

March 25, 2021

Lauren Marker  
Merced Pipeline, LLC  
3711 Meadow View Dr #100  
Redding, CA 96002

**RE: Notice of Final Action - Authority to Construct**  
**Facility Number: N-9642**  
**Project Number: N-1204397**

Dear Ms. Marker:

The Air Pollution Control Officer has issued the Authority to Construct permit to Merced Pipeline, LLC for a biogas treatment operation, at 1550 Rahilly Rd, Merced, CA. Enclosed are the Authority to Construct permit and a copy of the notice of final action that has been posted on the District's website ([www.valleyair.org](http://www.valleyair.org)).

Notice of the District's preliminary decision to issue the Authority to Construct permit was posted on February 19, 2021. The District's analysis of the proposal was also sent to CARB on February 19, 2021. No comments were received following the District's preliminary decision on this project.

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

**Samir Sheikh**

Executive Director/Air Pollution Control Officer

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**Northern Region**  
4800 Enterprise Way  
Modesto, CA 95356-8718  
Tel: (209) 557-6400 FAX: (209) 557-6475

**Central Region (Main Office)**  
1990 E. Gettysburg Avenue  
Fresno, CA 93726-0244  
Tel: (559) 230-6000 FAX: (559) 230-6061

**Southern Region**  
34946 Flyover Court  
Bakersfield, CA 93308-9725  
Tel: (661) 392-5500 FAX: (661) 392-5585

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Ms. Lauren Marker  
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Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura at (661) 392-5500.

Sincerely,

A handwritten signature in blue ink that reads "Brian Clements". The signature is written in a cursive style with a large initial 'B'.

Brian Clements  
Director of Permit Services

BC:rue

Enclosures

cc: Courtney Graham, CARB (w/ enclosure) via email

Facility # N-9642  
MERCED PIPELINE, LLC  
3711 MEADOW VIEW DR  
SUITE 100  
REDDING, CA 96002-9610

## **AUTHORITY TO CONSTRUCT (ATC)**

### **QUICK START GUIDE**

1. **Pay Invoice:** Please pay enclosed invoice before due date.
2. **Fully Understand ATC:** Make sure you understand ALL conditions in the ATC prior to construction, modification and/or operation.
3. **Follow ATC:** You must construct, modify and/or operate your equipment as specified on the ATC. Any unspecified changes may require a new ATC.
4. **Notify District:** You must notify the District's Compliance Department, at the telephone numbers below, upon start-up and/or operation under the ATC. Please record the date construction or modification commenced and the date the equipment began operation under the ATC. You may NOT operate your equipment until you have notified the District's Compliance Department. A startup inspection may be required prior to receiving your Permit to Operate.
5. **Source Test:** Schedule and perform any required source testing. See [http://www.valleyair.org/busind/comply/source\\_testing.htm](http://www.valleyair.org/busind/comply/source_testing.htm) for source testing resources.
6. **Maintain Records:** Maintain all records required by ATC. Records are reviewed during every inspection (or upon request) and must be retained for at least 5 years. Sample record keeping forms can be found at [http://www.valleyair.org/busind/comply/compliance\\_forms.htm](http://www.valleyair.org/busind/comply/compliance_forms.htm).

By operating in compliance, you are doing your part to improve air quality for all Valley residents.

**For assistance, please contact District Compliance staff at  
any of the telephone numbers listed below.**

**Samir Sheikh**  
Executive Director/Air Pollution Control Officer

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# AUTHORITY TO CONSTRUCT

**PERMIT NO:** N-9642-1-1

**ISSUANCE DATE:** 03/25/2021

**LEGAL OWNER OR OPERATOR:** MERCED PIPELINE, LLC  
**MAILING ADDRESS:** 3711 MEADOW VIEW DR  
SUITE 100  
REDDING, CA 96002-9610

**LOCATION:** 1550 RAHILLY RD  
MERCED, CA 95341

**EQUIPMENT DESCRIPTION:**

BIOGAS CLEANUP PLANT CONSISTING OF H<sub>2</sub>S ACTIVATED CARBON ADSORPTION, CO<sub>2</sub> MEMBRANE REMOVAL SYSTEM, AND 116.4 MMBTU/HR BACKUP FLARE

## CONDITIONS

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1. ATC N-9642-1-0 is hereby cancelled. [District Rule 2201]
2. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201]
3. 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]
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. The raw biogas treatment system shall be maintained in proper operating condition at all times. [District Rule 2201]
8. VOC content of the vapor processed through biogas treatment system shall not exceed 10% by weight. Permittee shall sample and record the VOC content of the vapor at least once every 12 months. The sample shall be taken on the main vapor line after all individual vapor streams are combined and prior to the sulfur scrubbers. [District Rules 1070 and 2201]

