



JUL 28 2011

Mr. Homer Emerson
Taft Production Company
PO Box 1277
Taft, CA 93268

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-1234
Project # 1110782**

Dear Mr. Emerson:

Enclosed for your review is the District's analysis of an application for Authorities to Construct for the facility identified above. The applicant is requesting that Certificates of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. The project authorizes modifications to four natural gas-fired dryers for compliance with Rule 4309.

After addressing any EPA comments made during the 45-day comment period, the Authorities to Construct will be issued to the facility with Certificates of Conformity. Prior to operating with modifications authorized by the Authorities 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. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

DW:RE/st

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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



JUL 28 2011

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-1234
Project # 1110782**

Dear Mr. Tollstrup:

Enclosed for your review is the District's analysis of an application for Authorities to Construct for the facility identified above. The applicant is requesting that Certificates of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. The project authorizes modifications to four natural gas-fired dryers for compliance with Rule 4309.

Enclosed is the engineering evaluation of this application with a copy of the current Title V permit and proposed Authorities to Construct # S-1234-2-24, '-3-5, '-14-12, '-22-7, and '-26-0 with Certificates of Conformity. After demonstrating compliance with the Authorities to Construct, the conditions will be incorporated into the facility's Title V permit through an administrative amendment.

Please submit your written comments on this project within the 30-day comment period that begins on the date you receive this letter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

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San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

JUL 28 2011

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St.
San Francisco, CA 94105

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # S-1234
Project # 1110782**

Dear Mr. Rios:

Enclosed for your review is the District's engineering evaluation of an application for Authorities to Construct for Taft Production Company located at 950 Petroleum Club Road, Taft, CA, which has been issued a Title V permit. Taft Production Company is requesting that Certificates of Conformity, with the procedural requirements of 40 CFR Part 70, be issued with this project. The project authorizes modifications to four natural gas-fired dryers for compliance with Rule 4309.

Enclosed is the engineering evaluation of this application with a copy of the current Title V permit and proposed Authorities to Construct # S-1234-2-24, '-3-5, '-14-12, '-22-7, and '-26-0 with Certificates of Conformity. After demonstrating compliance with the Authority to Construct, the conditions will be incorporated into the facility's Title V permit through an administrative amendment.

Please submit your written comments on this project within the 45-day comment period that begins on the date you receive this letter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

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**NOTICE OF PRELIMINARY DECISION
FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT AND
THE PROPOSED SIGNIFICANT MODIFICATION OF FEDERALLY
MANDATED OPERATING PERMIT**

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District solicits public comment on the proposed modification of Taft Production Company for its Kitty Litter Manufacturing Facility located at 950 Petroleum Club Road, Taft, CA, California. The project authorizes modifications to four natural gas-fired dryers for compliance with Rule 4309.

The District's analysis of the legal and factual basis for this proposed action, project #1110782, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. This will be the public's only opportunity to comment on the specific conditions of the modification. If requested by the public, the District will hold a public hearing regarding issuance of this modification. For additional information, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500. Written comments on the proposed initial permit must be submitted within 30 days of the publication date of this notice to DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308.

	ATC req'd ?	TV application req'd ?	NSR mod ?	Description	Comments
2	Yes	Yes	No	modifying monitoring and record keeping requirements, provided the change does not lessen the stringency of an emissions limit	Changes to monitoring or recordkeeping are not changes in the method of "operation" of the emission unit even though monitoring/recordkeeping conditions must be changed.

Finally, TPC has requested that the CO emissions factor listed on PTOs S-1234-2-22 and '-14-10 be revised to 0.084 lb/MMBtu, the current AP-42 emissions factor for combustion of natural gas. This is consistent with District policy APR 1110 (Use of Revised Generally Accepted Emissions Factors) and has no NSR implications with regard to BACT or offsets.

Start-up/Shutdown and Shakedown Period Provisions

The following conditions will be included on the ATCs to address the startup and shutdown emissions:

Total duration of startup shall not exceed 1 hr/day. [District Rules 2201 and 4309] Y

Total duration of shutdown shall not exceed 1 hr/day. [District Rules 2201 and 4309] Y

No change in alternate monitoring is proposed. TPC will continue to implement Monitoring Scheme "A."

TPC is a major stationary source with a Title V permit. The project is a SB 288 Major Modification and therefore it is classified as a Title V Significant Modification pursuant to Rule 2520, Section 3.20, 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. TCP must apply to administratively amend their Title V Operating Permit to include the requirements of the ATC(s) issued with this project.

There are no outstanding ATCs for S-1234-2, '-3, '-14, and '-22. PTOs S-1234-2-2, '-3-3, '-14-10, and '-22-5 are included in **Attachment I**.

II. Applicable Rules

- Rule 2201 New and Modified Stationary Source Review Rule (6/10/10)
- Rule 2520 Federally Mandated Operating Permits (6/21/01)
- Rule 4001 New Source Performance Standards (04/14/99)
- Rule 4002 National Emissions Standards for Hazardous Air Pollutants (05/20/04)
- Rule 4101 Visible Emissions (2/17/05)
- Rule 4102 Nuisance (12/17/92)
- CH&SC 41700 Health Risk Assessment
- CH&SC 42301.6 School Notice
- Rule 4201 Particulate Matter Concentration (12/17/92)

Rule 4301 Fuel Burning Equipment (12/17/92) – **not applicable** – dryer is a direct heat transfer device
Rule 4309 Dryers, Dehydrators, and Ovens (12/15/05)
Rule 4801 Sulfur Compounds (12/17/92)
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 950 Petroleum Club Road in Taft, CA. 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

Taft Production Company produces kitty litter at their manufacturing facility in Taft, CA. Taft Production Company grinds and dries Antelope Shale to produce kitty litter. The driers are used to decrease the moisture content of the Antelope Shale from 17 to 25% to 5 to 6%.

Rule 4309 Compliance Modifications

To comply with Rule 4309, Taft Production Company is proposing to replace their existing 35 MMBtu/hr Eclipse (S-1234-2) and 32 MMBtu/hr North American (S-1234-14) gas-fired burners with COEN (or equivalent) low-NOx burners which have been designed to meet the District's NOx and CO emission rates of 4.3 ppmv @19% O2 and 42 ppmv @19% O2 respectively. 25 MMBtu/hr rotary dryer listed on S-1234-3 will be designated as a DEU. New permit S-1234-26 will list the remaining non-combustion equipment listed on S-1234-3 i.e. screening and milling portions that are shared with permit units S-1234-1, '-2, and '-12.

Sulfur testing Revisions

All dryers at the facility either combust PUC utility gas or LPG (Applicant email). The current PTOs require sulfur testing of the natural gas. Taft has requested that this requirement be eliminated but that natural gas and LPG fuel bills be maintained in place of sulfur content testing for each fuel source. The revision does not represent a change in operation; it is only a revision in the way the fuel sulfur is verified to make it consistent with current District practice.

V. Equipment Listing

Pre-Project Equipment Description:

S-1234-2-22: DRYING/MILLING/STORAGE OPERATION

S-1234-3-3: DRYING/SCREENING/MILLING OPERATION #2 INCLUDING ROTARY DRYER WITH 25 MMBTU/HR GAS-FIRED BURNER ASSEMBLY, TWO BELT CONVEYORS, AND TWO FEED ELEVATORS

S-1234-14-10: AGRICULTURAL CHEMICALS/MINERALS DRYING & STORAGE OPERATION

S-1234-22-5: CAT LITTER PAINTING OPERATION INCLUDING: ONE BUCKET ELEVATOR, ONE PAINT MIXER, ONE 0.4 MMBTU/HR NATURAL GAS FIRED DRYER, ONE EXHAUST FAN, AND ONE CONVEYOR

Proposed Modification:

S-1234-2-24 REPLACE EXISTING 35 MMBTU/HR ECLIPSE NATURAL GAS/LPG-FIRED BURNER WITH A 35 MMBTU/HR COEN (OR EQUIVALENT) NATURAL GAS/LPG-FIRED BURNER AND REVISE SULFUR TESTING REQUIREMENTS

S-1234-3-5: DESIGNATE DRYER AS DORMANT EMISSIONS UNIT AND CREATE SEPARATE PERMIT S-1234-26 FOR NONCOMBUSTION EQUIPMENT AND REVISE SULFUR TESTING REQUIREMENTS

S-1234-14-2: REPLACE EXISTING 32 MMBTU/HR NORTH AMERICAN NATURAL GAS/LPG-FIRED BURNER WITH A 25 HP BLOWER WITH A 32 MMBTU/HR COEN (OR EQUIVALENT NATURAL GAS/LPG-FIRED BURNER WITH A 30 HP BLOWER AND REVISE SULFUR TESTING REQUIREMENTS

S-1234-22-7: REVISE SULFUR TESTING REQUIREMENTS

Post Project Equipment Description:

S-1234-2-24: DRYING/MILLING/STORAGE OPERATION WITH A 35 MMBTU/HR COEN (OR EQUIVALENT NATURAL GAS/LPG-FIRED BURNER

S-1234-3-5: ROTARY DRYER WITH 25 MMBTU/HR GAS-FIRED BURNER ASSEMBLY

S-1234-14-2: AGRICULTURAL CHEMICALS/MINERALS DRYING & STORAGE OPERATION WITH 32 MMBTU/HR COEN (OR EQUIVALENT) NATURAL GAS/LPG-FIRED BURNER WITH A 30 HP BLOWER

S-1234-22-7: CAT LITTER PAINTING OPERATION INCLUDING: ONE BUCKET ELEVATOR, ONE PAINT MIXER, ONE 0.4 MMBTU/HR NATURAL GAS FIRED DRYER, ONE EXHAUST FAN, AND ONE CONVEYOR

S-1234-26-0: CLEANING/MILLING OPERATION #2 INCLUDING TWO BELT CONVEYORS, AND TWO FEED ELEVATORS

Applicant Email June 29, 2011

Two conveyors 5 hp (each)

Two feed elevators 7.5 hp (each)

Roll Mill 20 hp

Roller mill 10 hp

Universal vibrating screen 3 hp

$2*(5\text{ hp})+2*(7.5\text{ hp})+20\text{ hp}+10\text{ hp}+3\text{ hp}$

= 58 hp

As per District policy APR 1035 Flexibility in Equipment Descriptions in ATCs, some flexibility in the final specifications of the equipment will be allowed as stated in the following ATC conditions:

The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] N

The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] N

Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] N

No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] N

VI. Emission Control Technology Evaluation

Emissions from the dryers include NO_x, CO, VOC, PM₁₀, and SO_x.

Low-NO_x burners reduce NO_x formation by producing lower flame temperatures (and longer flames) than conventional burners. Conventional burners thoroughly mix all the fuel and air in a single stage just prior to combustion, whereas low-NO_x burners delay the mixing of fuel and air by introducing the fuel (or sometimes the air) in multiple stages. Generally, in the first combustion stage, the air-fuel mixture is fuel rich. In a fuel rich environment, all the oxygen will be consumed in reactions with the fuel, leaving no excess oxygen available to react with nitrogen to produce thermal NO_x. In the secondary and tertiary stages, the combustion zone is maintained in a fuel-lean environment. The excess air in these stages helps to reduce the flame temperature so that the reaction between the excess oxygen with nitrogen is minimized.

The subject dryers will combust natural gas purchased from a utility company or LPG only. Therefore no control of sulfur emissions is proposed.

Manufacturer's information on the COEN low-NO_x burner is provided in **Attachment II**.

VII. General Calculations

A. Assumptions

24 hr/day, 365 days/yr

Dryers are fired on commercial LPG or natural gas with a sulfur content not greater than 1.0 gr S/100scf.

Natural Gas Heating Value: 1,000 Btu/scf

F-Factor for Natural Gas @ 60°F: 8,578 dscf/MMBtu

Molar Specific Volume of a gas @ 60 °F is 379 ft³/lb-mol

2 hours startup and 2 hours shutdown

S-1234-2 (PTO)

Maximum heat input (rating) is 35 MMBtu/hr

Daily fuel usage: 720,000 scf/day

NOx startup and shut down daily emissions are calculated using the pre-project emissions factor for 4 hr/day and post project emissions factor for 320 hr/day.

< 19 vol% O2 in exhaust (Rule 4309 correct to 19 vol% O2)

S-1234-3 (PTO)

Maximum heat input (rating) is 25 MMBtu/hr

Revision to DEU is not a NSR modification. No calculations are required. PE will be restated in the PAS emissions profiles.

