tr>
</tbody>
</table>

Based on these non-fugitive SSPE values, the major source determination is as summarized in the following table:

Rule 2201 Major Source Determination
(lb/year)

<table>
<thead>
<tr>
<th></th>
<th>NOx</th>
<th>SOx</th>
<th>PM₁₀</th>
<th>PM₂,₅</th>
<th>CO</th>
<th>VOC</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSPE1</td>
<td>2,425</td>
<td>1</td>
<td>115</td>
<td>115</td>
<td>737</td>
<td>15,756</td>
</tr>
<tr>
<td>SSPE2</td>
<td>1,636</td>
<td>1</td>
<td>67</td>
<td>67</td>
<td>701</td>
<td>15,620</td>
</tr>
<tr>
<td>Major Source Threshold</td>
<td>20,000</td>
<td>140,000</td>
<td>140,000</td>
<td>140,000</td>
<td>200,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Major Source?</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Note: PM2.5 assumed to be equal to PM10

As shown in the table above, the facility is not an existing Major Source and is not becoming a Major Source as a result of this project.
Rule 2410 Major Source Determination:

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(i). Therefore, the following PSD Major Source thresholds are applicable and fugitive emissions are not considered when determining if the operation is a PSD Major Source. Therefore, only emissions from the lagoons/storage ponds, IC engines, and gasoline dispensing operation will be used to determine if this facility is an existing PSD major source.

<table>
<thead>
<tr>
<th>PSD Major Source Determination (tons/year)</th>
<th>NO₂</th>
<th>VOC</th>
<th>SO₂</th>
<th>CO</th>
<th>PM</th>
<th>PM₁₀</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Facility PE before Project Increase</td>
<td>1.2</td>
<td>7.8</td>
<td>0.0</td>
<td>0.4</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>PSD Major Source Thresholds</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td>PSD Major Source? (Y/N)</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
</tr>
</tbody>
</table>

As shown above, the facility is not an existing major source for PSD for at least one pollutant. Therefore the facility is not an existing major source for PSD.

6. Baseline Emissions (BE)

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.

9. Rule 2410 – Prevention of Significant Deterioration (PSD) Applicability Determination

Rule 2410 applies to any pollutant regulated under the Clean Air Act, except those for which the District has been classified nonattainment. The pollutants which must be addressed in the PSD applicability determination for sources located in the SJV and which are emitted in this project are: (See 52.21 (b) (23) definition of significant)

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

I. Project Emissions Increase - New Major Source Determination

The post-project potentials to emit from all new and modified units are compared to the PSD major source thresholds to determine if the project constitutes a new major source subject to PSD requirements.

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(i). The PSD Major Source threshold is 250 tpy for any regulated NSR pollutant:
<table>
<thead>
<tr>
<th>PSD Major Source Determination: Potential to Emit (tons/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO₂</td>
</tr>
<tr>
<td>Total PE from New and Modified Units</td>
</tr>
<tr>
<td>PSD Major Source threshold</td>
</tr>
<tr>
<td>New PSD Major Source?</td>
</tr>
</tbody>
</table>

As shown in the table above, the potential to emit for the project, by itself, does not exceed any PSD major source threshold. Therefore Rule 2410 is not applicable and no further analysis is required.

10. Quarterly Net Emissions Change (QNEC)

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

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 ATC to ensure compliance:

- \{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]

- \{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]
A. Best Available Control Technology (BACT)

1. BACT Applicability

The proposed engine qualifies as a replacement emissions unit. Pursuant to Section 3.35, replacement emissions units must meet the following criteria:

3.35.1 – No increase in permitted emissions from the replacement unit

As shown in Sections VII.C.3 and VII.C.4 of this evaluation, the replacement engine’s PE is lower than the existing engine’s PE. The proposed replacement therefore meets this criterion.

3.35.2 – No increase in design capacity (max. 10% increase if identical unit is no longer available)

The increase in the brake horsepower rating of the replacement engine is less than 10% of the existing engine, which is within the allowable range.

