



APR 26 2016

Mr. Neil McDougald  
E & J Gallo Winery  
5610 E Olive Ave  
Fresno, CA 93727

**Re: Proposed Authority to Construct/Certificate of Conformity (Minor Mod)  
District Facility # C-447  
Project # C-1160647**

Dear Mr. McDougald:

Enclosed for your review is the District's analysis of an application for Authority to Construct for the facility identified above. You requested that a Certificate of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. This project authorizes the installation of a bentonite receiving and storage operation.

After addressing all comments made during the 45-day EPA comment period, the District intends to issue the Authority to Construct with a Certificate of Conformity. Prior to operating with modifications authorized by the Authority to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

If you have any questions, please contact Mr. Errol Villegas, Permit Services Manager, at (559) 230-5900.

Thank you for your cooperation in this matter.

Sincerely,

  
Errol Villegas  
fm Arnaud Marjollet  
Director of Permit Services

Enclosures

cc: Gerardo C. Rios, EPA (w/enclosure) via email  
Kim Burns, E & J Gallo Winery (w/enclosure) via email  
Seyed Sadredin

Executive Director/Air Pollution Control Officer

**San Joaquin Valley Air Pollution Control District**  
**Authority to Construct Application Review**  
**Bentonite Receiving and Storage Operation**

Facility Name: E & J Gallo Winery  
Mailing Address: 5610 E Olive Ave  
Fresno, CA 93727  
Contact Person: Kim Burns  
Telephone: (559) 458-2457  
Application #(s): C-447-343-0  
Project #: C-1160647  
Deemed Complete: March 25, 2016

Date: April 13, 2016  
Engineer: Jesse A. Garcia  
Lead Engineer: Joven Refuerzo

---

**I. PROPOSAL:**

E & J Gallo Winery is requesting an Authority to Construct (ATC) permit to install a new bentonite receiving and storage operation consisting of an enclosed bulk bag break station, and a bentonite transporter to pneumatically deliver the product to the proposed silo all served by a baghouse. No modification to the wine storage and fermentation tank operations is associated with this project.

E & J Gallo Winery received their Title V Permit on December 12, 1997. This modification can be classified as a Title V minor modification pursuant to Rule 2520, and can be processed with a Certificate of Conformity (COC). Since the facility has specifically requested that this project be processed in that manner, the 45-day EPA comment period will be satisfied prior to the issuance of the Authority to Construct. E & J Gallo Winery must apply to administratively amend their Title V Operating Permit to include the requirements of the ATCs issued with this project.

**II. APPLICABLE RULES:**

Rule 2201            New and Modified Stationary Source Review Rule (2/18/16)  
Rule 2410            Prevention of Significant Deterioration (6/16/11)  
Rule 2520            Federally Mandated Operating Permits (6/21/01)  
Rule 4101            Visible Emissions (02/17/05)  
Rule 4102            Nuisance (12/17/92)  
Rule 4201            Particulate Matter Concentration (12/17/92)  
Rule 4202            Particulate Matter – Emission Rate (12/17/92)  
CH&SC 41700        Health Risk Assessment  
CH&SC 42301.6      School Notice  
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:**

This facility is located at 5610 E Olive Ave in Fresno, California. There is no K-12 school within 1,000 feet of this address. Therefore, this project is not subject to the requirements of California Health and Safety Code 42301.6.

**IV. PROCESS DESCRIPTION:**

Bentonite is brought onsite in large bags/sacks that weigh up to a couple tons each. The bags/sacks are placed inside of a closet type station where two doors are closed (the doors are mainly to keep employees out rather than to make the enclosure hermetically sealed). After the bags/sacks are placed inside the bag break station and the doors are closed, the bags/sacks are mechanically punctured on the bottom to allow the material to be emptied into a hopper where the bentonite transporter will suck the product from and blow it into the 2,750 ft<sup>3</sup> storage silo.

The emission points are the bag breaking station and the silo which are both vented to a baghouse.

**V. EQUIPMENT LISTING:**

Equipment Description:

C-447-343-0 BENTONITE RECEIVING AND STORAGE OPERATION WITH A BULK BAG BREAK STATION AND A 2,750 CUBIC FEET STORAGE SILO, BOTH SERVED BY A CYCLONAIRE MODEL 36-DC-16 BAGHOUSE

**VI. EMISSION CONTROL TECHNOLOGY EVALUATION:**

To ensure the proper operation of the proposed baghouse, the visible emissions (VE) will be limited to less than 5% opacity. This VE limit is in accordance with the guidelines provided in District Policy SSP 1005. The following condition will be placed on the permit:

- Visible emissions from the baghouse serving the bulk bag break station and storage silo shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201]

FYI-125 (1/12/07) requires the permittee to operate the baghouse under the following conditions which will be included on the ATC:

- The baghouse shall be maintained and operated according to manufacturer's specifications. [District Rule 2201]
- {120} The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District Rule 2201]