S-1234-14 (PTO)

Maximum heat input (rating) is 32 MMBtu/hr

The total heat input to burner shall not exceed 640 MMBtu/day

NOx startup and shut down daily emissions are calculated using the pre-project emissions factor for 4 hr/day and post project emissions factor for 320 hr/day.

< 19 vol% O2 in exhaust (Rule 4309 correct to 19 vol% O2)

S-1234-22 (PTO)

Maximum heat input (rating) is 0.4 MMBtu/hr

Dryer throughput: 24 tons/day (PTO)

Paint usage: 240 gal/day, 25,043 gal/yr (PTO)

Paint VOC content: 0.69 lb/gal (PTO)

Revision to sulfur testing requirement is not a NSR modification. No calculations are required. PE will be restated in the PAS emissions profiles.

S-1234-26

The pre-project emission rates are zero for all pollutants

The post-project emission rates only consist of PM10 emissions from S-1234-3

Listing non-combustion equipment from S-1234-3 on this permit is administrative, not a NSR modification.

B. Emission Factors

S-1234-2

Dryer Natural Gas Combustion		
	Lb/MMBtu	Source
NO _x	0.1	PTO
SO _x	0.0164*	
PM ₁₀	na	Noncombustion
CO	0.084	AP-42 Table 1.4-2
VOC	0.0055	AP-42 (07/98) Table 1.4-2

**AP-42 LPG Combustion Emissions Factor

*S in propane 0.1 (15 gr S/100 ft³ gas) lb/1000 gallon

[0.1 x 15 /1000 gallons]/0.0915 MMBtu/gallon = 0.0164 lb SO_x/MMBtu:

Post -Project NOx and CO:

4.3 ppmv @ 19% O2

$$\text{NOx: } [4.3 \text{ ft}^3/10^6 \text{ ft}^3 @ 19\% \text{ O}_2] \times [8578 \text{ dscf}^* @ 0\% \text{ O}_2/\text{MMBtu}] \times [20.9/(20.9 - 19) \text{ ft}^3 @ 19\% \text{ O}_2/\text{ft}^3 @ 0\% \text{ O}_2] \times 46 \text{ lb NOx}/379 \text{ ft}^3 = \underline{0.049 \text{ lb/MMBtu}}$$

40 ppmv @ 19% O2

$$\text{CO: } [40 \text{ ft}^3/10^6 \text{ ft}^3 @ 19\% \text{ O}_2] \times [8578 \text{ dscf}^* @ 0\% \text{ O}_2/\text{MMBtu}] \times [20.9/(20.9 - 19) \text{ ft}^3 @ 19\% \text{ O}_2/\text{ft}^3 @ 0\% \text{ O}_2] \times 28 \text{ lb CO}/379 \text{ ft}^3 = \underline{0.28 \text{ lb/MMBtu}}$$

S-1234-3 (DEU)

Dryer Natural Gas Combustion		
	lb/MMBtu	Source
NO _x	3.5 lb/hr/25 MMBtu/hr = 0.14 lb/MMBtu	PTO
SO _x	0.0164	LPG emissions factor
PM ₁₀	0.0076	AP-42 (no combustion PM10 EF listed)
CO	0.425 lb/hr/25 MMBtu/hr = 0.017 lb/MMBtu	
VOC	0.075 lb/hr/25 MMBtu/hr = 0.003 lb/MMBtu	PTO

S-1234-14

Dryer Natural Gas Combustion		
	lb/MMBtu	Source
NO _x	4.27 lb/hr/32 MMBtu/hr = 0.13 lb/MMBtu	PTO
SO _x	0.0164	LPG emissions factor
PM ₁₀	2.36 lb/hr/32 MMBtu/hr = 0.074 lb/MMBtu	PTO
CO	0.084 lb/MMBtu*	AP-42 Table
VOC	0.09 lb/hr/25 MMBtu/hr = 0.0036 lb/MMBtu	PTO

* revised to AP 42 Table

Post -Project NOx and CO:

4.3 ppmv @ 19% O2

$$\text{NO}_x: [4.3 \text{ ft}^3/10^6 \text{ ft}^3 @ 19\% \text{ O}_2] \times [8578 \text{ dscf}^* @ 0\% \text{ O}_2/\text{MMBtu}] \times [20.9/(20.9 - 19) \text{ ft}^3 @ 19\% \text{ O}_2/\text{ft}^3 @ 0\% \text{ O}_2] \times 46 \text{ lb NO}_x/379 \text{ ft}^3 = \underline{0.049 \text{ lb/MMBtu}}$$

40 ppmv @ 19% O2

$$\text{CO}: [40 \text{ ft}^3/10^6 \text{ ft}^3 @ 19\% \text{ O}_2] \times [8578 \text{ dscf}^* @ 0\% \text{ O}_2/\text{MMBtu}] \times [20.9/(20.9 - 19) \text{ ft}^3 @ 19\% \text{ O}_2/\text{ft}^3 @ 0\% \text{ O}_2] \times 28 \text{ lb CO}/379 \text{ ft}^3 = \underline{0.28 \text{ lb/MMBtu}}$$

S-1234-22

Dryer Natural Gas Combustion		
	lb/MMBtu	Source
NO _x	0.1	PTO
SO _x	0.0164	LPG emissions factor
PM ₁₀	0.012	PTO
CO	0.021	PTO
VOC	0.0053	PTO

S-1234-26

5.32 lb PM10/hr (PTO S-1234-3-3)

C. Calculations

1. Pre-Project Potential to Emit (PE1)

S-1234-2 (project 1032664)

$$\text{PE1}_{\text{Drying/Milling/Storage Operation}} = \text{PE1}_{\text{Jamac Collector}} + \text{PE1}_{\text{Venturi Scrubber}} + \text{PE1}_{\text{Fluidized Bed}}$$

Jamac Fabric Collector DC2:

$$\text{PE}_1 = 2.55 \text{ lb PM}_{10}/\text{hr} * 24 \text{ hr/day} = 61.2 \text{ lb PM}_{10}/\text{day} (22,338 \text{ lb/yr})$$

Venturi Scrubber SV2:

$$\text{PE}_1 = 7.37 \text{ lb PM}_{10}/\text{hr} * 24 \text{ hr/day} = 176.9 \text{ lb PM}_{10}/\text{day} (64,568 \text{ lb/yr})$$

Fluidized Bed Dryer:

$$\text{NO}_x = (0.100 \text{ lb/MMBtu}) * (720 \text{ MMBtu/day})$$

$$\begin{aligned} &= 72.0 \text{ lb NO}_x\text{/day (26,280 lb/yr)} \\ \text{SO}_x &= (0.0164 \text{ lb/MMBtu}) * (720 \text{ MMBtu/day}) \\ &= 11.8 \text{ lb SO}_x\text{/day (4310 lb/yr)} \end{aligned}$$

$$\begin{aligned} \text{CO} &= (0.084 \text{ lb/MMBtu}) * (720 \text{ MMBtu/day}) \\ &= 60.5 \text{ lb CO/day (22,075 lb/yr)} \end{aligned}$$

$$\begin{aligned} \text{VOC} &= (0.0055 \text{ lb/MMBtu}) * (720 \text{ MMBtu/day}) \\ &= 4.0 \text{ lb VOC/day (1445 lb/yr)} \end{aligned}$$

Total Pre-Project Potential to Emit (PE1)		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
NO _x	72	26,280
SO _x	11.8	3210
PM ₁₀	61.2 + 176.9 = 238.1	22,338 + 64,568 = 86,906
CO	60.5	22,075
VOC	4.0	1,445

S-1234-14

$$\begin{aligned} \text{NO}_x: & 4.27 \text{ lb/hr} \times 24 \text{ hr/day} = 102.5 \text{ lb/day (37,405 lb/yr)} \\ \text{SO}_x: & 0.0164 \times 640 \text{ MMBtu/day} = 10.5 \text{ lb/day (3,831 lb/yr)} \\ \text{PM}_{10}: & 2.36 \text{ lb/hr} \times 24 \text{ hr/day} = 56.6 \text{ lb/day (20,674 lb/yr)} \\ \text{CO}: & 0.084 \text{ lb/MMBtu} \times 640 \text{ MMBtu/day} = 53.8 \text{ lb/day (19,622 lb/yr)} \\ \text{VOC}: & 0.09 \text{ lb/hr} \times 24 \text{ hr/day} = 2.2 \text{ lb/day (788 lb/yr)} \end{aligned}$$

Total Pre-Project Potential to Emit (PE1)		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
NO _x	102.5	37,405
SO _x	10.4	3831
PM ₁₀	56.6	20,674
CO	53.8	19,622
VOC	2.2	788

2. Post Project Potential to Emit (PE2)

S-1234-2

$$\begin{aligned} \text{NO}_x: & (0.049 \text{ lb/MMBtu}) * (720 \text{ MMBtu/day}) \\ & = 35.3 \text{ lb NO}_x\text{/day (12,877 lb/yr)} \\ \text{CO}: & 0.280 \text{ lb/MMBtu} * (720 \text{ MMBtu/day}) \\ & = 201.6 \text{ lb CO/day (73,584 lb/yr)} \end{aligned}$$

Total Post-Project Potential to Emit (PE2)		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
NO _x	35.3	12,877
SO _x	11.8	3210
PM ₁₀	238.1	86,906
CO	201.6	73,584
VOC	4.0	1,445

S-1234-3 (dryer emissions)

NO_x: 3.5 lb/hr x 24 hr/day = 84 lb/day (30,660 lb/yr)
 SO_x: 0.0164 x 25 MMBtu/hr x 24 hr/day = 9.8 lb/day (3592 lb/yr)
 PM₁₀: 0.0076 lb/MMBtu x 25 MMBtu/hr x 24 hr/day = 4.6 lb/day (1664 lb/yr)
 CO: 0.425 lb/hr x 24 hr/day = 10.2 lb/day (3723 lb/yr)
 VOC: 0.075 lb/hr x 24 hr/day = 1.8 lb/day (657 lb/yr)

PM₁₀: 5.32 lb/hr x 24 hr/day = 127.7 lb/day (46,603 lb/yr):

Total Post-Project Potential to Emit (PE2)		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
NO _x	84.0	30,660
SO _x	9.8	3592
PM ₁₀	4.6 + 127.7 = 132.3	1664 + 46,603 = 48,267
CO	10.2	3723
VOC	1.8	657

S-1234-14

NO_x: 0.049 lb/MMBtu x 640 MMBtu/day = 31.4 lb/day (11,446 lb/yr)
 CO: 0.280 lb/MMBtu x 640 MMBtu/day = 179.2 lb/day (65,408 lb/yr)

Total Post-Project Potential to Emit (PE2)		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
NO _x	31.4	11,446
SO _x	10.4	3831
PM ₁₀	56.6	20,674
CO	179.2	65,408
VOC	2.2	788

S-1324-22 (project 1001375)

Painting

0.69 lb-VOC/gal x 240 gallons/day = 165.6 lb-VOC/day
0.69 lb-VOC/gal x 25,043 gallons/yr = 17,280 lb-VOC/year

Fugitive PM₁₀ (project)

- Bucket elevator = (0.24 lb/ton)(24 tons/day)(1-0.99) = 0.058 lb/day
- Mixer emissions = (0.04 lb/ton)(24 tons/day)(1-0.99) = 0.0096 lb/day
- Controlled Conveyor = (0.029 lb/ton)(24 tons/day)(2 dropt pts)(1-0.99) = 0.0139 lb/day
- Uncontrolled Conveyor = (0.029 lb/ton)(24 tons/day)(2 dropt pts) = 1.39 lb/day

Total Fugitive PM₁₀ = 0.058 + 0.0096 + 0.0139 + 1.39 = 1.5 lb-PM₁₀/day (537 lb/yr)

Dryer

NO_x = 0.1 lb/MMBtu x 0.4 MMBtu/hr x 24 hrs/day
= 0.96 lb/day (350 lb/yr)

SO_x = 0.0164 lb/MMBtu x 0.4 MMBtu/hr x 24 hrs/day
= 0.16 lb/day (57 lb/yr)

PM₁₀ = 0.012 lb/MMBtu x 0.4 MMBtu/hr x 24 hrs/day
= 0.11 lb/day = 42 lb/yr

CO = 0.084 lb/MMBtu x 0.4 MMBtu/hr x 24 hrs/day
= 0.81 lb/day = 294 lb/yr

VOC = 0.0053 lb/MMBtu x 0.4 MMBtu/hr x 24 hrs/day
= 0.05 lb/day (19 lb/yr)

Total Post Project Potential to Emit (PE2)		
	Daily Emissions (lb/day)	Annual Emissions (lb/year)
NO _x	1.0	350
SO _x	0.2	57
PM ₁₀	0.1 + 1.5 = 1.6	42 + 537 = 579
CO	0.8	294
VOC	0.05 + 165.6 = 165.7	19 + 17,280 = 17,299

S-1234-26 (from S-1234-3)

PM₁₀: 5.32 lb/hr x 24 hr/day = 127.7 lb/day (46,603 lb/yr):

Emissions profiles are included in **Attachment III**.