3.35.3 – Replacement equipment performs the same function as the equipment being replaced

The replacement engine will be used only for emergency standby purposes served by the existing engine.

3.35.4 – Replacement does not constitute a reconstructed source or a reconstruction\(^1\)

The proposed engine will perform a support function and is not part of the core business of the facility (dairy operation). The capital cost of the proposed replacement is therefore clearly insignificant in relation to the total capital cost of this type of facility. The replacement is therefore not expected to constitute a reconstruction.

3.35.5 – BARCT rule or control device capable of at least 85% emission control

When the entire emissions unit is replaced as a replacement action, the emissions unit shall either have been addressed by a BARCT rule or shall be equipped with a control device capable of at least 85% emission control. The engine to be replaced has been addressed by District Rule 4702, which is a BARCT rule. The proposed replacement therefore meets this criterion.

---

1 A reconstructed source occurs when the fixed capital cost of the new components exceeds 50% of the fixed capital cost of a comparable, entirely new stationary source.
Pursuant to Section 4.2.6, replacement emissions units are exempt from BACT. Since the proposed engine is a replacement emissions unit, as discussed above, BACT is not required for this project.

B. Offsets

1. Offsets Applicability

Pursuant to Section 4.6.2 of this rule, offsets are not required for emergency IC engines. The engine in this project is an emergency IC engine; therefore, this exemption is applicable to this project.

However, even when there is an applicable exemption, the SSPE2 values are compared to the offset threshold to determine if offsets are triggered. In its PAS database, the District keeps track of facilities where offsets are triggered but an exemption applies. The SSPE2 values are compared to the offset trigger thresholds in the following table:

<table>
<thead>
<tr>
<th>Offset Determination (lb/year)</th>
<th>NOx</th>
<th>SOx</th>
<th>PM10</th>
<th>CO</th>
<th>VOC</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSPE2</td>
<td>1,636</td>
<td>1</td>
<td>77,036</td>
<td>701</td>
<td>247,212</td>
</tr>
<tr>
<td>Offset Thresholds</td>
<td>20,000</td>
<td>54,750</td>
<td>29,200</td>
<td>200,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Offsets triggered?</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

2. Quantity of Offsets Required

As shown in the table above, offsets are triggered for PM10 and VOC emissions since the PM10 and VOC SSPE2 exceed the offset trigger thresholds. However, as previously discussed, the offset exemption from Section 4.6.2 of District Rule 2201 is applicable to this project, hence offset calculations are not necessary and offsets are not required.

C. Public Notification

1. Applicability

Public noticing is required for:

a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications,

b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,

c. Any project which results in the offset thresholds being surpassed,

d. Any project with an SSIPPE of greater than 20,000 lb/year for any pollutant, and/or

e. Any project which results in a Title V significant permit modification.
a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications

New major sources are new facilities, which are also major sources. Since this is not a new facility, public noticin is not required for this project for new major source purposes.

As demonstrated in Sections VII.C.7 and VII.C.8, this project does not constitute an SB 288 or Federal Major Modification; therefore, public noticing for SB 288 or Federal Major Modification purposes is not required.

b. PE > 100 lb/day

Applications which include a new emissions unit with a PE greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. As shown in Section VII.C.2 of this evaluation, this project includes a new emissions unit with a PE greater than 100 lb/day for NOx and CO. Public noticing for PE > 100 lb/day purposes is therefore required.

c. Offset Threshold

The following table compares the SSPE1 with the SSPE2 in order to determine if any offset thresholds have been surpassed with this project:

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>SSPE1 (lb/year)</th>
<th>SSPE2 (lb/year)</th>
<th>Offset Threshold</th>
<th>Public Notice Required?</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>2,425</td>
<td>1,636</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>SOx</td>
<td>1</td>
<td>1</td>
<td>54,750 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>PM10</td>
<td>77,084</td>
<td>77,036</td>
<td>29,200 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>CO</td>
<td>737</td>
<td>701</td>
<td>200,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>VOC</td>
<td>247,348</td>
<td>247,212</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
</tbody>
</table>

