San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

FEB 1 8 2014

Steven Carew
Ampersand Chowchilla LLC
16457 Avenue 24-1/2
Chowchilla, CA 93610

Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # C-6923
Project # C-1132107

Dear Mr. Carew:

The Air Pollution Control Officer has modified the Title V permit for Ampersand Chowchilla LLC by incorporating C-6923-2-3 and '-3-6. The modification is to allow use of sodium bicarbonate as an additional sorbent for SO2 emission reduction from the biomass fluidized bed boiler listed on permit C-6923-3. In addition, the modification will authorize permit C-6923-2 to receive, store, and transfer sodium bicarbonate in addition to limestone for use in the fluidized bed boiler for SO2 emission reduction.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on September 3, 2013. No comments were received following the District's preliminary decision on this project.

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

Sincerely,

David Warner
Director of Permit Services

DW:ms

Enclosures

cc: Gerardo C. Rios, EPA (w/enclosure) via email

San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-6923-2-4 **EXPIRATION DATE:** 04/30/2016

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

PERMIT UNIT REQUIREMENTS

1. Material removed from dust collector(s) shall be disposed of in a manner preventing entrainment into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
2. The baghouse shall be maintained and operated according to manufacturer's specifications. [District Rule 2201] Federally Enforceable Through Title V Permit
3. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Replacement bags numbering at least 10% of the total number of bags in the largest baghouse using each type of bag shall be maintained on the premises. [District Rule 2201] Federally Enforceable Through Title V Permit
6. The differential pressure gauge reading range shall be maintained between 0.5" and 8" water column. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
9. There shall be no visible emissions from the transfer operation, for a period or periods aggregating more than three minutes in any one hour. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit
10. Visible emissions from the bin vent filter serving the storage silo shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in one hour. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit
11. The maximum throughput of material loaded into the storage silo shall not exceed either of the following limits: 44 tons/day or 3200 tons/year. [District Rule 2201] Federally Enforceable Through Title V Permit
12. PM10 emissions rate from the silo loading operation shall not exceed 0.00034 lb PM10/ton material. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Records of daily and annual amounts (in tons) of material processed at the receiving and storage operation shall be maintained, retained on-site for a period of at least five (5) years and made available for District inspection upon request. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-6923-3-7 **EXPIRATION DATE:** 04/30/2016

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

PERMIT UNIT REQUIREMENTS

1. Operating schedule of the main combustor shall not exceed 337 days per year. [District Rule 2201] Federally Enforceable Through Title V Permit
2. The baghouse shall be maintained and operated according to manufacturer's specifications. [District Rule 2201] Federally Enforceable Through Title V Permit
3. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Material removed from the dust collector(s) shall be disposed of in a manner preventing entrainment into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District Rule 2201 and 40 CFR 63.11205(a) and 40 CFR 64] Federally Enforceable Through Title V Permit
6. Replacement bags numbering at least 10% of the total number of bags in the largest baghouse using each type of bag shall be maintained on the premises. [District Rule 2201] Federally Enforceable Through Title V Permit
7. The differential pressure gauge reading range shall be maintained between 0.5" and 8" water column. [District Rule 2201 and 40 CFR 64] Federally Enforceable Through Title V Permit
8. Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201 and 40 CFR 64] Federally Enforceable Through Title V Permit
9. Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
10. The applicant shall install and maintain an operational ammonia volume flow-rate indicator for the selective non-catalytic reduction (SNCR) ammonia injection system. [District Rule 2201] Federally Enforceable Through Title V Permit
11. No later than 30 days following restart of the facility, the applicant shall install, maintain, and operate an automated ammonia injection system in the selective non-catalytic reduction (SNCR) system. The automated mode may be overridden by the facility operator as necessary to maintain compliance with the emission limits listed within this permit. [District Rule 1080 and US EPA and SJVUAPCD Consent Decree Case No. 1:11-CV-00242-LJO-DLB, Section V.13.b, issued February 14, 2011] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

12. No later than 90 days following restart of the facility, the applicant shall install, maintain, and operate a stack gas flow monitoring system. [District Rule 1080 and US EPA and SJVUAPCD Consent Decree Case No. 1:11-CV-00242-LJO-DLB, Section V.13.a, issued February 14, 2011] Federally Enforceable Through Title V Permit