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 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 that have occurred at the source, and which have not been used on-site.

Since this is a new facility, there are no valid ATCs, PTOs, or ERCs at the Stationary Source; therefore, the SSPE1 will be equal to zero.

Pre-Project Stationary Source Potential to Emit [SSPE1] (lb/year)					
Permit Unit	NO _x	SO _x	PM ₁₀	CO	VOC
S-1234-2	26,280	3,210	86,906	22,075	1445
S-1234-3	30,660	3,592	48,267	3,723	657
S-1234-14	37,405	3,831	20,674	19,622	788
S-1234-22	350	57	579	294	17,299
Non-combustion PM10 only	0	0	XXXX	0	0
Pre-Project SSPE (SSPE1)	94,695	10,690	>156,426	45,714	20,189

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 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 that have occurred at the source, and which have not been used on-site.

Post-Project Stationary Source Potential to Emit [SSPE2] (lb/year)					
Permit Unit	NO _x	SO _x	PM ₁₀	CO	VOC
S-1234-2	12,877	3,210	86,906	73,584	1445
S-1234-3	30,660	3,592	1664	3723	657
S-1234-14	14,446	3,831	20,674	65,408	788
S-1234-22	350	57	579	294	17,299
S-1234-26	0	0	46,603	0	0
Non-combustion PM10 only	0	0	XXXX	0	0
Post-Project SSPE (SSPE2)	58,333	10,690	>156,426	143,009	20,189

5. Major Source Determination

Pursuant to Section 3.23 of District Rule 2201, a Major Source is a stationary source with post-project emissions or a Post Project Stationary Source Potential to Emit (SSPE2), equal to or exceeding one or more of the following threshold values. However, Section 3.23.2 states, "for the purposes of determining major source status, the SSPE2 shall not include the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site."

Major Source Determination (lb/year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
Pre-Project SSPE (SSPE1)	94,695	10,690	>156,426	45,714	20,189
Post Project SSPE (SSPE2)	58,333	10,690	>156,426	143,009	20,189
Major Source Threshold	20,000	140,000	140,000	200,000	20,000
Major Source?	Yes	No	Yes	No	Yes

As seen in the table above, the facility is an existing Major Source for NO_x, PM₁₀ and VOCs and will remain a major source for these air contaminants.

6. Baseline Emissions (BE)

The BE calculation (in lb/year) is performed on a pollutant-by-pollutant basis to determine the amount of offsets required, where necessary, when the SSPE1 is greater than the offset threshold. This project is exempt from offsets pursuant to Rule 2201, Section 4.6.8. Therefore, BE calculations are not required.

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, the facility is an existing Major Source for NO_x and PM₁₀; however, the project by itself would need to be a significant increase in order to trigger a Major Modification. The emissions units within this project have a total potential to emit for PM₁₀ which is greater than SB 288 Major Modification threshold (see table below). Therefore, SB 288 Major Modification calculation is required.

SB 288 Major Modification Thresholds (Existing Major Source)			
Pollutant	Project PE (lb/year)	Threshold (lb/year)	SB 288 Major Modification Calculation Required?
NO _x	12,877 + 11,446 = 24,323	50,000	No
SO _x	Na	80,000	No
PM ₁₀	86,906 + 20,674 = 107,580	30,000	Yes
VOC	Yes	50,000	No

Note that applicant has not submitted information required for the SB 288 calculation for PM₁₀ but has requested that the project be processed as a SB 288 Modification for PM₁₀.

8. Federal Major Modification

As discussed in Section VII.C.5 above, the facility is not a Major Source for SO_x; therefore, the project does not constitute a Federal Major Modification for SO_x emissions. The facility is a major source for NO_x, PM₁₀, and VOC.

District Rule 2201, Section 3.17 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. SB 288 Major Modifications are not Federal Major Modifications if they meet the criteria of the “Less-Than-Significant Emissions Increase” exclusion.

A Less-Than-Significant Emissions Increase exclusion is for an emissions increase for the project, or a Net Emissions Increase for the project (as defined in 40 CFR 51.165 (a)(2)(ii)(B) through (D), and (F)), that is not significant for a given regulated NSR pollutant, and therefore is not a Federal Major Modification for that pollutant.

- To determine the post-project projected actual emissions from existing units, the provisions of 40 CFR 51.165 (a)(1)(xxviii) shall be used.
- To determine the pre-project baseline actual emissions, the provisions of 40 CFR 51.165 (a)(1)(xxxv)(A) through (D) shall be used.
- If the project is determined not to be a Federal Major Modification pursuant to the provisions of 40 CFR 51.165 (a)(2)(ii)(B), but there is a reasonable possibility that the project may result in a significant emissions increase, the owner or operator shall comply with all of the provisions of 40 CFR 51.165 (a)(6) and (a)(7).
- Emissions increases calculated pursuant to this section are significant if they exceed the significance thresholds specified in the table below.

Pollutant	Threshold (lb/year)
VOC	0
NO _x	0
PM ₁₀	30,000
Sox	80,000

The Net Emissions Increases (NEIs) for purposes of determination of a “Less-Than-Significant Emissions Increase” exclusion will be calculated below to determine if this project qualifies for such an exclusion.

District draft policy “Implementation of Amended Rule 2201 for SB288 Major Modifications and Federal Major Modifications” states that for Case 3 modifications which are solely for District rule compliance the emissions increase is presumed to be zero and the project is not a Federal major Modification.

9. Quarterly Net Emissions Change (QNEC)

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

S-1234-2

	PE2	PE1	QNEC
NOx	12,877	26,280	-3351
SOx	3210	3210	0
PM10	86,906	86,906	0
CO	73,584	22,075	12,877
VOC	1,445	1,445	0

S-1234-14

	PE2	PE1	QNEC
NOx	11,446	37,405	-6490
SOx	20,674	3831	0
PM10	20,674	20,674	0
CO	65,408	19,622	11,447
VOC	788	788	0

VIII. Compliance

District Rule 2201 New and Modified Stationary Source Review Rule

S-1234-3 (DEU)

While S-1234-3 is dormant, the established monitoring and source testing will not be required. Whenever the operator designates the unit as active, the established monitoring and source testing requirements will resume. Nothing in this evaluation shall be construed to shield a unit that has operated out of compliance with any District, state or federal requirements. A unit designated as a DEU is subject to enforcement action for any violations. If the unit becomes out of compliance with District Rules while Dormant, TPC must apply for and receive a valid ATC to bring the unit back into compliance with all District Regulations prior to recommencing operation.

The following conditions will be listed on the / each permit to ensure compliance.

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 2520] Y

Prior to operating with modifications authorized by this Authority to Construct, the permittee 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] Y

No modification to this unit shall be performed without an Authority to Construct for such modifications, except for changes specified in the conditions below. [District Rule 2010]

Upon seven days prior written notice to the District, this unit may be designated as a dormant emissions unit or an active emissions unit. [District Rule 2080]

While dormant, the fuel line shall be physically disconnected from the unit.[District Rule 2080]

While dormant, normal source testing and monitoring shall not be required. [District Rule 2080]

Upon recommencing operation of this unit, normal source testing and monitoring shall resume. [District Rule 2080]

Any source testing required by this permit shall be performed within 60 days of recommencing operation of this unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080]

Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070]

If this unit has become dormant because it does not comply with District Rules, or if the unit becomes out of compliance with District Rules while it is dormant, operation of the unit is not authorized until an Authority to Construct permit is issued approving all necessary retrofits and permit changes required to comply with the respective District Rules. [District Rule 2010]

S-1234-2 and '-14 (only)

A. Best Available Control Technology (BACT)

1. BACT Applicability

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

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

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

However, BACT shall not be required for the following:

- 4.2.3 For existing facilities, the installation or modification of an emission control technique performed solely for the purpose of compliance with the requirements of District, State or Federal air pollution control laws, regulations, or orders, as approved by the APCO, shall be exempt from Best Available Control Technology for all air pollutants, provided all of the following conditions are met:

- 4.2.3.1 There shall be no increase in the physical or operational design of the existing facility, except for those changes to the design needed for the installation or modification of the emission control technique itself;
- 4.2.3.2 There shall be no increase in the permitted rating or permitted operating schedule of the permitted unit;
- 4.2.3.3 There shall be no increase in emissions from the stationary source that will cause or contribute to any violation of a National Ambient Air Quality Standard, Prevention of Significant Deterioration increment, or Air Quality Related Value in Class I areas; and
- 4.2.3.4 The project shall not result in an increase in permitted emissions or potential to emit of more than 25 tons per year of NO_x, or 25 tons per year of VOC, or 15 tons per year of SO_x, or 15 tons per year of PM₁₀, or 50 tons per year of CO;
- 4.2.3.5 The project shall not constitute a Federal Major Modification.

The increase in CO emissions is less than 50 tons per year. Therefore, each of the above-listed criteria are met, and BACT is not triggered for any pollutant.

B. Offsets

1. Offset Applicability

The proposed modifications are solely for compliance with Rule 4320, and are exempt from offsets if the following criteria are satisfied. Rule 2201, Section 4.6.8 provides the following exemption from offsets.

Emission offsets shall not be required for the following:

- 4.6.8 For existing facilities, the installation or modification of an emission control technique performed solely for the purpose of compliance with the requirements of District, State or Federal air pollution control laws, regulations, or orders, as approved by the APCO, shall be exempt from offset requirements for all air pollutants provided all of the following conditions are met:
 - 4.6.8.1 There shall be no increase in the physical or operational design of the existing facility, except for those changes to the design needed for the installation or modification of the emission control technique itself;
 - 4.6.8.2 There shall be no increase in the permitted rating or permitted operating schedule of the permitted unit;
 - 4.6.8.3 There shall be no increase in emissions from the stationary source that will cause or contribute to any violation of a National Ambient Air Quality Standard, Prevention of Significant Deterioration increment, or Air Quality Related Value in Class I areas; and
 - 4.6.8.4 The project shall not result in an increase in permitted emissions or potential to emit of more than 25 tons per year of NO_x, or 25 tons

per year of VOC, or 15 tons per year of SO_x, or 15 tons per year of PM-10, or 50 tons per year of CO.

4.6.8.5 The project shall not constitute a Federal Major Modification.

Since the above-listed criteria are met, offsets are not triggered for any pollutant.

C. Public Notification

1. Applicability

Public noticing is required for:

- a. New Major Sources, Federal Major Modifications, and SB288 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 SSPE of greater than 20,000 lb/year for any pollutant.

a. New Major Sources, Federal Major Modifications, and SB288 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 VII.C.7, this project is a SB 288 Major Modification; therefore, public noticing for SB 288 or Federal Major Modification purposes is required.

b. PE > 100 lb/day

Applications which include a new emissions unit with a Potential to Emit 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 following table compares the SSPE1 with the SSPE2 in order to determine if any offset thresholds have been surpassed with this project.

Offset Threshold				
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	Offset Threshold	Public Notice Required?
NO _x	94,695	58,333	20,000 lb/year	No
SO _x	10,690	10,690	54,750 lb/year	No
PM ₁₀	>156,426	>156,426	29,200 lb/year	No
CO	45,714	143,009	200,000 lb/year	No
VOC	20,089	20,089	20,000 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 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 SSPE2 and SSPE1 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:

Stationary Source Increase in Permitted Emissions [SSIPE] – Public Notice					
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
NO _x	94,695	58,333	-36,362	20,000 lb/year	No
SO _x	10,690	10,690	0	20,000 lb/year	No
PM ₁₀	>156,426	>156,426	0	20,000 lb/year	No
CO	45,714	143,009	97,295	20,000 lb/year	Yes
VOC	20,089	20,089	0	20,000 lb/year	No

As demonstrated above, the SSIPE for CO was greater than 20,000 lb/year; therefore public noticing for SSIPE purposes is required.