- {73} Material removed from the baghouse shall be disposed of in a manner preventing entrainment into the atmosphere. [District Rule 2201]
- Replacement bags numbering at least 10% of the total number of bags shall be maintained on the premises. [District Rule 2201]
- {10} 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]
- The differential pressure gauge reading range shall be established per manufacturer's recommendation at time of startup inspection. [District Rule 2201]
- Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201]
- Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201]
- Records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rule 2201]

## VII. CALCULATIONS:

### A. Assumptions:

- Particulate Matter (PM) is the only pollutant of concern related to this project
- Operation of this equipment is 365 days/year
- Daily Throughput = 25 tons-bentonite/day or 50,000 lbs-bentonite/day (proposed by applicant)
- Annual Throughput = 400 tons-bentonite/year or 800,000 lbs-bentonite/year (proposed by applicant)

### B. Emission Factors (EFs):

There are no specific emission factors for bentonite receiving (bulk bag break station) and storage in the silo; therefore, emission factors will be developed below:

#### Bulk Bag Break Station:

The emission factor used in Kraft Food Group, Inc.'s (C-234-10-0) bulk bag break station was developed from PM10 source test results from a powdered sugar receiving operation served by a baghouse in Project N-960370. Bentonite is expected to have similar consistency to powdered sugar; therefore, the emission factor from the source test will be used:

$$EF_{\text{Bag Break Station}} = 0.0129 \text{ lb-PM10/ton}$$

Silo Receiving:

Similar to the method that was used to develop E & J Gallo Winery's diatomaceous earth receiving and storage operations (C-447-233-0 and -328-0):

According to AP-42 Table 11.12-2 (6/06), 0.72 lb-PM/ton of material will be emitted from pneumatic loading of cement into a silo. This emission factor is adjusted by multiplying the ratio of bentonite density and cement density.

Per [http://www.tapcoinc.com/content/product\\_data/tapco\\_catalog\\_09\\_p88-94.pdf](http://www.tapcoinc.com/content/product_data/tapco_catalog_09_p88-94.pdf), the density of bentonite is 40 lb/ft<sup>3</sup> and cement density is 75 lb/ft<sup>3</sup>.

$$\begin{aligned} \text{EF}_{2\text{Silo}} &= (0.72 \text{ lb-PM/ton of material})(40 \text{ lb/ft}^3 \div 75 \text{ lb/ft}^3) \\ &= 0.384 \text{ lb-PM/ton of material} \end{aligned}$$

The proposed baghouse is expected to control 99% of particulate matter emissions. It is assumed here that all the particulates passed through the filter are less than or equal to 10 microns in size. Therefore,

$$\begin{aligned} \text{EF}_{2\text{Silo}} &= (0.384 \text{ lb-PM/ton of material})(1-0.99)(\text{lb-PM}_{10}/\text{lb-PM}) \\ &= 0.00384 \text{ lb-PM}_{10}/\text{ton of material} \end{aligned}$$

**C. Calculations:**

**1. Pre-Project Potential to Emit (PE1):**

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

**2. Post Project Potential to Emit (PE2):**

$$\begin{aligned} \text{PE2} &= \text{PE2}_{\text{Silo}} + \text{PE2}_{\text{Bag Break Station}} \\ &= [\text{EF}_{2\text{Silo}}, \text{lb-PM}_{10}/\text{ton} \times \text{throughput, lbs-bentonite/day}(\text{year}) + \\ &\quad \text{EF}_{2\text{Bag Break Station}}, \text{lb-PM}_{10}/\text{ton} \times \text{throughput, lbs-bentonite/day}(\text{year})] \div \\ &\quad 2,000 \text{ lb/ton} \end{aligned}$$

$$\begin{aligned} \text{Daily PE2} &= [0.00384 \text{ lb-PM}_{10}/\text{ton of bentonite} \times 50,000 \text{ lbs-bentonite/day} + \\ &\quad 0.0129 \text{ lb-PM}_{10}/\text{ton of bentonite} \times 50,000 \text{ lbs-bentonite/day}] \div \\ &\quad 2,000 \text{ lb/ton} \\ &= 0.4 \text{ lb-PM}_{10}/\text{day} \end{aligned}$$

$$\begin{aligned} \text{Annual PE2} &= [0.00384 \text{ lb-PM}_{10}/\text{ton of bentonite} \times 800,000 \text{ lbs-bentonite/year} + \\ &\quad 0.0129 \text{ lb-PM}_{10}/\text{ton of bentonite} \times 800,000 \text{ lbs-bentonite/year}] \div \\ &\quad 2,000 \text{ lb/ton} \\ &= 5 \text{ lb-PM}_{10}/\text{year} \end{aligned}$$

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

Pursuant to District Rule 2201, the SSPE1 is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of Emission Reduction Credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions (AER) that have occurred at the source, and which have not been used on-site.