As shown above, there were no thresholds surpassed with this project; therefore public noticing is not required for offset purposes.

d. SSIPJE > 20,000 lb/year

Public notification is required for any permitting action that results in a Stationary Source Increase in Permitted Emissions (SSIPE) of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE is calculated as the Post Project Stationary Source Potential to Emit (SSPE2) minus the Pre-Project Stationary Source Potential to Emit (SSPE1), i.e. SSIPE = SSPE2 – SSPE1. The values for SSPE1 and SSPE2 are calculated according to Rule 2201, Sections 4.9 and 4.10, respectively. The SSIPE is compared to the SSIPE Public Notice thresholds in the following


<table>
<thead>
<tr>
<th>Pollutant</th>
<th>SSPE2 (lb/year)</th>
<th>SSPE1 (lb/year)</th>
<th>SSPE (lb/year)</th>
<th>SSPE Public Notice Threshold</th>
<th>Public Notice Required?</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOx</td>
<td>1,636</td>
<td>2,425</td>
<td>-789</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>SOx</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>PM10</td>
<td>77,036</td>
<td>77,084</td>
<td>-48</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>CO</td>
<td>701</td>
<td>737</td>
<td>-36</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>VOC</td>
<td>247,212</td>
<td>247,348</td>
<td>-136</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>NH3</td>
<td>281,038</td>
<td>281,038</td>
<td>0</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
<tr>
<td>H2S</td>
<td>1,054</td>
<td>1,054</td>
<td>0</td>
<td>20,000 lb/year</td>
<td>No</td>
</tr>
</tbody>
</table>

As shown in the preceding table, the SSIPEs for all pollutants were less than 20,000 lb/year; therefore public noticing for SSIPE purposes is not required.

e. Title V Significant Permit Modification

Since this facility does not have a Title V operating, this change is not a Title V significant Modification, and therefore public noticing is not required.

2. Public Notice Action

As demonstrated above, this project will require public noticing. 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: 4.53 g-NOx/bhp-hr, 2.6 g-CO/bhp-hr, or 0.24 g-VOC/bhp-hr. [District Rule 2201]

- Emissions from this IC engine shall not exceed 0.149 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102; and 17 CCR 93115]
• Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801; and 17 CCR 93115]

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.

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)

An AAQA is required for any project which has an increase in emissions and triggers public notification requirements. Since the proposed project does not result in any increase in emissions, an AAQA is not required.

Rule 2520 Federally Mandated Operating Permits

Since this facility's potential to emit does not exceed any major source thresholds of Rule 2201, this facility is not a major source, and Rule 2520 does not apply.

Rule 4001 New Source Performance Standards (NSPS)

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

The District has not been delegated the authority to implement Subpart III requirements for non-Major Sources; therefore, no requirements shall be included on the permit.
Rule 4002 National Emission Standards for Hazardous Air Pollutants


The District has not been delegated the authority to implement NESHAP regulations for area source requirements for non-Major Sources of criteria pollutants.

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 placed on the permit 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 placed on the permit 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. However, as previously discussed under the Rule 2201 compliance discussion section, the proposed engine qualifies as a replacement emissions unit. Pursuant to District practice, replacement units are not subject to a Risk Management Review (RMR) because no increase in emissions is authorized.
Rule 4201 Particulate Matter Concentration

Rule 4201 limits particulate matter emissions from any single source operation to 0.1 g/dscf, which, as calculated below, is equivalent to a PM$_{10}$ emission factor of 0.4 g-PM$_{10}$/bhp-hr.

\[
0.1 \frac{\text{grain-PM}}{\text{dscf}} \times \frac{g}{15.43 \text{grain}} \times \frac{1 \text{Btu}_{\text{in}}}{0.35 \text{Btu}_{\text{out}}} \times \frac{9.051 \text{dscf}}{10^6 \text{Btu}} \times \frac{2.542 \text{Btu}}{1 \text{bhp-hr}} \times \frac{0.96 \text{g-PM}_{10}}{1 \text{g-PM}} = 0.4 \frac{\text{g-PM}_{10}}{\text{bhp-hr}}
\]

The proposed engine has a PM$_{10}$ emission factor less than 0.4 g/bhp-hr. Therefore, compliance is expected and the following condition will be placed on the permit:

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

Rule 4701 Internal Combustion Engines – Phase 1

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. Except as provided in Section 4.0, the provisions of this rule apply to any internal combustion engine, rated greater than 50 bhp, that requires a PTO.