2. Public Notice Action

As discussed above, this project is a SB 288 Major Modification and has a CO increase in emissions greater than 20,000 lb/yr. 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 Emission Limits (DELs)

Daily Emissions Limitations (DELs) and other enforceable conditions are required by Section 3.15 to restrict a unit's maximum daily emissions, to a level at or below the

emissions associated with the maximum design capacity. Per Sections 3.15.1 and 3.15.2, 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. DELs are also required to enforce the applicability of BACT.

S-1234-2

Proposed Rule 2201 (DEL) Conditions:

The following conditions replace current PTO conditions as indicated:

Only LPG or natural gas purchased from a PUC-regulated utility shall be combusted in fluidized bed dryer. [District Rule 2201] Y

Sulfur content of propane shall not exceed 15 grain per 100 scf. [District Rule 2201] Y

Emissions for NOx and CO shall be uncorrected if the measured oxygen exhaust concentration exceeds 19.0% by volume or shall be corrected to 19.0% by volume for units operating at measured O2 concentrations of 19.0 % by volume or less. [District Rules 2201 and 4309] Y

Except during startup and shutdown emissions rates for combustion of natural gas in fluidized bed dryer shall not exceed any of the following limits: 4.3 ppmvd NOX @ 19% O2 or 0.049 lb/MMBtu, 0.00285 lb-SOx/MMBtu, 40 ppmvd CO @ 19% O2 or 0.280 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201 and 4309] Y

Except during startup and shutdown emissions rates for combustion of propane in fluidized bed dryer shall not exceed any of the following limits: 4.3 ppmvd NOX @ 19% O2, 0.0164 lb-SOx/MMBtu, 40 ppmvd CO @ 19% O2 or 0.280 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201 and 4309] Y

~~Emission rates for combustion of natural gas in fluidized bed dryer shall not exceed any of the following limits: 0.0006 lb SOx/MMBtu (as SO2); 0.100 lb NOx/MMBtu (as NO2); 0.0053 lb VOC/MMBtu; 0.020 lb CO/MMBtu. [District NSR Rule and 4301, 5.2] Y~~

~~Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [District Rule 4801 and Kern County Rule 407] Y~~

~~This unit shall be fired only on propane/liquefied petroleum gas (LPG) with a sulfur content not exceeding 0.3 gr/100 ft3 (0.00016% by weight) or on natural gas with a sulfur content not exceeding 0.2 gr/100 ft3 (0.0007% by weight). [District Rules 2520, 9.1, 4301, 5.2, and 4801; and Kern County Rule 407] Y~~

~~The sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. In lieu of performing sulfur content testing for each fuel source, permittee may maintain records of supplier certifications for all natural gas and propane/LPG deliveries to demonstrate compliance with fuel sulfur limits. [District Rule 2520, 9.3.2] Y~~

~~For testing purposes, the sulfur content of propane/LPG combusted in this unit shall be determined using ASTM method D 2784. [District Rule 2520, 9.3.2] Y~~

~~For testing purposes, the sulfur content of any natural gas being combusted in this unit shall be determined using ASTM method D 1072, D 4084, or D 3246. [District Rule 2520, 9.3.2] Y~~

~~The permittee shall maintain records of sulfur content of the fuel used. [District Rule 2520, 9.4.1] Y~~

S-1234-14

Proposed Rule 2201 (DEL) Conditions:

The following new conditions replace current PTO conditions as indicated:

Only LPG or natural gas purchased from a PUC-regulated utility shall be combusted in fluidized bed dryer. [District Rule 2201] Y

Sulfur content of propane shall not exceed 15 grain per 100 scf. [District Rule 2201] Y

Emissions for NOx and CO shall be uncorrected if the measured oxygen exhaust concentration exceeds 19.0% by volume or shall be corrected to 19.0% by volume for units operating at measured O2 concentrations of 19.0 % by volume or less. [District Rules 2201 and 4309] Y

Except during startup and shutdown emissions rates for combustion of natural gas in fluidized bed dryer shall not exceed any of the following limits: 4.3 ppmvd NOX @ 19% O2 or 0.049 lb/MMBtu , 0.00285 lb-SOx/MMBtu, 40 ppmvd CO @ 19% O2 or 0.280 lb-CO/MMBtu, or 0.09 lb/hr VOC. [District Rules 2201 and 4309] Y

Except during startup and shutdown emissions rates for combustion of propane in fluidized bed dryer shall not exceed any of the following limits: 4.3 ppmvd NOX @ 19% O2 or 0.049 lb/MMBtu, 0.0164 lb-SOx/MMBtu, 40 ppmvd CO @ 19% O2 or 0.280 lb-CO/MMBtu, or 0.09 lb/hr VOC. [District Rules 2201 and 4309] Y

~~Emissions from fabric collector #102 shall not exceed any of the following limits: 4.27 lb NOx/hr, 0.033 lb-SOx/hr, 0.09 lb-VOC/hr, 1.07 lb-CO/hr. [District NSR Rule and District Rule 4301, 5.2] Y~~

~~Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [District Rule 4801 and Kern County Rule 407] Y~~

~~This unit shall be fired only on propane/liquefied petroleum gas (LPG) with a sulfur content not exceeding 0.5 gr/100 ft3 (0.00016% by weight) or on natural gas with a sulfur content not exceeding 0.3 gr/100 ft3 (0.0007% by weight). [District Rules 2520, 9.1, 4301, 5.2, and 4801; and Kern County Rule 407] Y~~

~~The sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. In lieu of performing sulfur content testing for each fuel source, permittee may maintain records of supplier certifications for all natural gas and propane/LPG deliveries to demonstrate compliance with fuel sulfur limits. [District Rule 2520, 9.3.2] Y~~

~~For testing purposes, the sulfur content of propane/LPG combusted in this unit shall be determined using ASTM method D-2784. [District Rule 2520, 9.3.2] Y~~

~~For testing purposes, the sulfur content of any natural gas being combusted in this unit shall be determined using ASTM method D-1072, D-4084, or D-3246. [District Rule 2520, 9.3.2] Y~~

E. Compliance Assurance

1. Source Testing

Source testing beyond what is already included in this analysis is not required to comply with Rule 2201.

District Rule 4309 requires NO_x and CO emission source testing 60 days after the initial startup and at least once every 24 months afterwards. If the units operate less than 50 days per year, source testing will need to be performed at least once every 36 months. NO_x and CO emissions shall be reported in ppmv and corrected to dry stack conditions. To determine compliance, the average of three 30 minute tests is taken. If two of the tests are above the limit, then the test cannot be used for compliance. Source testing for Rule 4309 satisfies source testing requirements for Rule 2201.

2. Monitoring

Monitoring beyond what is already included in this analysis is not required to comply with Rule 2201.

District Rule 4309 requires the owner of any unit equipped with NO_x reduction technology shall either install and maintain continuous emissions monitoring equipment for NO_x, CO, and oxygen, as identified in Rule 1080 (Stack Monitoring), or install and maintain APCO-approved alternate monitoring plan. The applicant proposes to use a "NO_x box" to periodically monitor NO_x, CO, and O₂ emission concentrations to satisfy this requirement.

The applicant proposed to utilize pre-approve alternate monitoring plan "A" (Periodic Monitoring NO_x, CO, and O₂ Emissions Concentrations) to meet the requirements of District Rule 4309. Monitoring for Rule 4309 also satisfies the monitoring requirements for Rule 2201. Conditions to ensure ongoing compliance are included in Appendix A.

3. Recordkeeping

Recordkeeping is required to demonstrate compliance with the offset, public notification, and daily emission limit requirements of Rule 2201. Recordkeeping beyond what is already included in this analysis is not required to comply with Rule 2201.

The following permit condition will be listed on the permit:

Operator shall maintain copies of fuel invoices and supplier certifications. [District Rule 1070 and 2201] Y

{2983} 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 Rules 1070 and 2201] Y

4. Reporting

Reporting is required to demonstrate compliance with Rule 2520. These requirements will also satisfy the monitoring requirements of Rule 2201. No additional reporting is required for compliance with Rule 2201.

F. Ambient Air Quality Analysis

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

Division of the SJVAPCD conducted the required analysis. Refer to **Attachment IV** of this document for the AAQA summary sheet.

The location is in an attainment area for NO_x, CO, and SO_x. The project results in an increase in CO emissions only. As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for CO.

Criteria Pollutant Modeling Results Units 2-24 & 14-12*

	1 Hour	3 Hours	8 Hours	24 Hours	Annual
CO	Pass	X	Pass	X	X

*Results were taken from the attached PSD spreadsheet.

Conclusion:

The results indicate that the emissions from the proposed equipment will not have an adverse impact on the State and National AAQS. Therefore, no further modeling will be required to demonstrate that the AAQS or EPA's level of significance would be exceeded. However, the following special condition must be included on ATC S-1234-2-24 and '-14-12

1. {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap, roof overhang, or any other obstruction. [District Rule 4102] N

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. Section 3.29 defines a significant permit modification as a "permit amendment that does not qualify as a minor permit modification or administrative amendment."

The project is SB 288 Major Modification and therefore is also a Title V Significant Modification. 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. Included in **Attachment V** is TCPs Title V Compliance Certification form. Continued compliance with this rule is expected.

Rule 4001 New Source Performance Standards (NSPS)

40 CFR Part 60, Subpart A, section 14, defines the meaning of modification to which the the standards are applicable. §60.14, paragraph (e)(5) states that the following will not be considered as a modification: *"the addition or use of any system or device whose primary funtion is the reduction of air pollutants, except when an emission control system is removed or replaced by a system which the Administrator determines to be less environmentally beneficial"*.

No newly constructed or reconstructed units are proposed in this project, nor is the unit being modified (as defined above). Since the permittee is retrofitting the unit with an equivalent size,

or smaller, burner for compliance with District rules and regulations, the requirements of these sections do not apply to the unit.

Rule 4002 National Emission Standards for Hazardous Air Pollutants (NESHAPs)

This rule incorporates NESHAPs from Part 61, Chapter I, Subchapter C, Title 40, CFR and the NESHAPs from Part 63, Chapter I, Subchapter C, Title 40, CFR; and applies to all sources of hazardous air pollution listed in 40 CFR Part 61 or 40 CFR Part 63. However, no subparts of 40 CFR Part 61 or 40 CFR Part 63 apply to kitty litter manufacturing operations.

Rule 4101 Visible Emissions

Per Section 5.0, no person shall discharge into the atmosphere emissions of any air contaminant aggregating more than 3 minutes in any hour which is as dark as or darker than Ringelmann 1 (or 20% opacity). As the low NOx burners are fired solely on natural gas purchased from a PUC-utility or commercial propane/liquefied petroleum gas (LPG), visible emissions are not expected to exceed Ringelmann 1 or 20% opacity. Also, based on past inspections of the facility continued compliance is expected.

Rule 4102 Nuisance

Section 4.0 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.

District policy APR 1905 also specifies that the increase in emissions associated with a proposed new source or modification not have acute or chronic indices, or a cancer risk greater than the District's significance levels (i.e. acute and/or chronic indices greater than 1 and a cancer risk greater than 10 in a million).

The only pollutant that is increasing in emissions is CO, which is considered a criteria pollutant. Since CO is not a Hazardous Air Pollutant (HAP), there is no acute, chronic, or cancer risk associated with it. Based on this fact, no health risk assessment is necessary.

Rule 4201 Particulate Matter Concentration

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

$$0.012 \frac{lb}{mmbtu} \times \frac{7,000 \text{ grains}}{lb} \times \frac{1 \text{ mmbtu}}{9,051 \text{ dscf}} \times \frac{0.35 \text{ Btu}_{out}}{1 \text{ Btu}_{in}} = 0.0033 \frac{\text{grain}}{\text{dscf}}$$

Since 0.0033 grain/dscf is less than 0.1 grain/dscf, compliance with this rule is expected.

Rule 4309 Dryer, Dehydrators, and Ovens

This rule is applicable to dryers, dehydrators and ovens not covered under Rules 4305, 4306, 4307, and 4351. This rule sets forth limits on the NO_x and CO emissions for units greater than or equal to 5 MMBtu/hr. NO_x and CO emissions requirements are 4.3 ppmv NO_x @19% O₂ and 42 ppmv CO @19% O₂.

Existing dryers (S-1234-2 and '-14) will be retrofitted with COEN (or equivalent) low NO_x burners and will be limited to emissions of 4.3 ppmv NO_x @ 19% O₂ and 40 ppmv CO @ 19% O₂, respectively.