Particulate Matter (PM) is the only pollutant of concern related to this project. See Appendix D for SSPE1 calculations for PM10 which are summarized below:

SSPE1	
	PM <sub>10</sub>
C-447-1-12	1,195
C-447-2-13	2,985
C-447-5-3	71
C-447-6-3	71
C-447-8-3	71
C-447-9-3	0 <sup>1</sup>
C-447-10-3	0 <sup>2</sup>
C-447-11-3	
C-447-12-3	
C-447-13-3	
C-447-14-3	
C-447-16-3	2,600
C-447-17-1	0 <sup>2</sup>
C-447-18-1	
C-447-19-1	
C-447-20-1	0 <sup>1</sup>
C-447-21-1	
C-447-23-1	235
C-447-226-9	810
C-447-230-2	745
C-447-233-2	2
C-447-267-2	4
C-447-268-1	242
C-447-269-1	66
C-447-270-0	69
Red Wine Fermentation	0 <sup>1</sup>
White Wine Fermentation	
Wine Storage	
ERCs	124
<b>SSPE1</b>	<b>9,294</b>

<sup>1</sup> This unit only emits VOCs.

<sup>2</sup> Pursuant to District Policy GEAR 4, "In determining the NSR requirements, the emissions from abrasive blasting operations shall be excluded from the stationary source emissions." Therefore, the emissions from these abrasive blasting units are not included here since this table is solely used to determine NSR requirements.

**4. Post Project Stationary Source Potential to Emit (SSPE2)**

Pursuant to District Rule 2201, the SSPE2 is the PE from all units with valid ATCs or PTOs at the Stationary Source and the quantity of ERCs which have been banked since September 19, 1991 for AER that have occurred at the source, and which have not been used on-site.

SSPE2	
	PM <sub>10</sub>
SSPE1	9,294
C-447-343-0	5
SSPE2	<b>9,299</b>

**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

Rule 2201 Major Source Determination (lb/year)	
	PM <sub>10</sub>
Facility emissions pre-project	9,294
Facility emissions – post project	9,299
Major Source Threshold	140,000
Major Source?	No

As seen in the table above, the facility is not an existing Major Source for PM10.

**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)(iii). Therefore the PSD Major Source threshold is 250 tpy for any regulated NSR pollutant.

Project Numbers	PE (lb-VOC/year)	PE (tons-VOC/year)
C-1133347	60,408	30.2
C-1120336	473,335	236.7
Total	533,743	267
PSD Major Source Thresholds		250
PSD Major Source?		Yes

Since the PE for VOC emissions is above the 250 tons/year threshold from the two projects alone, as indicated above, an exhaustive tabulation/calculation for all VOC emissions from the facility was not performed.

As shown above, the facility is an existing major source for PSD for VOC. Therefore, the facility is an existing Major Source for PSD.

#### 6. Baseline Emissions (BE)

The BE calculation (in lb/year) is performed pollutant-by-pollutant for each unit within the project to calculate the QNEC, and if applicable, to determine the amount of offsets required.

Pursuant to District Rule 2201, BE = PE1 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 District Rule 2201.

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

Since this facility is not a major source for any of the pollutants addressed in this project, this project does not constitute an SB 288 major modification.

## **8. Federal Major Modification**

District Rule 2201 states that a Federal Major Modification is the same as a "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 PM<sub>10</sub>, this project does not constitute a Federal Major Modification. Additionally, since the facility is not a major source for PM<sub>10</sub> (140,000 lb/year), it is not a major source for PM<sub>2.5</sub> (200,000 lb/year).

## **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)

- NO<sub>2</sub> (as a primary pollutant)
- SO<sub>2</sub> (as a primary pollutant)
- CO
- PM
- PM<sub>10</sub>

### **I. Project Location Relative to Class 1 Area**

As demonstrated in the "PSD Major Source Determination" Section above, the facility was determined to be a existing PSD Major Source. Because the project is not located within 10 km (6.2 miles) of a Class 1 area – modeling of the emission increase is not required to determine if the project is subject to the requirements of Rule 2410.

### **II. Project Emission Increase – Significance Determination**

#### **a. Evaluation of Calculated Post-project Potential to Emit for New or Modified Emissions Units vs PSD Significant Emission Increase Thresholds**

As a screening tool, the post-project potential to emit from all new and modified units is compared to the PSD significant emission increase thresholds, and if the total potentials to emit from all new and modified units are below the applicable thresholds, no further PSD analysis is needed.

<b>PSD Significant Emission Increase Determination: Potential to Emit (tons/year)</b>					
	<b>NO2</b>	<b>SO2</b>	<b>CO</b>	<b>PM</b>	<b>PM10</b>
Total PE from New and Modified Units	0	0	0	0	0
PSD Significant Emission Increase Thresholds	40	40	100	25	15
PSD Significant Emission Increase?	N	N	N	N	N

As demonstrated above, because the post-project total potentials to emit from all new and modified emission units are below the PSD significant emission increase thresholds, this project is not subject to the requirements of Rule 2410 and no further discussion 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 A.