Section 4.1 of the rule specifically exempts IC engines in agricultural operations used for the growing of crops or raising of fowl or animals. Since the proposed engine will be used for the growing of crops or raising of fowl or animals, it is exempt from the requirements of this rule. Therefore, the following condition will be placed on the permit to ensure compliance.

- [4002] 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 Rules 4701 and 4702, and 17 CCR 93115]

Rule 4702 Internal Combustion Engines

The following summarizes District Rule 4702 requirements for emergency standby IC engines:

1. Operation of emergency standby engines is limited to 100 hours or less per calendar year for non-emergency purposes. The following condition will be placed on the permit:

- [4775] 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 Rules 2201 and 4702]
2. Properly operate and maintain each engine as recommended by the engine manufacturer or emission control system supplier. The following condition will be placed on the permit:

   • {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]

3. Monitor the operational characteristics of each engine as recommended by the engine manufacturer or emission control system supplier. The following condition will be placed on the permit:

   • {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]

4. Install and operate a nonresettable elapsed time meter. In lieu of installing a nonresettable elapsed time meter, the operator may use an alternative device, method, or technique, in determining operating time provided that the alternative is approved by the APCO and EPA and is allowed by Permit-to-Operate condition. The operator shall properly maintain and operate the nonresettable elapsed time meter or alternative device in accordance with the manufacturer's instructions. The following condition will be placed on the permit:

   • {4749} This engine shall be equipped with a non-resettable hour meter with a minimum display capability of 9,999 hours, unless the District determines that a non-resettable hour meter with a different minimum display capability is appropriate in consideration of the historical use of the engine and the owner or operator's compliance history. [District Rule 4702 and 17 CCR 93115]

5. Emergency standby engines cannot be used to reduce the demand for electrical power when normal electrical power line service has not failed, or to produce power for the electrical distribution system, or in conjunction with a voluntary utility demand reduction program or interruptible power contract. The following conditions will be placed on the permit:

   • {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]

6. Records of the total hours of operation, type of fuel used, purpose for operating the engine, all hours of non-emergency and emergency operation, and other support documentation must be maintained. All records shall be retained for a period of at least five years, shall be readily available, and be made available to the APCO upon request. The following conditions will be placed on the permit:

• {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]

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

• {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]

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:

 Volume SO₂ = (n x R x T) / P  
 n = moles SO₂  
 T (standard temperature) = 60 °F or 520 °R  
 R (universal gas constant) = \( \frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot \text{°R}} \)  

\[ \frac{0.000015 \text{ lb-S}}{\text{gal}} \times \frac{7.1 \text{ lb}}{32 \text{ lb-S}} \times \frac{64 \text{ lb-SO}_2}{1 \text{ gal}} \times \frac{1 \text{ MMBtu}}{0.137 \text{ MMBtu}} \times \frac{1 \text{ gal}}{64 \text{ lb-SO}_2} \times \frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot \text{°R}} \times \frac{520 \text{ °R}}{14.7 \text{ psi}} \times \frac{1,000,000}{1 \text{ ppmv}} = 1.0 \text{ ppmv} \]

Since 1.0 ppmv is ≤ 2,000 ppmv, this engine is expected to comply with Rule 4801. Therefore, the following condition will be placed on the permit 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 III]

California Health & Safety Code 42301.6 (School Notice)

The District has verified that this site is not located within 1,000 feet of a school. Therefore, pursuant to California Health and Safety Code 42301.6, a school notice is not required.