The dryers at the facility will combust only natural gas purchased from a utility company or commercial LPG/propane.

To comply with the monitoring requirements of Section 5.4, the facility plans on using a "NO_x box" to periodically monitor NO_x, CO, and O₂ emission concentrations according to pre-approved alternate monitoring plan A.

The facility will maintain records of operation including the date and time of NO_x, CO, and O₂ measurements, type of fuel used, the measured NO₂ and CO concentrations corrected according to rule requirements, and the O₂ concentration, system operation parameters and maintenance records to show compliance with Section 6.1. The records will be maintained for a minimum of five years and should be available to the District upon request.

Compliance is expected.

Rule 4801 Sulfur Compounds

Section 3.1 limits the discharge of sulfur compounds to the atmosphere that exist in liquid or gas form to 0.2% by volume (2000 ppmv). Only natural gas purchased from a utility company or propane/liquefied petroleum natural gas will be combusted. Therefore compliance 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)

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; 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.

Greenhouse Gas (GHG) Significance Determination

It is determined that no other agency has or will prepare an environmental review document for the project. Thus the District is the Lead Agency for this project. The District's engineering evaluation (this document) demonstrates that the project would not result in an increase in project specific greenhouse gas emissions. The District therefore concludes that the project would have a less than cumulatively significant impact on global climate change.

District CEQA Findings

The District is the Lead Agency for this project because there is no other agency with broader statutory authority over this project. The District performed an Engineering Evaluation (this document) for the proposed project and determined that the activity will occur at an existing facility and the project involves negligible expansion of the existing use. Furthermore, the District determined that the activity will not have a significant effect on the environment. The District finds that the activity is categorically exempt from the provisions of CEQA pursuant to CEQA Guideline § 15031 (Existing Facilities), and finds that the project is exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Pending a successful NSR Public Noticing period, issue Authorities to Construct S-1234-2-24, '-3-5, '-14-12, '-22-7, and '-26-0 subject to the permit conditions on the attached draft Authority to Construct in **Attachment VI**.

X. Billing Information

Annual Permit Fees			
Permit Number	Fee Schedule	Fee Description	Annual Fee
S-1234-2	S-3020-02-H	35 MMBtu/hr	\$1030.00
S-1234-3	S-3020-02-H	35 MMBtu/hr	\$1030.00
S-1234-14	01E S-3020-01H	345 hp -(incorrect billing) 32 MMBtu/hr	\$1030.00
S-1234-22	S-3020-02-C	0.4 MMBtu/hr	\$197.00
S-1234-26	3020-01-C	58 hp	\$197.00

Attachments

- I: Current PTOs
- II: Manufacturer's Information on Low NOx burner
- III: Emissions Profiles
- IV: AAQA Modelling
- V: Compliance Certification
- VI: Draft ATCs

ATTACHMENT I
PTOs

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1234-2-22

EXPIRATION DATE: 03/31/2009

SECTION: 28 **TOWNSHIP:** 32S **RANGE:** 24E

EQUIPMENT DESCRIPTION:
DRYING/MILLING/STORAGE OPERATION

PERMIT UNIT REQUIREMENTS

1. Operation shall include feed conveyor C4; feed elevator E4, E6, E8-E13; bucket elevator E16; screens S2, S4; mills M3, M5; conveyors C7; C20-C22; dryer D1; 3 silos T5-T7; fabric collector DC-2; screenhouse B9; and venturi scrubber SV2. [District NSR Rule] Federally Enforceable Through Title V Permit
2. Screenhouse B9 shall include 9 screens S6-S14, 4 mills M7-M10, and 6 conveyors C9-C14; all vented to Jamac Fabric Collector DC 2. [District NSR Rule] Federally Enforceable Through Title V Permit
3. The 35 MMBtu/hr natural gas/propane-fired fluidized bed dryer D1 shall include piping for reprocessing of ore material, and dryer exhaust shall be vented to venturi scrubber SV-2. [District NSR Rule] Federally Enforceable Through Title V Permit
4. The total fuel usage shall be limited to 720,000 scf per day. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Screens S2, S4; conveyors C7, C20-C22; mills M3, M5; and elevator E6 shall be vented to Ultra reverse-pulse fabric collector DC-1 (shared with S-1234-1, '-3, and '-12) [District NSR Rule] Federally Enforceable Through Title V Permit
6. If Jamac fabric collector DC-2 is inoperable, screenhouse B9 shall be shut down. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Exhaust fan on Jamac fabric collector DC-2 shall be equipped with an electric motor with rating not to exceed 100 hp. [District NSR Rule] Federally Enforceable Through Title V Permit
8. Exhaust outlet for fluidized bed dryer D1 shall be vented solely to venturi scrubber (SV-2) equipped with mist eliminator. [District NSR Rule] Federally Enforceable Through Title V Permit
9. Venturi scrubber SV-2 shall operate whenever fluidized bed dryer D1 is in operation. [District NSR Rule] Federally Enforceable Through Title V Permit
10. There shall be 8 in. dia. free-flow piping from bucket elevator at tank T7 to screen S14 for reprocessing ore. [District NSR Rule] Federally Enforceable Through Title V Permit
11. All ventilation ductwork shall have capped pitot ports for measurement of internal fluid velocities. [District NSR Rule] Federally Enforceable Through Title V Permit
12. Duct velocities of ductwork serving screens S6-S14 shall be maintained at no less than 3,900 ft/min. [District NSR Rule] Federally Enforceable Through Title V Permit
13. Jamac fabric collector, DC-2 shall ventilate 25,800 cfm from screenhouse. [District NSR Rule] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

14. There shall be no visible emissions greater than 5% opacity at any screenhouse ventilation point. [District NSR Rule] Federally Enforceable Through Title V Permit
15. Product in packaging room storage tanks shall not be cleaned (i.e., 25 hp Sutorbuilt Blower will not operate) unless it contains more than 2% fines (less than 40 mesh particles). [District NSR Rule] Federally Enforceable Through Title V Permit
16. Only one packaging tank shall be cleaned at a time. [District NSR Rule] Federally Enforceable Through Title V Permit
17. Vacuum system for reprocessing of product will only handle milled and screened final product (cat litter). [District NSR Rule] Federally Enforceable Through Title V Permit
18. Maximum emission rate of particulate matter 10 microns and smaller (PM10) from Jamac fabric collector shall not exceed 2.55 lb/hr. [District NSR Rule and District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
19. Maximum emission rate of PM10 from Venturi Scrubber #2 shall not exceed 7.37 lb/hr. [District NSR Rule, and District Rules 4202, 4.0 and 4301, 5.2] Federally Enforceable Through Title V Permit
20. Emission rates for combustion of natural gas in fluidized bed dryer shall not exceed any of the following limits: 0.0006 lb-SO_x/MMBtu (as SO₂); 0.100 lb-NO_x/MMBtu (as NO₂); 0.0053 lb-VOC/MMBtu; 0.020 lb-CO/MMBtu. [District NSR Rule and 4301, 5.2] Federally Enforceable Through Title V Permit
21. Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [District Rule 4801 and Kern County Rule 407] Federally Enforceable Through Title V Permit
22. This unit shall be fired only on propane/liquefied petroleum gas (LPG) with a sulfur content not exceeding 0.3 gr/100 ft³ (0.00016% by weight) or on natural gas with a sulfur content not exceeding 0.2 gr/100 ft³ (0.0007% by weight). [District Rules 2520, 9.1, 4301, 5.2, and 4801; and Kern County Rule 407] Federally Enforceable Through Title V Permit
23. The sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. In lieu of performing sulfur content testing for each fuel source, permittee may maintain records of supplier certifications for all natural gas and propane/LPG deliveries to demonstrate compliance with fuel sulfur limits. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
24. For testing purposes, the sulfur content of propane/LPG combusted in this unit shall be determined using ASTM method D 2784. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
25. For testing purposes, the sulfur content of any natural gas being combusted in this unit shall be determined using ASTM method D 1072, D 4084, or D 3246. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
26. The permittee shall maintain records of sulfur content of the fuel used. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
27. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation $E = 3.59 \times P^{0.62}$ if P is less than or equal to 30 tons per hour, or $E = 17.31 \times P^{0.16}$ if P is greater than 30 tons per hour. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
28. Visible emissions from each dust collector shall be evaluated using EPA method 22 for a period of at least 6 minutes at least once during each day the dust collector is operated. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. Corrective action shall include the following: inspecting the dust collector system for for any tears, abrasions, or holes in the filters; inspecting closed duct systems for damage; and repairing or replacing any defective or damaged material. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
29. Dust collection systems shall be inspected at least quarterly when the unit is not in operation for any tears, abrasions, or holes in the filters; damage to closed duct systems; or any evidence of particulate matter leaks which might interfere with the PM collection efficiency. Any defective or damaged material shall be repaired or replaced as needed. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

30. Records of dust collection system maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4.1 and 40 CFR 64] Federally Enforceable Through Title V Permit
31. Scrubber pressure differential shall be observed and recorded at least daily during operation of the unit. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
32. If scrubber pressure differential is not within the proper range, corrective action shall be taken. Corrective action shall include inspecting scrubber and performing any necessary repairs. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
33. Records of scrubber pressure differential observations shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
34. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
35. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
36. If the District or EPA determine 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] Federally Enforceable Through Title V Permit
37. PM10 emissions from Jamac Fabric Collector DC 2 and venturi scrubber SV2 shall be source tested annually using EPA Method 201A in combination with EPA Method 202. Annual source tests shall be conducted at least 6 months after the previous annual source test but not more than 18 months after the previous annual source test. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
38. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
39. 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
40. The permittee shall maintain, and make available for District inspection, all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
41. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
42. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
43. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1234-3-3

EXPIRATION DATE: 03/31/2009

SECTION: 28 TOWNSHIP: 32S RANGE: 24E

EQUIPMENT DESCRIPTION:

DRYING/SCREENING/MILLING OPERATION #2 INCLUDING ROTARY DRYER WITH 25 MMBTU/HR GAS-FIRED BURNER ASSEMBLY, TWO BELT CONVEYORS, AND TWO FEED ELEVATORS

PERMIT UNIT REQUIREMENTS

1. Universal vibrating screen and roller mill shall vent to venturi scrubber #1. [District NSR Rule] Federally Enforceable Through Title V Permit
2. Feed elevators, enclosed screen and roll mill shall be ventilated to Ultra reverse pulse fabric collector (shared with S-1234-1, '-2, and '-12). [District NSR Rule] Federally Enforceable Through Title V Permit
3. Unloading spillage shall be minimized to prevent fugitive dust emissions. [District NSR Rule] Federally Enforceable Through Title V Permit
4. Scrubber H2O supply shall have operational pressure gauge with pressure differential maintained above 8.5 inches W.C. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Particulate matter concentration at scrubber exhaust shall not exceed 0.027 grains/scf. [District NSR Rule and District Rule 4201, 3.0] Federally Enforceable Through Title V Permit
6. Process weight rate of dryer #2 shall not exceed 10.5 tons per hour. [District NSR Rule and District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
7. Ultra reverse pulse fabric collector (shared with S-1234-1, '-2, and '-12) shall operate whenever process equipment is operated. [District NSR Rule] Federally Enforceable Through Title V Permit
8. Ventilation system serving feed conveying, elevating, screening and milling equipment shall be adjusted and maintained to prevent visible emissions from the ventilated equipment. [District NSR Rule] Federally Enforceable Through Title V Permit
9. Fines from screen shall be conveyed via closed system only to fines silo listed on PTO #S-1234-1. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Particulate matter (PM10) emissions from this permit unit shall not exceed 5.32 lbm per hour. [District NSR Rule and District Rules 4301, 5.2 and 4202, 4.0] Federally Enforceable Through Title V Permit
11. Emissions from this permit unit shall not exceed any of the following limits: 0.015 lbm-SOx per hour; 3.50 lbm-NOx per hour; 0.075 lbm-VOC per hour; 0.425 lbm-CO per hour. [District NSR Rule and District Rule 4301, 5.2] Federally Enforceable Through Title V Permit
12. Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [District Rule 4801 and Kern County Rule 407] Federally Enforceable Through Title V Permit
13. This unit shall be fired only on propane/liquefied petroleum gas (LPG) with a sulfur content not exceeding 0.3 gr/100 ft³ (0.00016% by weight) or on natural gas with a sulfur content not exceeding 0.2 gr/100 ft³ (0.0007% by weight). [District Rules 2520, 9.1, 4301, 5.2, and 4801; and Kern County Rule 407] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