### **VIII. COMPLIANCE:**

#### **Rule 2201 New and Modified Stationary Source Review Rule**

##### **A. Best Available Control Technology (BACT)**

##### **1. BACT Applicability**

BACT requirements are triggered on a pollutant-by-pollutant basis and on an emissions unit-by-emissions unit basis. Unless exempted pursuant to Section 4.2, BACT shall be required for the following actions\*:

- a. Any new emissions unit with a potential to emit exceeding two pounds per day,
- b. The relocation from one Stationary Source to another of an existing emissions unit with a potential to emit exceeding two pounds per day,
- c. Modifications to an existing emissions unit with a valid Permit to Operate resulting in an AIPE exceeding two pounds per day, and/or
- d. Any new or modified emissions unit, in a stationary source project, which results in an SB 288 Major Modification or a Federal Major Modification, as defined by the rule.

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

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

As seen in Section VII.C.2 of this evaluation, the applicant is proposing to install a new bentonite receiving and storage operation with a PE less than 2 lb/day for PM<sub>10</sub>. BACT is not triggered for PM<sub>10</sub> since the PE is less than 2 lb/day.

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

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

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

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

**d. SB 288/Federal Major Modification**

As discussed in Sections VII.C.7 and VII.C.8 above, this project does not constitute an SB 288 and/or Federal Major Modification. Therefore BACT is not triggered for any pollutant.

**B. Offsets**

**1. Offset Applicability**

Offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the SSPE2 equals to or exceeds the offset threshold levels in Table 4-1 of Rule 2201.

The SSPE2 is compared to the offset thresholds in the following table.

<b>Offset Determination (lb/year)</b>	
	PM <sub>10</sub>
Post Project SSPE (SSPE2)	9,299
Offset Threshold	29,200
Offsets triggered?	No

## **2. Quantity of Offsets Required**

As seen above, the SSPE2 is not greater than the offset thresholds for all the pollutants; therefore offset calculations are not necessary and offsets will not be required for this project.

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

#### **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 noticing 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 seen in Section VII.C.2 above, this project does not include a new emissions unit which has daily emissions greater than 100 lb/day for any pollutant, therefore public noticing for PE > 100 lb/day purposes is not required.

#### **c. Offset Threshold**

The SSPE1 and SSPE2 are compared to the offset thresholds in the following table.

Offset Thresholds				
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	Offset Threshold	Public Notice Required?
PM <sub>10</sub>	9,294	9,299	29,200 lb/year	No

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

**d. SSIPE > 20,000 lb/year**

Public notification is required for any permitting action that results in a SSIPE of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE = SSPE2 – SSPE1. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table.

SSIPE Public Notice Thresholds					
Pollutant	SSPE2 (lb/year)	SSPE1 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
PM <sub>10</sub>	9,299	9,294	5	20,000 lb/year	No

As demonstrated above, the SSIPEs for all pollutants were less than 20,000 lb/year;

**2. Public Notice Action**

As discussed above, this project will not result in emissions, for any pollutant, which would subject the project to any of the noticing requirements listed above. Therefore, public notice will not be required for this project.

**D. Daily Emission Limits (DELs)**

DELs and other enforceable conditions are required by Rule 2201 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. 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. DELs are also required to enforce the applicability of BACT.

**Proposed Rule 2201 (DEL) Conditions:**

- The total amount of bentonite received via the bag breaking station shall not exceed either of the following limits: 50,000 lbs/day or 800,000 lbs/year. [District Rule 2201]
- Controlled PM<sub>10</sub> emissions shall not exceed 0.0129 pounds per ton of bentonite received via the bag break station. [District Rule 2201]
- The total amount of bentonite transferred into the storage silo shall not either of the following limits: 50,000 lbs/day or 800,000 lbs/year. [District Rule 2201]
- Controlled PM<sub>10</sub> emissions shall not exceed 0.00384 pounds per ton of bentonite transferred into the storage silo. [District Rule 2201]
- Baghouse exhaust fan(s) shall be switched on prior to the receiving or transfer of bentonite. [District Rule 2201]

**E. Compliance Assurance**

**1. Source Testing**

As stated in District Policy APR 1705, non-combustion equipment served by a baghouse with expected PM<sub>10</sub> emissions of 30 pounds per day or greater must be tested upon initial start-up. Units with PM<sub>10</sub> emissions in excess of 70 pounds per day should also be tested on annual basis.

As shown in the calculation section above, all equipment have PM<sub>10</sub> emissions below the 30 pound per day. Therefore, pursuant to District Policy APR 1705, source testing is not required to demonstrate compliance with Rule 2201.

**2. Monitoring**

No monitoring is required to demonstrate compliance with Rule 2201.

**3. Recordkeeping**

Recordkeeping is required to demonstrate compliance with the offset, public notification and daily emission limit requirements of Rule 2201. The following conditions will appear on the permit to operate:

- Daily and annual records of the total amount of bentonite received and transferred into the storage silo shall be maintained, retained on-site for a period of at least five years and made available for District inspection upon request. [District Rule 1070]
- Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201]

#### **4. Reporting**

No reporting is required to demonstrate compliance with Rule 2201.

#### **Rule 2410 Prevention of Significant Deterioration**

As shown in Section VII. C. 9. above, this project does not result in a new PSD major source or PSD major modification. No further discussion is required.