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

14. The applicant shall install, maintain, and operate a continuous opacity monitor (COM) and shall meet the performance specification requirements in 40 CFR, Part 60, Appendix B, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rules 1080 and 2201 and 40 CFR 60.48b(a) and 40 CFR 64] Federally Enforceable Through Title V Permit

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

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

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

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

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

20. Within 90 days following restart of the facility, the CEM system shall be operated and maintained in accordance with the operation and maintenance procedures identified in the continuous emission monitoring system quality assurance/quality control plan. [District Rule 1080 and US EPA and SJVUAPCD Consent Decree Case No. 1:11-CV-00242-LJO-DLB, Section V.13.c, issued February 14, 2011] Federally Enforceable Through Title V Permit

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

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

23. Emissions from the fluidized bed combustor unit, except during periods of startup and shutdown, shall not exceed any of the following limits: NOx - 14.8 lb/hr or 0.08 lb/MMBtu, SOx - 7.40 lb/hr or 0.04 lb/MMBtu, PM10 - 7.40 lb/hr or 0.04 lb/MMBtu, CO - 10.55 lb/hr or 72 ppmv @ 3% O2 (equivalent to 0.057 lb/MMBtu), or VOC - 0.93 lb/hr or 0.005 lb/MMBtu. NOx (as NO2) and CO emission limits are based on 24 hour rolling averages. SOx emission limits are based on 3 hour rolling averages. [District Rules 2201, 4352, and 4801] Federally Enforceable Through Title V Permit

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

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

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

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

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

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

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

31. Compliance demonstration (source testing) shall be District witnessed or authorized and samples shall be collected by a certified testing laboratory. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit

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

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

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

34. No owner or operator of an affected facility that combusts municipal-type solid waste or mixtures of municipal-type solid waste with other fuels, shall cause to be discharged into the atmosphere from that affected facility any gases that contain particulate matter in excess of the following emission limits: (1) 43 ng/J (0.10 lb/million Btu) heat input, (i) If the affected facility combusts only municipal-type solid waste, or (ii) If the affected facility combusts municipal-type solid waste and other fuels and has an annual capacity factor for the other fuels of 10 percent (0.10) or less. (2) 86 ng/J (0.20 lb/million Btu) heat input if the affected facility combusts municipal-type solid waste or municipal-type solid waste and other fuels; and (i) Has an annual capacity factor for municipal-type solid waste and other fuels of 30 percent (0.30) or less, (ii) Has a maximum heat input capacity of 73 MW (250 million Btu/hour) or less, (iii) Has a federally enforceable requirement limiting operation of the affected facility to an annual capacity factor of 30 percent (0.30) for municipal-type solid waste, or municipal-type solid waste and other fuels, and (iv) Construction of the affected facility commenced after June 19, 1984, but before November 25, 1986. [40 CFR 60.43b(d)] Federally Enforceable Through Title V Permit

35. No owner or operator of an affected facility that combusts coal, oil, wood, or mixtures of these fuels with any other fuels shall cause to be discharged into the atmosphere any gases that exhibit greater than 20 percent opacity (6-minute average), except for one 6-minute period per hour of not more than 27 percent opacity. [40 CFR 60.43b(f)] Federally Enforceable Through Title V Permit

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

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

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

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

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

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

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

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

44. Permittee shall maintain accurate records of continuous emissions monitoring (CEM) results, dates of occurrences and duration of start-up, shutdown, malfunction, performance testing, evaluations, calibrations, checks, adjustments and maintenance, and daily records of natural gas fuel usage. [District Rules 1080 and 2201] Federally Enforceable Through Title V Permit

45. The owner/operator shall maintain an operating log that includes the type and quantity of fuel used (hourly and annually) and the hhv of each fuel as determined by District Rule 4352, section 6.4 (as amended 05/18/06), or as certified by a third party fuel supplier. [District Rule 4352] Federally Enforceable Through Title V Permit

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

47. By the applicable due date specified in 40 CFR 63, Subpart JJJJJJ and every two years thereafter, permittee shall conduct a performance tune-up of the boiler in accordance with 40 CFR 63.11223(b). Permittee shall submit a signed statement of the Notification of Compliance Status report that a tune-up of the boiler was completed. [40 CFR 63.11214(b)] Federally Enforceable Through Title V Permit

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

49. Permittee shall submit Notification of Compliance Status reports by the applicable due date specified in 40 CFR 63, Subpart JJJJJJ. [40 CFR 63.11225(a)(4)] Federally Enforceable Through Title V Permit

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