14. The sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. In lieu of performing sulfur content testing for each fuel source, permittee may maintain records of supplier certifications for all natural gas and propane/LPG deliveries to demonstrate compliance with fuel sulfur limits. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. For testing purposes, the sulfur content of propane/LPG combusted in this unit shall be determined using ASTM method D 2784. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
16. For testing purposes, the sulfur content of any natural gas being combusted in this unit shall be determined using ASTM method D 1072, D 4084, or D 3246. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. The permittee shall maintain records of sulfur content of the fuel used. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
18. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation $E = 3.59 \times P^{0.62}$ if P is less than or equal to 30 tons per hour, or $E = 17.31 \times P^{0.16}$ if P is greater than 30 tons per hour. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
19. Visible emissions from each dust collector shall be evaluated using EPA method 22 for a period of at least 6 minutes at least once during each day the dust collector is operated. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. Corrective action shall include the following: inspecting the dust collector system for any tears, abrasions, or holes in the filters; inspecting closed duct systems for damage; and repairing or replacing any defective or damaged material. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
20. Dust collection system shall be inspected at least quarterly when the unit is not in operation for any tears, abrasions, or holes in the filters; damage to closed duct systems; or any evidence of particulate matter leaks which might interfere with the PM collection efficiency. Any defective or damaged material shall be repaired or replaced as needed. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
21. Records of dust collection system maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4.1 and 40 CFR 64] Federally Enforceable Through Title V Permit
22. Scrubber pressure differential shall be observed and recorded at least daily during operation of the unit. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
23. If scrubber pressure differential is not within the proper range, corrective action shall be taken. Corrective action shall include inspecting scrubber and performing any necessary repairs. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
24. Records of scrubber pressure differential observations shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
25. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
26. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
27. If the District or EPA determine 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] Federally Enforceable Through Title V Permit
28. PM10 emissions from Ultra reverse pulse fabric collector and venturi scrubber #1 shall be source tested annually using EPA Method 201A in combination with EPA Method 202. Annual source tests shall be conducted at least 6 months after the previous annual source test but not more than 18 months after the previous annual source test. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

29. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
30. 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
31. The permittee shall maintain accurate records of hourly process weight. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
32. The permittee shall maintain, and make available for District inspection, all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
33. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
34. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
35. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1234-14-10

EXPIRATION DATE: 03/31/2009

SECTION: 28 TOWNSHIP: 32S RANGE: 24E

EQUIPMENT DESCRIPTION:

AGRICULTURAL CHEMICALS/MINERALS DRYING & STORAGE OPERATION

PERMIT UNIT REQUIREMENTS

1. Operation shall include two 5 hp belt conveyors #'s 104 & 105, fluidized bed dryer with 32 MMBtu/hr North American, model #479514, gas-fired burner with 25 hp blower, elevator #102, one roll mill #101, one cyclone #101, one screen, and two dried feed tanks #'s 103 & 104. [District NSR Rule] Federally Enforceable Through Title V Permit
2. Operation shall include fabric collector #102 serving fluid-bed dryer #101 and cyclone #101. [District NSR Rule] Federally Enforceable Through Title V Permit
3. Operation shall include U.S. Air Filtration, model 99, fabric collector #105, with 15 hp blower motor serving roll mill, screen, conveyor #105, elevator #102, ore storage tanks #103 and #104, and roll mill #107 listed on permit S-1234-15. [District NSR Rule] Federally Enforceable Through Title V Permit
4. Burner shall be fired exclusively with PUC gas or "sweetened" propane as an alternate fuel. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Total heat input to burner shall not exceed 640 MMBtu/day regardless of fuel burned. [District NSR Rule] Federally Enforceable Through Title V Permit
6. Exhaust duct flowrate to fabric collector #102 shall be maintained at no more than 28,000 scfm. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Exhaust duct flowrate to fabric collector #105 shall be maintained at no more than 6,489 scfm. [District NSR Rule] Federally Enforceable Through Title V Permit
8. Particulate matter (as PM10) emissions from fabric collector #102 shall not exceed 2.14 lb/hour. [District NSR Rule and District Rules 4202, 4.0 and 4301, 5.2] Federally Enforceable Through Title V Permit
9. Particulate matter (as PM10) emissions from fabric collector #105 shall not exceed 0.22 lb/hour. [District NSR Rule and District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
10. Stack particulate matter (as PM10) concentration from fabric collector #102 shall not exceed 0.0089 grains/dscf (BACT requirement). [District NSR Rule and District Rule 4201, 3.0] Federally Enforceable Through Title V Permit
11. Stack particulate matter (as PM10) concentration from fabric collector #105 shall not exceed 0.004 grains/dscf. [District NSR Rule and District Rule 4201, 3.0] Federally Enforceable Through Title V Permit
12. Emissions from fabric collector #102 shall not exceed any of the following limits: 4.27 lb-NOx/hr; 0.033 lb-SOx/hr; 0.09 lb-VOC/hr; 1.07 lb-CO/hr. [District NSR Rule and District Rule 4301, 5.2] Federally Enforceable Through Title V Permit
13. Dust collection equipment shall be in operation when process equipment is in operation. [District NSR Rule] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

14. Flue gas temperature shall be maintained at all times so as to eliminate condensation in fabric collector and to not exceed bag material temperature limit. [District NSR Rule] Federally Enforceable Through Title V Permit
15. Fluidized bed dryer shall have no fugitive emissions. [District NSR Rule] Federally Enforceable Through Title V Permit
16. Material removed from fabric dust collectors #102 and #105 shall be handled in a manner preventing entrainment into the atmosphere (less than 10% opacity). [District Rule 4102]
17. Permittee shall comply in full with all applicable New Source Performance Standards (Rule 4001), including Subpart OOO "Standards of Performance of Non-Metallic Mineral Processing Plant." [District Rule 4001 and 40 CFR 60 Subpart OOO] Federally Enforceable Through Title V Permit
18. Owner or operator shall not cause to be discharged into the atmosphere from any transfer point on belt conveyors or from any other affected facility any stack emissions which: (1) Contain particulate matter in excess of 0.05 g/dscm (0.022 gr/dscf); or (2) Exhibit greater than 7 percent opacity. [District Rule 4201, 3.0 and 40 CFR 60.672(a)] Federally Enforceable Through Title V Permit
19. Owner or operator shall not cause to be discharged into the atmosphere from any transfer point on belt conveyors or from any other affected facility any fugitive emissions which exhibit greater than 10 percent opacity. [40 CFR 60.672(b)] Federally Enforceable Through Title V Permit
20. Visible emissions at fabric dust collectors #102 and #105 shall not exceed 7% opacity. [40 CFR 60.672(a) and 60.672(f)] Federally Enforceable Through Title V Permit
21. Testing to demonstrate compliance with the opacity standards in 40 CFR 60.672(a) shall be performed at least annually using EPA Method 9 and the procedures in 40 CFR 60.11. [40 CFR 60.675(b)] Federally Enforceable Through Title V Permit
22. Testing to demonstrate compliance with the particulate matter standards in 40 CFR 60.672(b) shall be performed at least annually using EPA Method 9 and the procedures in 40 CFR 60.11, with the following additions: (i) The minimum distance between the observer and the emission source shall be 4.57 meters (15 feet); (ii) The observer shall, when possible, select a position that minimizes interference from other fugitive emission sources (e.g., road dust). The required observer position relative to the sun (Method 9, Section 2.1) must be followed. [40 CFR 60.675(c)(1)] Federally Enforceable Through Title V Permit
23. Testing to demonstrate compliance with the opacity of stack emissions standards from any baghouse subject to 40 CFR 60.672(f) shall be performed at least annually using EPA Method 9. The duration of the Method 9 observations shall be 1 hour (ten 6-minute averages). [40 CFR 60.675(c)(2)] Federally Enforceable Through Title V Permit
24. When testing for compliance with the fugitive emissions opacity standard of 40 CFR 60.672(b), the duration of the Method 9 observations may be reduced from 3 hours (thirty 6-minute averages) to 1 hour (ten 6-minute averages) only if the following conditions apply: (i) There are no individual readings greater than 10 percent opacity; and (ii) There are no more than 3 readings of 10 percent for the 1-hour period. [40 CFR 60.675(c)(3)] Federally Enforceable Through Title V Permit
25. Owner or operator of any affected facility shall submit written reports of the results of all performance tests conducted to demonstrate compliance, including reports of opacity observations made using Method 9 and reports of observations using Method 22. [40 CFR 60.676(f)] Federally Enforceable Through Title V Permit
26. Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [District Rule 4801 and Kern County Rule 407] Federally Enforceable Through Title V Permit
27. This unit shall be fired only on propane/liquefied petroleum gas (LPG) with a sulfur content not exceeding 0.5 gr/100 ft³ (0.00016% by weight) or on natural gas with a sulfur content not exceeding 0.3 gr/100 ft³ (0.0007% by weight). [District Rules 2520, 9.1, 4301, 5.2, and 4801; and Kern County Rule 407] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

28. The sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. In lieu of performing sulfur content testing for each fuel source, permittee may maintain records of supplier certifications for all natural gas and propane/LPG deliveries to demonstrate compliance with fuel sulfur limits. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
29. For testing purposes, the sulfur content of propane/LPG combusted in this unit shall be determined using ASTM method D 2784. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. For testing purposes, the sulfur content of any natural gas being combusted in this unit shall be determined using ASTM method D 1072, D 4084, or D 3246.. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
31. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation $E = 3.59 \times P^{0.62}$ if P is less than or equal to 30 tons per hour, or $E = 17.31 \times P^{0.16}$ if P is greater than 30 tons per hour. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
32. Visible emissions from each dust collector shall be evaluated using EPA method 22 for a period of at least 6 minutes at least once during each day the dust collector is operated. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. Corrective action shall include the following: inspecting the dust collector system for for any tears, abrasions, or holes in the filters; inspecting closed duct systems for damage; and repairing or replacing any defective or damaged material. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
33. Dust collection system shall be inspected at least quarterly when the unit is not in operation for any tears, abrasions, or holes in the filters; damage to closed duct systems; or any evidence of particulate matter leaks which might interfere with the PM collection efficiency. Any defective or damaged material shall be repaired or replaced as needed. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
34. Records of dust collection system maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
35. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
36. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
37. If the District or EPA determine 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] Federally Enforceable Through Title V Permit
38. Permittee shall maintain accurate daily records of the type and amount of fuel used and the daily hours of operation and make such records readily available for District inspection upon request. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
39. The permittee shall maintain, and make available for District inspection, all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
40. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
41. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

42. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
43. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of 40 CFR 60 Subpart OOO. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1234-22-5

EXPIRATION DATE: 03/31/2009

EQUIPMENT DESCRIPTION:

CAT LITTER PAINTING OPERATION INCLUDING: ONE BUCKET ELEVATOR, ONE PAINT MIXER, ONE 0.4 MMBTU/HR NATURAL GAS FIRED DRYER, ONE EXHAUST FAN, AND ONE CONVEYOR

PERMIT UNIT REQUIREMENTS

1. The enclosed chute from permit S-1234-15, bucket elevator, loading of the unpainted cat litter, and emissions from the screen/mixer shall be enclosed and vented to baghouse #107 shared with permit unit S-1234-17. [District NSR Rule] Federally Enforceable Through Title V Permit
2. Material introduced to the dryer shall not exceed 24 tons per day. [District NSR Rule] Federally Enforceable Through Title V Permit
3. Paint usage shall not exceed 240 gallons per day and 25,043 gallons per year. [District NSR Rule] Federally Enforceable Through Title V Permit
4. VOC content of paint shall not exceed 0.69 pound per gallon. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Dryer emissions shall not exceed: NO_x - 100.0 lb/MMscf; VOC - 5.3 lb MMscf; SO_x - 0.6 lb/MMscf; PM₁₀ - 12.0 lb/MMscf; and CO - 21.0 lb/MMscf. [District NSR Rule and District Rule 4301, 5.2] Federally Enforceable Through Title V Permit
6. Sulfur compound emissions shall not exceed 0.2% by volume, 2000 ppmv, on a dry basis averaged over 15 consecutive minutes. [District Rule 4801 and Kern County Rule 407] Federally Enforceable Through Title V Permit
7. This unit shall be fired only on natural gas with a sulfur content not exceeding 0.2 gr/100 ft³ (0.0007% by weight). [District Rules 2520, 9.1, 4301, 5.2, and 4801; and Kern County Rule 407] Federally Enforceable Through Title V Permit
8. The sulfur content of each fuel source shall be tested weekly except that if compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be quarterly. If a test shows noncompliance with the sulfur content requirement, the source must return to weekly testing until eight consecutive weeks show compliance. In lieu of performing sulfur content testing for each fuel source, permittee may maintain records of supplier certifications for all natural gas deliveries to demonstrate compliance with fuel sulfur limits. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
9. For testing purposes, the sulfur content of any natural gas being combusted in this unit shall be determined using ASTM method D 1072, D 4084, or D 3246. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. The permittee shall maintain records of sulfur content of the fuel used. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
11. Owner or operator shall not cause to be discharged into the atmosphere from any transfer point on belt conveyors or from any other affected facility any stack emissions which: (1) Contain particulate matter in excess of 0.05 g/dscm (0.022 gr/dscf); or (2) Exhibit greater than 7 percent opacity. [District Rule 4201, 3.0 and 40 CFR 60.672(a)] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