#### **Rule 2520 Federally Mandated Operating Permits**

This facility is subject to this Rule, and has received their Title V Operating Permit. The proposed modification is a Minor Modification to the Title V Permit.

In accordance with Rule 2520, these modifications:

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;
2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions;
3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:
  - a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act; and
  - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
6. Do not seek to consolidate overlapping applicable requirements.

As discussed above, the facility has applied for a Certificate of Conformity (COC). Therefore, the facility must apply to modify their Title V permit with an administrative amendment, prior to operating with the proposed modifications. Continued compliance with this rule is expected. The facility may construct/operate under the ATC upon submittal of the Title V administrative amendment application.

**Rule 4101 Visible Emissions**

District Rule 4101, Section 5.0, indicates 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 dark or darker than Ringelmann 1 or equivalent to 20% opacity.

For operation served by a baghouse, visible emissions shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in one hour.

A permit condition will be listed on permit as follows:

- Visible emissions from the baghouse shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in one hour. [District Rule 2201]

**Rule 4102 Nuisance**

Rule 4102 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, compliance with this rule is expected.

**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.

An HRA is not required for a project with a total facility prioritization score of less than one. According to the Technical Services Memo for this project (**Appendix E**), the total facility prioritization score including this project was greater than one. Therefore, an HRA was required to determine the short-term acute and long-term chronic exposure from this project.

The cancer risk for this project is shown below:

HRA Summary		
Unit	Cancer Risk	T-BACT Required
C-447-343-0	0.00121 per million	No

### Discussion of T-BACT

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

District policy APR 1905 also specifies that the increase in emissions associated with a proposed new source or modification not have acute or chronic indices, or a cancer risk greater than the District's significance levels (i.e. acute and/or chronic indices greater than 1 and a cancer risk greater than 20 in a million). As outlined by the HRA Summary in Appendix B of this report, the emissions increases for this project was determined to be less than significant.

### Rule 4201 Particulate Matter Concentration

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

$$\text{PM Conc. (gr/scf)} = \frac{(\text{PM emission rate}) \times (7,000 \text{ gr/lb})}{(\text{Air flow rate}) \times (60 \text{ min/hr}) \times (24 \text{ hr/day})}$$

PM<sub>10</sub> emission rate = 0.4 lb/day. Assuming 100% of PM is PM<sub>10</sub>  
Exhaust Gas Flow = 1,050 scfm per the applicant

$$\text{PM Conc. (gr/scf)} = [(0.4 \text{ lb/day}) * (7,000 \text{ gr/lb})] \div [(1,050 \text{ ft}^3/\text{min}) * (60 \text{ min/hr}) * (24 \text{ hr/day})]$$

PM Conc. = 0.002 gr/scf

Therefore, compliance with the Rule is expected.

### Rule 4202 Particulate Matter – Emission Rate

This rule limits the allowable PM emission rate based on the equipment process weight rate. Section 3.1 defines the process weight as "the total weight of all materials introduced into any specific process, which process may cause any discharge into the atmosphere."

Per section 4.1, particulate matter (PM) emissions from any source operation shall not exceed the allowable hourly emission rate (E) as calculated using the following applicable formulas:

$$E = 3.59 P^{0.62} \text{ (when, } P = \text{ process weight rate } \leq 30 \text{ tons/hr)}$$

$$E = 17.31 P^{0.16} \text{ (when, } P = \text{ process weight rate } > 30 \text{ tons/hr)}$$

The post-project process weight rate of the material handling operation is 1.04 tons per hour (equivalent to 25 tons/day).

$$\begin{aligned} \text{Rule 4202 emission limit} &= 3.59 * P^{0.62} \text{ (where } P \text{ is less than } 30 \text{ tons/hr)} \\ &= 3.59 * (1.04)^{0.62} \\ &= 3.68 \text{ lb/hr} \end{aligned}$$

The operation has a maximum Post Project Potential to Emit (PE2) of 0.02 lb/hr (0.4 lb/day ÷ 24 hr/day).

Therefore, the PM emissions are within allowable limits and compliance with the rule is expected.

### **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.

### **California Environmental Quality Act (CEQA)**

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 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; and
- 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 all project specific emission unit(s) do not trigger Best Available Control Technology (BACT) and do not trigger Toxic Best Available Control Technology (T-BACT) requirements.

Issuance of permits for emissions units not subject to BACT or T-BACT requirements is a matter of ensuring conformity with applicable District rules and regulations and does not require discretionary judgment or deliberation. Thus, the District concludes that this permitting action constitutes a ministerial approval. 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.

## **IX. RECOMMENDATION**

Compliance with all applicable rules and regulations is expected. Pending a successful review by EPA, issue Authority to Construct C-447-343-0 subject to the permit conditions on the attached draft Authority to Construct in Appendix C.