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>The requirements in Sections 93115.6, 93115.7, and 93115.10(a) do not apply to new stationary diesel-fueled CI engines used in agricultural operations.</td>
<td>The following condition will be placed on the permit:</td>
</tr>
<tr>
<td>Emergency engine(s) must be fired on CARB diesel fuel, or an approved alternative diesel fuel.</td>
<td>• {4002} 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 Rules 4701 and 4702, and 17 CCR 93115]</td>
</tr>
<tr>
<td>The engine(s) must meet Table 6 of the ATCM, which requires the Off-road engine certification standard for the specific power rating of the proposed engine on the date of acquisition (purchase date) or permit application submittal to the District, whichever is earliest.</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>For emergency engines, the Off-road engine certification standards are identified in Table 1 of the ATCM(^2). The applicant has proposed the use of an emergency engine that meets the Table 1 emission standards (Off-road engine certification standards) for the applicable horsepower range).</td>
<td></td>
</tr>
</tbody>
</table>

\(^2\) Although Section 93115.8 of the ATCM states that new IC engines used in agricultural operations must meet the emissions limits in Table 6, the ATCM staff report clarifies that all new emergency standby IC engines must meet the emissions limits specified in Table 1 of the ATCM. This eliminates the requirement that new agricultural emergency standby IC engines would otherwise have to meet the after-treatment based Tier 4 standards specified in Table 6.
A non-resettable hour meter with a minimum display capability of 9,999 hours shall be installed upon engine installation, or by no later than January 1, 2005, on all engines subject to all or part of the requirements of sections 93115.6, 93115.7, or 93115.8(a) unless the District determines on a case-by-case basis that a non-resettable hour meter with a different minimum display capability is appropriate in consideration of the historical use of the engine and the owner or operator’s compliance history.

<table>
<thead>
<tr>
<th>The following condition will be placed on the permit:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- (4749) This engine shall be equipped with a non-</td>
</tr>
<tr>
<td>resettable hour meter with a minimum display capability</td>
</tr>
<tr>
<td>of 9,999 hours, unless the District determines that a</td>
</tr>
<tr>
<td>non-resettable hour meter with a different minimum display</td>
</tr>
<tr>
<td>capability is appropriate in consideration of the historical use</td>
</tr>
<tr>
<td>of the engine and the owner or operator’s compliance history.</td>
</tr>
<tr>
<td>[District Rule 4702 and 17 CCR 93115]</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Permit conditions enforcing these requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>were shown earlier in the evaluation.</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.

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 placed on the permit:

- {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].

**Indemnification Agreement/Letter of Credit Determination**

According to District Policy APR 2010 (CEQA Implementation Policy), when the District is the Lead or Responsible Agency for CEQA purposes, an indemnification agreement and/or a letter of credit may be required. The decision to require an indemnity agreement and/or a letter of credit is based on a case-by-case analysis of a particular project's potential for litigation risk, which in turn may be based on a project's potential to generate public concern, its potential for significant impacts, and the project proponent's ability to pay for the costs of litigation without a letter of credit, among other factors.

As described above, the project requires only ministerial approval, and is exempt from the provisions of CEQA. As such, an Indemnification Agreement or a Letter of Credit will not be required for this project in the absence of expressed public concern.

**IX. Recommendation**

Pending a successful NSR Public Noticing period, issue Authority to Construct C-5467-23-0 subject to the permit conditions on the attached draft Authority to Construct in Appendix A.
X. Billing Information

<table>
<thead>
<tr>
<th>Permit Number</th>
<th>Fee Schedule</th>
<th>Fee Description</th>
<th>Fee Amount</th>
</tr>
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<td>C-5467-23-0</td>
<td>3020-10-D</td>
<td>755 hp</td>
<td>$551</td>
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</table>