CONDITIONS CONTINUE ON NEXT PAGE

**YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 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



Brian Clements, Director of Permit Services

N-9642-1-1 : Mar 25 2021 8:00AM - EDGEHILR : Joint Inspection NOT Required

9. The VOC content by weight percent (wt.%) shall be determined using American Society of Testing and Materials (ASTM) D1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 or the latest revision of ASTM Method E168, E169 or E260 for liquids. [District Rule 4401]
10. Activated carbon VOC control device shall be at least 95% efficient in controlling the VOCs from the raw biogas. [District Rule 2201]
11. Flare shall only be used for 1), combustion of offspec product gas from CO<sub>2</sub> removal step, 2), combustion of gas from the activated carbon exhaust due to lack of biogas cleanup facility capacity, maintenance, or unexpected biogas cleanup facility downtime, and 3), depressurization of the biogas cleanup facility during shutdown for maintenance. There shall be no ongoing flaring. [District Rule 2201]
12. Flare shall operate smokelessly with no discharge into the atmosphere of an air contaminant aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1/4 or 5% opacity. [District Rule 2201]
13. A flame shall be present at all times whenever combustible gases are vented through the flare. [District Rules 2201 and 4311]
14. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an alternative equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present shall be installed and operated. [District Rules 2201 and 4311]
15. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311]
16. Open flares (air-assisted, steam-assisted, or non-assisted) in which the flare gas pressure is less than 5 psig shall be operated in such a manner that meets the provisions of 40 CFR 60.18. The requirements of this section shall not apply to Coanda effect flares. [District Rule 4311]
17. The flare shall be equipped with an operational, non-resettable, totalizing mass or volumetric fuel flow meter or other District-approved alternative method to determine the quantity of gas flared. [District Rule 2201]
18. Flaring shall not exceed either of the following limits: 333.33 MMBtu/day and 58,200 MMBtu/yr (equivalent to 500 hours operation per calendar year). [District Rules 2201 and 4102]
19. Emissions from the flare shall not exceed any of the following limits: 0.068 lb-NO<sub>x</sub>/MMBtu, 0.008 lb-PM<sub>10</sub>/MMBtu, 0.31 lb-CO/MMBtu, or 0.006 lb-VOC/MMBtu. [District Rule 2201]
20. Sulfur concentration of flared gas shall not exceed 50 ppmv. [District Rule 2201]
21. The permittee may utilize an averaging period of up to 24 hours in length for demonstration of compliance with the flared gas sulfur content limit. [District Rules 2201 and 4801]
22. Flared gas sulfur content analysis shall be performed within 60 days of initial startup operation, and at least once every 12 months thereafter, using EPA Method 11 or EPA Method 15, as appropriate. Records of the flared gas sulfur content analysis shall be maintained and provided to the District upon request. [District Rule 2201]
23. The sulfur content of the flared gas shall be monitored and recorded at least once every calendar quarter in which a flared gas sulfur content analysis is not performed. If quarterly monitoring shows a violation of the sulfur content limit of this permit, monthly monitoring will be required until six consecutive months of monitoring show compliance with the sulfur content limit. Once compliance with the sulfur content limit is shown for six consecutive months, then the monitoring frequency may return to quarterly. Monitoring shall not be required during periods in which the flare does not operate. [District Rule 2201]
24. Monitoring of the flared gas sulfur content shall be performed using gas detection tubes calibrated for H<sub>2</sub>S; a Testo 350 XL portable emission monitor; a continuous fuel gas monitor that meets the requirements specified in SCAQMD Rule 431.1, Attachment A; District-approved source test methods, including EPA Method 15, ASTM Method D1072, D4084, and D5504; District-approved in-line H<sub>2</sub>S monitors; or an alternative method approved by the District. Prior to utilization of in-line monitors to demonstrate compliance with the flared gas sulfur content limit of this permit, the permittee shall submit details of the proposed monitoring system, including the make, model, and detection limits, to the District and obtain District approval for the proposed monitor(s). [District Rule 2201]

25. Initial compliance with activated carbon VOC control efficiency requirements shall be demonstrated by the results of the laboratory sample analysis. The results shall be submitted to the District within 60 days of the test. [District Rule 1081]
26. Ongoing compliance with VOC emission rate and activated carbon control efficiency requirements shall be demonstrated at least once per week by sampling both the influent and the effluent gas streams with an FID, PID, or other District-approved VOC detection device. [District Rule 2201]
27. Permittee may request District approval to reduce the monitoring frequency from weekly to monthly by providing to the District weekly monitoring data or design information indicating that breakthrough does not occur using a single carbon vessel at maximum gas flow and VOC loading for at least three months. [District Rule 2201]
28. The carbon vessels shall be sealed vapor tight except during servicing of spent carbon in a vessel. [District Rule 2201]
29. A minimum of two carbon system vessels which are connected in series shall be utilized at all times. [District Rule 2201]
30. Sampling ports adequate for extraction of grab samples, measurement of gas flow rate, and use of an FID, PID, or other District-approved VOC detection device shall be provided for both the influent and the effluent gas streams. [District Rule 1081]
31. Records of the cumulative running time of activated carbon adsorbers and the measured influent and effluent VOC concentrations shall be maintained. [District Rule 2201]
32. Sulfur concentration (H<sub>2</sub>S) of sulfur removal system outlet gas shall be measured monthly. [District Rule 2201]
33. Permittee shall maintain accurate records of all VOC and H<sub>2</sub>S concentration test results, and activated carbon influent and effluent flow rates, total number of hours of operation on each day and dates of operation. [District Rule 1070]
34. Records of hydrogen sulfide analyzer(s) installed or utilized and the calibration records of such analyzer(s) shall be maintained. Records are only required on such analyzer(s) utilized to demonstrate compliance with this permit. [District Rule 2201]
35. The permittee shall maintain flare operation records including the dates of operation, the purpose of operation, and the daily and annual quantities of flared gas flared, in standard cubic feet (scf) and MMBtu. [District Rule 2201]
36. Records shall be maintained for a period of five years and shall be made available for District inspection upon request. [District Rule 2201]