## **X. BILLING INFORMATION**

<b>Annual Permit Fees</b>			
<b>Permit Number</b>	<b>Fee Schedule</b>	<b>Fee Description</b>	<b>Annual Fee</b>
C-447-343-0	3020-5-C	20,571 gallons (2,750 cu ft)	\$142.00

This unit could have been billed under the fee schedule for hp rating from the baghouse blower motor or under the silo storage capacity (in gallons). Storage capacity will be used as it results in the highest fee.

## **APPENDICES**

- Appendix A: QNEC Calculations
- Appendix B: HRA Summary
- Appendix C: Draft Authority to Construct Permit
- Appendix D: SSPE Calculations
- Appendix E: Compliance Certification Form

Appendix A  
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:

$QNEC = PE2 - PE1$ , 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.

Using the values in Sections VII.C.2 and VII.C.6 in the evaluation above, quarterly PE2 and quarterly PE1 can be calculated as follows:

$$\begin{aligned} PE2_{\text{quarterly}} &= PE2_{\text{annual}} \div 4 \text{ quarters/year} \\ &= 5 \text{ lb/year} \div 4 \text{ qtr/year} \\ &= 1.25 \text{ lb PM}_{10}/\text{qtr} \end{aligned}$$

$$\begin{aligned} PE1_{\text{quarterly}} &= PE1_{\text{annual}} \div 4 \text{ quarters/year} \\ &= 0 \text{ lb/year} \div 4 \text{ qtr/year} \\ &= 0 \text{ lb PM}_{10}/\text{qtr} \end{aligned}$$

Quarterly NEC [QNEC]			
	PE2 (lb/qtr)	PE1 (lb/qtr)	QNEC (lb/qtr)
NO <sub>x</sub>	0	0	0
SO <sub>x</sub>	0	0	0
PM <sub>10</sub>	1.25	0	1.25
CO	0	0	0
VOC	0	0	0

Appendix B  
HRA Summary

# San Joaquin Valley Air Pollution Control District Risk Management Review

To: Jesse Garcia – Permit Services  
 From: Tadeh Issakhanian – Technical Services  
 Date: April 12, 2016  
 Facility Name: E&J Gallo  
 Location: 5610 E. Olive Ave Fresno  
 Application #(s): C-447-343-0  
 Project #: C-1160647

---

## A. RMR SUMMARY

RMR Summary			
Categories	Bentonite Storage (Unit 343-0)	Project Totals	Facility Totals
Prioritization Score	0.00	0.00	>1.0
Acute Hazard Index	0.00	0.00	0.06
Chronic Hazard Index	0.00	0.00	0.22
Maximum Individual Cancer Risk	1.21E-09	1.21E-09	3.50E-06
T-BACT Required?	No		
Special Permit Requirements?	No		

## B. RMR REPORT

### I. Project Description

Technical Services received a request on March 23, 2016, to perform a Risk Management Review for a proposed installation of a bentonite (diatomaceous earth) receiving and storage operation served by a baghouse.

### II. Analysis

Toxic emissions from the project were calculated using District approved emission factors based on the 1995 *AP 42 Chapter 11 Mineral Products Industry, Section 22 Diatomite Processing.*, and input into the San Joaquin Valley APCD's Hazard Assessment and Reporting Program (SHARP). In accordance with the District's Risk Management Policy for Permitting New and Modified Sources (APR 1905, May 28, 2015), risks from the proposed unit's toxic emissions were prioritized using the procedure in the 1990 CAPCOA Facility Prioritization Guidelines. The prioritization score for this proposed facility was greater than 1.0 (see RMR Summary Table). Therefore, a refined health risk assessment was required. The AERMOD model was used, with the parameters outlined below and meteorological data

for 2010-2014 from Fresno to determine the dispersion factors (i.e., the predicted concentration or X divided by the normalized source strength or Q) for a receptor grid. These dispersion factors were input into the SHARP Program, which then used the Air Dispersion Modeling and Risk Tool (ADMRT) of the Hot Spots Analysis and Reporting Program Version 2 (HARP 2) to calculate the chronic and acute hazard indices and the carcinogenic risk for the project.

The following parameters were used for the review:

Analysis Parameters Unit 343-0			
Source Type	Point*	Location Type	Rural
Stack Height (m)	2.4	Closest Receptor (m)	183
Stack Diameter. (m)	0.25	Type of Receptor	Business
Stack Exit Velocity (m/s)	9.8	Max Hours per Year	8760
Stack Exit Temp. (°K)	297		
PM10 Emission Rate (lb/hr)	0.017	PM 10 Emission Rate (lb/yr)	5

- Modeled using Aermod's non-default Beta options for "capped + Horizontal Stack Releases"

### III. Conclusion

The acute and chronic indices are below 1.0 and the cancer risk factor associated with the project is less than 1.0 in a million. **In accordance with the District's Risk Management Policy, the project is approved without Toxic Best Available Control Technology (T-BACT).**

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

### IV. Attachments

- RMR request from the project engineer
- Additional information from the applicant/project engineer
- Prioritization score w/ toxic emissions summary
- Facility Summary