12. Visible emissions from fabric dust collector #107 shall not exceed 7% opacity. [40 CFR 60.672(a)] Federally Enforceable Through Title V Permit
13. Owner or operator shall not cause to be discharged into the atmosphere from any transfer point on belt conveyors or from any other affected facility any fugitive emissions which exhibit greater than 10 percent opacity. [40 CFR 60.672(b)] Federally Enforceable Through Title V Permit
14. Testing to demonstrate compliance with the opacity standards in 40 CFR 60.672(a) shall be performed at least annually using EPA Method 9 and the procedures in 40 CFR 60.11. [40 CFR 60.675(b)] Federally Enforceable Through Title V Permit
15. Testing to demonstrate compliance with the particulate matter standards in 40 CFR 60.672(b) shall be performed at least annually using EPA Method 9 and the procedures in 40 CFR 60.11, with the following additions: (i) The minimum distance between the observer and the emission source shall be 4.57 meters (15 feet); (ii) The observer shall, when possible, select a position that minimizes interference from other fugitive emission sources (e.g., road dust). The required observer position relative to the sun (Method 9, Section 2.1) must be followed. [40 CFR 60.675(c)(1)] Federally Enforceable Through Title V Permit
16. Testing to demonstrate compliance with the opacity of stack emissions standards from any baghouse subject to 40 CFR 60.672(f) shall be performed at least annually using EPA Method 9. The duration of the Method 9 observations shall be 1 hour (ten 6-minute averages). [40 CFR 60.675(c)(2)] Federally Enforceable Through Title V Permit
17. When testing for compliance with the fugitive emissions opacity standard of 40 CFR 60.672(b), the duration of the Method 9 observations may be reduced from 3 hours (thirty 6-minute averages) to 1 hour (ten 6-minute averages) only if the following conditions apply: (i) There are no individual readings greater than 10 percent opacity; and (ii) There are no more than 3 readings of 10 percent for the 1-hour period. [40 CFR 60.675(c)(3)] Federally Enforceable Through Title V Permit
18. Owner or operator of any affected facility shall submit written reports of the results of all performance tests conducted to demonstrate compliance, including reports of opacity observations made using Method 9 and reports of observations using Method 22. [40 CFR 60.676(f)] Federally Enforceable Through Title V Permit
19. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation $E = 3.59 \times P^{0.62}$ if P is less than or equal to 30 tons per hour, or $E = 17.31 \times P^{0.16}$ if P is greater than 30 tons per hour. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
20. Permittee shall keep accurate records of material processed, paint usage on a daily basis, and VOC content of paint. Records shall be made readily available for District inspection for a period of at least five years. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
21. The permittee shall maintain, and make available for District inspection, all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
22. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
23. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
24. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
25. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of 40 CFR 60 Subpart OOO. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

ATTACHMENT II
Manufacturer's Information on Low NOx Burner



Natural Gas Fired Low NOx Burners

SUBMITTED TO

Oil-Dri Taft Production Company

FOR

Taft, CA

Proposal Number:	201101-17837r01
Application Engineer:	B.K. Wadhvani
Tel:	1-650-686-3271
Email:	bwadhvani@coen.com
Date Prepared:	02/02/2011



PROPOSAL CONTENTS

1.0	Overview	3
2.0	Burner Design Basis (Mill #1)	3
	Design Conditions	3
3.0	Equipment Description	3
4.0	Burner Design Basis (Mill # 2)	4
	Design Conditions	4
5.0	Equipment Description	5
6.0	Price	5
7.0	Operating Conditions	5
8.0	Optional Items	6
	a) Main Gas & Pilot Gas Valve Trains.....	6
	b) Burner Management Systems.....	6
	c) Local Start/Stop Panels.....	7
9.0	Emissions	7
10.0	Exclusions	7
11.0	Price & Delivery	8
12.0	Payment	8
13.0	Terms & Conditions of Sale	8

- a) One (1) Coen Natural Gas fired low NOx register burner.
- b) One (1) Gas/Electric Type Pilot with ignition transformer mounted in a NEMA 4 junction box.
- c) One (1) Coen Forced Draft Windbox designed for even air distribution at all firing rates.
- d) One (1) forced draft Air Control Damper with nearly linear operation characteristics with actuator. A jackshaft with linkages connects the actuator to fuel (gas) flow control valve (described in item 2i)
- e) One (1) Booster Combustion Air Fan to deliver 14,000 scfm of air with a static pressure 8" WC above the chamber pressure. The fan will take the air from the dilution air fan and will be arranged for direct drive through a 30 HP high efficiency TEFC motor suitable for operation on 460 V, 3 Ph, 60 Hz. Ducting on the inlet & outlet of the fan is by others.
- f) One (1) Set Gas Core Spuds.
- g) One (1) Set Gas Radial Spuds.
- h) One (1) Gas Flow Control Valve with linkages & one pressure gauge.
- i) One (1) QL Burner gas by-pass train consisting of one isolation valve, one pressure regulating valve & one pressure gauge.
- j) Necessary engineering of the front wall modification to receive the Coen burner with windbox.

4.0 Burner Design Basis (Mill # 2)

Following design conditions have been taken into account:

Design Conditions

Heat Release (max), Million Btu/h, HHV	32
Fuels to be used:.....	Natural Gas
Gas Pressure, psig, at the burner flow control valve	20
Outlet Chamber Temperature, °F	1,050
Ambient Temperature, °F (Minimum/Maximum)	20/100
Pressure at the Outlet, "WC, assumed constant & repeatable	20.6
Electric Supply, Volts/ Phase/ Cycles	460/3/60
Controls Supply, Volts/ Phase/ Cycles.....	110/1/60
Area of Classification, (assumed),	NEMA 4, Non-hazardous

1.0 Overview

This has reference to the visit of Ken Ahn, Roberto Santos & Bob Erdman to your plant on January 27, 2011 when they collected data on the existing Eclipse burner and surveyed the North American burner in your Mills # 1 and 2. Based on the data collected Coen Company Inc. is pleased to submit a firm quote for two (2) natural gas fired low NOx burners for existing air heaters supplied by Heyl & Patterson at your above referenced plant. Given below are the prices for the burners with booster combustion air fans etc. and engineering to retrofit the existing air heaters.

For Mill #2 with the North American burner we require a portion of the front burner wall to be replaced with a new wall with front ports similar to Mill #1. We will generate a general arrangement drawing with dimensions for you to source locally.

As desired we have quoted optional prices for valve trains mounted on a piping module and a remote burner management system (BMS) installed in your control room. A local start/stop panel to facilitate locally starting/stopping the burner has also been quoted as an option.

2.0 Burner Design Basis (Mill #1)

Following design conditions have been taken into account:

Design Conditions

Heat Release (max), Million Btu/h, HHV	35
Fuels to be used:.....	Natural Gas
Gas Pressure, psig, at the burner flow control valve	20
Heater Chamber Outlet Temperature, °F	1,050
Ambient Temperature, °F (Minimum/Maximum)	20/100
Pressure at the Outlet, "W.C., assumed constant & repeatable.....	20.6
Electric Supply, Volts/ Phase/ Cycles	460/3/60
Controls Supply, Volts/ Phase/ Cycles.....	110/1/60
Area of Classification, (assumed),	NEMA 4, Non-hazardous
Location, assumed.....	Outdoor
Total Number of Units	1
Elevation, Jobsite, ft, ASL, assumed	<1,000

3.0 Equipment Description

1. Burner Components

- c) Turndown for operation is 5:1 & for emissions guarantee 3:1 on design rate.
- d) Dilution air to be supplied by others.
- e) Furnace backpressure of 20.6" wc and repeatable.
- f) Plant elevation less than 1,000 ft above sea level.
- g) Electric Voltage for motor is 460 volts, 3 Phase, 60 cycle & control power of 120 Volts, 1 phase, 60 cycles.
- h) Air heater outlet temperature signal (4-20 mA) & for burner firing rate control signal are by others.

8.0 Optional Items

a) Main Gas & Pilot Gas Valve Trains

- a) Two (2) Piping Modules (one for each burner) consisting of:
 - b) One (1) Natural Gas Pilot Train, factory assembled and mounted on a piping module. The following components are included: inlet strainer, pressure regulator, two solenoid safety shutoff valves, one vent valve and a manual plug cock.
 - c) One (1) Factory assembled Natural Gas Train supplied assembled & mounted on a piping module. The following components are included: two fully automatic safety shutoff valves, One vent valve, one pressure regulating valve, one pressure gauge, two pressure switches, and one manual shut off valve. All components are in cast iron/ bronze construction.

Price

The total ex-works, point of manufacture price for Two (2) Piping Modules as described in 8.0 a) of this proposal in domestic packing, \$40,000.

b) Burner Management Systems

Two (2) Burner Management Panels

We propose to supply One (1) PLC Based Flame Safeguard Safety System (FSSS) for each air heater. The FSSS logic will reside in a non-redundant Allen-Bradley programmable controller A/B CompactLogix using 16-point discrete input and 16 point discrete output modules. The PLC has 16K logic memory which is supported by battery backed RAM and EEPROM. The PLC includes one Ethernet communication port.

The system will be designed to monitor, control, display and alarm various functions and operation required to safely and reliably startup and stop the firing of a single burner firing one fuel. The system design will be fail-safe, i.e. de-energized to trip and will functionally comply with the intent of NFPA 8501.

The logic system hardware, i.e. Allen Bradley programmable controller, I/O modules and power supply module, all housed in a rack, will be housed in a NEMA 12 enclosure called the logic panel. The logic panel will also house the incoming power supply circuit

Location, assumed..... Outdoor
Total Number of Units 1
Elevation, Jobsite, ft, ASL, assumed <1,000

5.0 Equipment Description

1. Burner Components

- a) One (1) Coen Natural Gas fired low NOx register burner.
- b) One (1) Gas/Electric Type Pilot with ignition transformer mounted in a NEMA 4 junction box.
- c) One (1) Coen Forced Draft Windbox designed for even air distribution at all firing rates.
- d) One (1) forced draft Air Control Damper with nearly linear operation characteristics with actuator. A jackshaft with linkages connects the actuator to fuel (gas) flow control valve (described in item 2i)
- e) One (1) Booster Combustion Air Fan to deliver 14,000 scfm of air with a static pressure 8" WC above the chamber pressure. The fan will take the air from the dilution air fan and will be arranged for direct drive through a 30 HP high efficiency TEFC motor suitable for operation on 460 V, 3 Ph, 60 Hz. Ducting on the inlet & outlet of the fan is by others.
- f) One (1) Set Gas Core Spuds.
- g) One (1) Set Gas Radial Spuds.
- h) One (1) Gas Flow Control Valve with linkages & one pressure gauge.
- i) One (1) QL Burner gas by-pass train consisting of one isolation valve, one pressure regulating valve & one pressure gauge.
- j) Necessary engineering of the front wall modification to receive the Coen burner with windbox.

6.0 Price

The total ex-works, point of manufacture price for two (2) burners with accessories as described in 2.0 to 5.0 sections of this proposal in domestic packing, \$320,000

7.0 Operating Conditions

This proposal is based on the following operating conditions have been used for both the units:

- a) Indoor operation with ambient temperatures between 20° F and 100° F.
- b) Combustion air at 20° F minimum.

- b) Dilution air fan and combustion control.
- c) All Duct work or interconnecting pipe work.
- d) Burner mounting wall modifications.
- e) Motor starters, circuit breakers etc.
- f) Burner Firing Control signal.
- g) Freight to jobsite.
- h) Start up or erection supervision.
- i) Any other item not specifically mentioned in our offer.