XI. Appendices

A: Draft ATC
B: Existing Engine PTO
C: QNEC Calculations
Appendix A

Draft ATC
AUTHORITY TO CONSTRUCT

PERMIT NO: C-5467-23-0

LEGAL OWNER OR OPERATOR: COSTA VIEW FARMS
MAILING ADDRESS: 16800 ROAD 15
                 MADERA, CA 93637

LOCATION: 16800 ROAD 15
           MADERA, CA 93637

EQUIPMENT DESCRIPTION:
755 BHP CUMMINS MODEL QSX15-G9 TIER 2 CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE POWERING AN ELECTRICAL GENERATOR (REPLACEMENT FOR UNIT C-5467-10)

CONDITIONS

1. Within 90 days of the startup of the equipment authorized by this Authority to Construct (ATC), Permit to Operate C-5467-10-0 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable. [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. {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 (559) 230-5950 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.

Samir Sheikh, Executive Director / APCO

Arnaud Marjolle, Director of Permit Services

C-5467-230: Sep 19, 2018 2:39AM - A74861 - Final Inspection NRT Required
Central Regional Office • 1990 E. Gettysburg Ave. • Fresno, CA 93726 • (559) 230-5900 • Fax (559) 230-6061
7. {14} Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

8. {4002} 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 Rules 4701 and 4702, and 17 CCR 93115]

9. {4749} This engine shall be equipped with a non-resettable hour meter with a minimum display capability of 9,999 hours, unless the District determines that a non-resettable hour meter with a different minimum display capability is appropriate in consideration of the historical use of the engine and the owner or operator's compliance history. [District Rule 4702 and 17 CCR 93115]

10. {4258} Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801, and 17 CCR 93115]

11. Emissions from this IC engine shall not exceed any of the following limits: 4.53 g-NOx/bhp-hr, 2.6 g-CO/bhp-hr, or 0.24 g-VOC/bhp-hr. [District Rule 2201 and 17 CCR 93115]

12. Emissions from this IC engine shall not exceed 0.149 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rule 2201 and 17 CCR 93115]

13. {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]

14. {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]

15. {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 and 17 CCR 93115]

16. {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 and 17 CCR 93115]

17. {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]

18. {4775} 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 Rules 2201 and 4702]

19. {4263} The permittee shall maintain monthly records of the type of fuel purchased. [District Rule 4702 and 17 CCR 93115]

20. {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

Existing Engine PTO
San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-5467-10-0  EXPIRATION DATE: 12/31/2019

EQUIPMENT DESCRIPTION:
700 BHP CUMMINS MODEL V12/TA1710700 DIESEL-FIRED EMERGENCY STANDBY IC ENGINE POWERING AN ELECTRICAL GENERATOR

PERMIT UNIT REQUIREMENTS

1. 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]

2. 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]

3. 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]

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

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

6. 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]

7. 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 Rules 4701 and 4702, and 17 CCR 93115]

8. This engine shall be equipped with a non-resettable hour meter with a minimum display capability of 9,999 hours, unless the District determines that a non-resettable hour meter with a different minimum display capability is appropriate in consideration of the historical use of the engine and the owner or operator's compliance history. [District Rule 4702 and 17 CCR 93115]

9. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rule 4801 and 17 CCR 93115]

10. 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]

11. 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]

12. 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]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.
13. 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 and 17 CCR 93115]

14. 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 and 17 CCR 93115]

15. 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]

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

17. 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 C

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:

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

where:

- QNEC = Quarterly Net Emissions Change for each emissions unit, lb/qtr
- PE2 = Post-Project Potential to Emit for each emissions unit, lb/qtr
- PE1 = Pre-Project Potential to Emit for each emissions unit, lb/qtr

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

Using the annual PE2 values calculated in Section VII.C.2, the QNEC is calculated as follows:

\[ \text{QNEC (lb/qtr)} = \frac{\text{Annual PE2 (lb/yr)}}{4 \text{ qtr/yr}} \]

The QNEC calculations are summarized in the following table:

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<thead>
<tr>
<th>Pollutant</th>
<th>Annual PE2 (lb/yr)</th>
<th>QNEC (lb/qtr)</th>
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