## Appendix C

### Draft Authority to Construct Permit

San Joaquin Valley  
Air Pollution Control District

**AUTHORITY TO CONSTRUCT**

ISSUANCE DATE: DRAFT  
**DRAFT**

**PERMIT NO:** C-447-343-0

**LEGAL OWNER OR OPERATOR:** E & J GALLO WINERY  
**MAILING ADDRESS:** 5610 E OLIVE AVE  
FRESNO, CA 93727

**LOCATION:** 5610 E OLIVE AVE  
FRESNO, CA 93727

**EQUIPMENT DESCRIPTION:**  
BENTONITE RECEIVING AND STORAGE OPERATION WITH A BULK BAG BREAK STATION AND A 2,750 CUBIC FEET STORAGE SILO, BOTH SERVED BY A CYCLONAIRE MODEL 36-DC-16 BAGHOUSE

**CONDITIONS**

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. Visible emissions from the baghouse shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in one hour. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Baghouse exhaust fan(s) shall be switched on prior to the receiving or transfer of bentonite. [District Rule 2201] Federally Enforceable Through Title V Permit
6. The baghouse shall be maintained and operated according to manufacturer's specifications. [District Rule 2201] Federally Enforceable Through Title V Permit
7. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District Rule 2201] Federally Enforceable Through Title V Permit

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.

Seyed Sadredin, Executive Director, APCO

**Arnaud Marjolle, Director of Permit Services**  
C-447-343-0 Apr 25 2016 12:53PM -- GARCIAJ Joint Inspection NOT Required

8. Material removed from the baghouse shall be disposed of in a manner preventing entrainment into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Replacement bags numbering at least 10% of the total number of bags shall be maintained on the premises. [District Rule 2201] Federally Enforceable Through Title V Permit
10. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the filters. 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
11. The differential pressure gauge reading shall be established per manufacturer's recommendation at the time of the startup inspection. [District Rule 2201] Federally Enforceable Through Title V Permit
12. The total amount of bentonite received via the bag breaking station shall not exceed either of the following limits: 50,000 lbs/day or 800,000 lbs/year. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Controlled PM10 emissions shall not exceed 0.0129 pounds per ton of bentonite received via the bag break station. [District Rule 2201] Federally Enforceable Through Title V Permit
14. The total amount of bentonite transferred into the storage silo shall not exceed either of the following limits: 50,000 lbs/day or 800,000 lbs/year. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Controlled PM10 emissions shall not exceed 0.00384 pounds per ton of bentonite transferred into the storage silo. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Daily and annual records of the total amount of bentonite received and transferred into the storage silo shall be maintained, retained on-site 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
18. 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
19. Records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

DRAFT

Appendix D  
SSPE Calculations

## **SSPE Calculations**

### **C-447-1-12**

#### **Assumptions:**

Operation Hours: 8,760 hr/year, worst case scenario

#### **Emission Factors:**

EF = 0.0024 lb-PM10/MMBtu per current PTO

#### **Calculations:**

$$\begin{aligned} PE &= (0.0024 \text{ lb-PM10/MMBtu}) \times (8,760 \text{ hr/day}) \times (62 \text{ MMBtu/hr}) \\ &= 1,195 \text{ lb-PM10/yr} \end{aligned}$$

### **C-447-1-13**

#### **Assumptions:**

Operation Hours: 8,760 hr/year, worst case scenario

#### **Emission Factors:**

EF = 0.0024 lb-PM10/MMBtu per current PTO

#### **Calculations:**

$$\begin{aligned} PE &= (0.0024 \text{ lb-PM10/MMBtu}) \times (8,760 \text{ hr/day}) \times (142 \text{ MMBtu/hr}) \\ &= 2,985 \text{ lb-PM10/yr} \end{aligned}$$

### **C-447-5-3, -6-3 and -8-3**

#### **Assumptions:**

Since information is not available for all units, it will be assumed the information provided in Project C-950256 for -8-0 will apply to all units:

Baghouse control efficiency = 99.8%

Density of diatomaceous earth = 25 lb/ft<sup>3</sup>

Density of cement = 75 lb/ft<sup>3</sup> as stated in section VII.B above

Diatomaceous earth settles 18 times more slowly than cement

Maximum throughput = 40 tons/day, per applicant

50% of PM is PM10, per Rule 2201, Section 4.11.2

#### **Emission Factors:**

EF = 0.27 lb-PM/ton x 18 = 4.86 lb-PM/ton per Project C-950256

#### **Calculations:**

$$\begin{aligned} PE &= (4.86 \text{ lb-PM/ton}) \times (40 \text{ tons/day}) \times (365 \text{ days/year}) \times (1 - \text{PM} / 2\text{-PM10}) \times (1 - 0.998) \\ &= 71 \text{ lb-PM10/yr} \end{aligned}$$

### **C-447-16-3**

From the current permit, PM10 emissions = 1.3 tons = 2,600 lbs/year

### **C-447-23-1**

#### **Assumptions:**

Operating schedule: 1,000 hr/year  
Throughput of trommel screen: 100 tons/hour

#### **Emission Factors:**

EF from IC engine = 0.05 g/bhp-hr from current PTO  
EF from trommel screen = 0.0022 lb-PM10/ton from current PTO

#### **Calculations:**

PE from IC engine =  $0.05 \text{ g/bhp-hr} \times 1,000 \text{ hr/year} \times 138 \text{ bhp} \div 453.6 \text{ g/lb} = 15 \text{ lb-PM10/year}$

PE from trommel screen =  $100 \text{ tons/hour} \times 1,000 \text{ hr/year} \times 0.0022 \text{ lb-PM10/ton} = 220 \text{ lb-PM10/year}$

Total PE =  $15 + 220 = 235 \text{ lb-PM10/year}$

### **C-447-226-12**

#### **Assumptions:**

Higher Heating Value (HHV): 691 Btu/scf – Based on nominal composition of the Biogas  
Quarterly biogas production will not exceed 31,670,000 scf (21,884 MMBtu) during the 1<sup>st</sup> quarter (non-crush season)  
Quarterly biogas production will not exceed 31,800,300 scf (21,974 MMBtu) during the 2<sup>nd</sup> quarter (non-crush season)  
Quarterly biogas production will not exceed 83,115,800 scf (57,433 MMBtu) during the 3<sup>rd</sup> and 4<sup>th</sup> quarters (crush season)

#### **Emission Factors:**

EF = 0.008 lb/MMBtu from current PTO

#### **Calculations:**

PE =  $0.008 \text{ lb/MMBtu} \times (21,884 \text{ MMBtu} + 21,974 \text{ MMBtu} + 57,433 \text{ MMBtu})/\text{year}$   
= 810 lb-PM10/year

**C-447-230-2**

**Assumptions:**

Throughput limit = 74,460 tons/year from current PTO

**Emission Factor:**

EF = 0.01 lb/MMBtu from current PTO

**Calculations:**

PE = 0.01 lb/MMBtu x 74,460 tons/year  
= 745 lb-PM10/year

**C-447-233-2**

**Assumptions:**

Throughput limit = 2,500 tons/year from current PTO

**Emission Factor:**

EF = 0.00085 lb/MMBtu from current PTO

**Calculations:**

PE = 0.00085 lb/MMBtu x 2,500 tons/year  
= 2 lb-PM10/year

**C-447-267-2**

**Assumptions:**

Annual operating limit = 100 hr/year from current PTO

**Emission Factor:**

EF = 0.10 g-PM10/bhp-hr from current PTO

**Calculations:**

PE = 0.10 g-PM10/bhp-hr x 100 hr/year x 160 bhp ÷ 453.6 g/lb  
= 4 lb-PM10/year

**C-447-268-1**

**Assumptions:**

Annual throughput limit = 146,853 wet ton/year from current PTO

**Emission Factor:**

EF = 0.00165 lb-PM10/wet ton from current PTO

**Calculations:**

PE = 0.00165 lb-PM10/wet ton x 146,853 wet ton/year

= 242 lb-PM10/year

**C-447-269-1**

**Assumptions:**

Annual throughput limit = 100,000 wet ton/year from current PTO

**Emission Factor:**

EF = 0.00066 lb-PM10/wet ton from current PTO

**Calculations:**

PE = 0.00066 lb-PM10/wet ton x 100,000 wet ton/year  
= 66 lb-PM10/year

**C-447-270-0**

From Project C-1080226:

**Assumptions:**

Annual processing weight = 103,950 ton/year

Number of drop points = 2

**Emission Factor:**

EF = 0.00033 lb-PM10/ ton

**Calculations:**

PE = 0.00033 lb-PM10/ton x 103,950 ton/year x 2 drop points  
= 69 lb-PM10/year

## Appendix E

### Compliance Certification Form

Date: 02/22/16

Facility Name: C-447, E. & J. Gallo Winery --Livingston Fresno

Project Name: Particulate Matter (PM) Controls for Bentonite (KWK) Delivery System

Applicant's Name: Mr. Neil McDougald

Mailing Address: 5610 E. Olive Avenue, Fresno, CA 93727

San Joaquin Valley Air Pollution Control District  
1990 E Gettysburg Ave  
Fresno, CA 93726-0244

Attention: Manager of Permit Services-Errol Villegas

Subject: Reimbursable Overtime for Authority to Construct Permit

Project # (If Known): Project Number Not Assigned by District.

I, Neil McDougald, from E&J Gallo Winery-Fresno would like to request the above project be processed on a reimbursable overtime basis by **Permit Engineer Mr. Jesse Garcia**. I understand I will be billed at the current rate of \$147.00 per hour (or billable rate at the time of invoice issuance), and will receive an invoice for the processing time spent on this project. I agree to provide payment within 60 days for this out-of-turn processing upon receipt of the invoice. This expedited processing is necessary to meet the 2016 production needs.

If this request is approved, the available weekend contact is:

Kim Burns: 559-349-3643; kim.burns@ejgallo.com

Thank you for your consideration.

Applicant's Signature Neil K. McDougald  
Printed Name: Neil McDougald