11.0 Price & Delivery

Delivery: Drawings: Eight (8) weeks from receipt of a Purchase Order.

Equipment: Shipment in sixteen (16) weeks from the date of receipt of approved drawings.

The above delivery period can be adjusted to suit project schedule.

12.0 Payment

Subject to credit approval, progress payments will be required according to the following schedule:

- 15% of total order upon issuance of the purchase order or contract
- 30% on drawing transmittal
- 45% six (6) weeks after drawing transmittal
- 10% upon notice of availability of shipment

Escalation charges shall be applied to orders whose delivery dates are delayed beyond thirty (30) days from the contractual delivery date due to no fault of Coen and when such delay has caused an increase in the cost of the goods or services to Coen. Escalation charges shall be based upon either: (1) the Producer Price Index as published by the U.S. Department of Labor, Bureau of Labor Statistics for Finished Goods, Capital Equipment only, or (2) the U.S. Department of Labor, Employment Cost Index (ECI), Private Industry, Table 3. Employment Cost Index for total compensation for private industry workers, by industry and occupational group; Manufacturing Industry, as applicable. The base line for calculating the adjustment shall be the date of the contract.

13.0 Terms & Conditions of Sale

Equipment and/or services quoted are subject to the attached Coen Company, Inc. Standard Terms and Conditions of Sale (the "T&Cs"), and is an offer to sell the goods or services specifically contingent upon the T&Cs. This proposal (including, without limitation, the T&Cs), if resulting in an order, shall be incorporated by reference into any resulting contract documents. In the case of a conflict among the contract documents, then the terms of the proposal (including, without limitation, the T&Cs) shall take precedence.

breaker, interfacing relays, watchdog timer to monitor processor CPU and terminal blocks, etc. For control and visual status indication, a 10.5" Touch Screen will be provided on the front of the logic panel. The system components will be designed for operation on a 120VAC / 1 PH / 60HZ power supply system. The logic panel will be installed inside the control room.

For flame detection, qty (1) Coen iScan Combination UV/IR Flame Detector per sir heater will be provided.

Coen Company will perform a complete shop simulation test for the system and will demonstrate system operation before shipment to the jobsite. Field device operation will be simulated using a simulation panel.

Please note that this system is a standardized design and is not subject to revision. Also note that all the above lights, pushbuttons, selector switches, and drawings may not be applicable to the proposed burner. Active panel components will depend on fuels and other items included (such as number of scanners).

Price

The total ex-works, point of manufacture price for Two (2) Burner Management Systems as described in 8.0 b) of this proposal in domestic packing \$50,000.

c) Local Start/Stop Panels

Two (2) NEMA 4 Local Burner Start/Stop Panels consisting of: Four (4) lights, Three (3) pushbuttons, One (1) Remote/Local Changeover Switch

Price

The total ex-works, point of manufacture price for Two (2) Local Start/Stop Panels Panel as described in 8.0 c) of this proposal in domestic packing, \$12,000.

9.0 Emissions

The following emission guarantees are at 3:1 turndown ratios based on design rate.

Constituent	ppm at 19% O ₂ dry, volume basis HHV
NOx	4.3
CO	42

10.0 Exclusions

The following items are excluded from our scope of supplies:

- a) Any civil, electrical engineering or works including foundation.

COEN COMPANY, INC. STANDARD TERMS AND CONDITIONS OF SALE
(GOODS AND SERVICES)

1. **APPLICATION.** These General Terms and Conditions of Sale ("Terms and Conditions") will apply to all quotations and sales for goods, material, equipment and services by Coen Company, Inc. ("Seller") and are hereby incorporated into the quotation, invoice or other document to which they are attached ("Order") and, together with the Terms and Conditions, the "Contract". All purchases by customer, owner or its agent ("Buyer") are expressly limited and conditioned upon acceptance of the Terms and Conditions. Seller objects to and rejects any provision additional to or different from the Terms and Conditions that may appear in Buyer's purchase order, acknowledgement, confirmation, writing, or in any other prior or later communication from Buyer to Seller, unless such provision is expressly agreed to by Seller in a writing signed by Seller. For the purposes of these Terms and Conditions, the term "Goods" shall refer to the goods, material and equipment listed on the Order as well as all equipment or other materials provided in connection with any Services, and the term "Services" shall refer to the services listed on the Order as well as all ancillary services provided with any Goods. Terms not defined herein shall have the meanings set forth in the Order.

2. **QUOTATIONS.** Unless otherwise stated in the Order, any quotation from Seller is valid for 30 days from the date of the quotation. The quotation supersedes all previous quotations or correspondence concerning the same transaction or inquiry. Quotations contain proprietary information of Seller and are provided to Buyer solely for Buyer's internal purposes. Quotations may not be disclosed to any third party or used in preparation of any request for quotation for goods similar to, or as a substitution for, Goods quoted by Seller.

3. **PRICE MODIFICATION AND OTHER CHARGES.** Unless otherwise stated in the Order, Seller's price does not include: (a) transportation, handling, crating or packaging charges, or (b) sales, harmonized sales, goods and services, use or value-added tax or any other tax, excises, duties, tariffs, fees or other governmental charges that Seller may be required to pay or collect under any existing or future law, with respect to the import/export, sale, transportation, delivery or storage of any Goods or the provision of any Services sold by Seller.

4. **PAYMENT TERMS.** (a) Unless otherwise specified in the Order, payment must be received by Seller net 30 days from invoice date. (b) All payments shall be made in the currency listed in the Order, or, if not so listed, then in U.S. dollars. (c) If the payment due date is not a business day, Seller must receive such payment on the next business day after such due date. (d) Each shipment of Goods and each provision of Services is a separate transaction and payment shall be made accordingly. (e) Interest may be charged on all past due amounts owed by Buyer hereunder at an interest rate equal to the prevailing EURIBOR rate of interest, expressed as an annual percent, plus 3% from the payment due date until paid in full, or the highest interest rate allowed by applicable law, whichever is less.

5. **CREDIT TERMS.** If, in Seller's judgment, the creditworthiness or future performance of Buyer is impaired or unsatisfactory, Seller may suspend performance hereunder. Buyer will be responsible for any costs associated with such suspension (including charges for reactivation). In addition, Seller may, for any reason, (a) require prepayment by wire transfer at least two business days prior to a scheduled shipment of Goods or provision of Services, and/or (b) require Performance Assurance at least three business days prior to a scheduled shipment of Goods or provision of Services. "Performance Assurance" means collateral in the form of either cash or letter(s) of credit in a form, and from an issuing bank, acceptable to Seller.

6. **DELIVERY.** (a) Unless otherwise stated in the Order, all Goods will be delivered to Buyer EX Works the manufacturing facility of the Goods (the "Facility"). (b) If Buyer has not issued inspection and shipping instructions by the time the Goods are available to Buyer, Seller may either, at its sole discretion, (i) store the Goods at Buyer's risk and cost, or (ii) select any reasonable method of shipment, without liability by reason of its selection, costs and risk of shipment to be paid for by Buyer. (c) Shipments of Goods in storage may be insured at Buyer's expense, and Seller will not place a valuation upon shipments or Goods stored unless specifically requested in writing by Buyer or required for export purposes. (d) Unless otherwise stated in the Order, the provisions of the most current version of INCOTERMS, International Chamber of Commerce Publication, are incorporated herein by reference.

7. **TITLE/RISK OF LOSS.** Title in the Goods shall pass to Buyer only upon payment in full. The risk of loss or damage to the Goods shall pass to Buyer upon delivery in accordance with the Contract.

8. **INSPECTION/REJECTION OF GOODS.** All Goods shall be received subject to Buyer's reasonable inspection and rejection. If Buyer finds any of the Goods not to comply with any of the specifications contained in the Contract, Buyer, may, at its sole election, reject that portion of the Goods that fail to comply. Rejected Goods will be held at Seller's risk for a reasonable time, to be returned or disposed of by Buyer at Seller's written instruction and at Seller's sole cost and expense. A failure by Buyer to reject the Goods in writing within 30 days after receipt shall constitute an unqualified acceptance of such Goods by Buyer and a waiver by Buyer of all claims with respect thereto.

9. **WARRANTY.** (A) Seller warrants that (i) the Goods shall be new and good quality and shall conform to the specifications specifically set forth in the order and title to the Goods shall be free from any security interest, lien or encumbrance upon Seller's receipt of full payment for the Goods, and (ii) Seller shall perform the services in a workmanlike manner in accordance with the specifications specifically set forth in the order. (b) the foregoing warranties will last for the following period (the "Warranty Period"): (i) for Goods, 18 months after the date that the Goods are available for shipment or one year after first start-up, whichever occurs first, and (ii) for services, three months after completion of the services. If during the Warranty Period any goods or services prove upon examination by Seller not to meet the Warranties set forth above, Seller will repair the Goods or supply identical or substantially similar replacement Goods Ex Works the Facility, at Seller's sole discretion, or re-perform the Services (as applicable). Any replacement Goods or re-performed Services will be warranted for the unexpired portion of the Warranty Period applicable to the particular Goods or Services. (c) Seller will not be responsible for transportation costs or for the costs of removal, installation, re-installation or making of access of any Goods or items, where such transportation, removal, installation, re-installation or making of access is required to repair or replace any defective Goods or to re-perform Services. Furthermore, Seller will not be responsible for and assumes no liability for materials or workmanship, labor costs or other related expenses for any work performed by third parties in the repair or replacement of defective Goods or the re-performance of Services. (d) this Warranty will be voided if (i) the Goods or the subject of the Services have not been stored, installed, maintained or operated in accordance with accepted industrial practice or any specific instructions provided by Seller; (ii) the Goods or the subject of the Services have been subjected to any accident, misapplication, environmental contaminant, corrosion, damage, debris, improper passivation, abuse or misuse; (iii)

Buyer has modified the Goods or the subject of the Services without Seller's prior written consent; (iv) Buyer has used or repaired the Goods or the subject of the Services after discovery of the defect without Seller's prior written consent; (v) Buyer refuses to permit Seller to examine the Goods or the subject of the Services and operating data to determine the nature of the defect claimed; or (vi) Buyer fails to meet its obligations. (e) Goods not manufactured by Seller are subject only to warranties of Seller's vendors and Seller hereby assigns to Buyer all rights in such vendor's Warranties, however, Seller shall furnish to Buyer reasonable assistance in enforcing such rights. (f) inexpensive items requiring repair or replacement and routine maintenance-related or consumable items shall be outside the scope of these limited warranties. (g) Seller's performance guarantees, if any, shall be deemed to be met by a satisfactory demonstration of the guaranteed performance parameters during a Performance Test, which shall be the responsibility of Buyer and to be based on test procedures as specified in the order or, if not specified in the Order, to be based on test procedures mutually agreed upon by Seller and Buyer. In the absence of a Performance Test within 60 days of first startup, unless otherwise specified in the order, Seller's Performance Guarantees are deemed to have been met. (h) all Warranties or representations not specifically included in the terms and conditions, including those with respect to merchantability or fitness for any particular purpose whether expressed, implied, statutory or arising from a course of dealing, usage of the trade or otherwise with respect to any Goods or Services, are expressly excluded. No express or implied Warranty is given as to the capacity, efficiency or performance of any Goods, except as may be provided in a separate written agreement signed by Seller. (i) Buyer's remedies are specifically limited to the repair or replacement of the Goods or the re-performance of the Services, as applicable, during the Warranty Period, and are exclusive of all other remedies. Should these remedies be found inadequate or to have failed of their essential purpose for any reason whatsoever, Buyer agrees that return of the amount paid by Buyer to Seller under the contract shall prevent the remedies from failing of their essential purpose and shall be considered by Buyer as a fair and adequate remedy.

10. **OBLIGATION OF BUYER.** Buyer is solely responsible for identifying and defining all processes and mechanical considerations and site requirements, which may affect the performance, reliability or operation of the Goods. Seller's quotation and any sale is based upon the covenant by Buyer that all information and data provided to Seller by or for Buyer is current, complete, accurate and does not contain information which is misleading.

11. **LIMITATION OF LIABILITY.** (a) THE LIABILITY OF SELLER AND ITS AFFILIATES IS LIMITED TO THE PRICE ALLOCABLE TO THE GOODS OR SERVICES DETERMINED DEFECTIVE, AND IN NO EVENT WILL THE CUMULATIVE LIABILITY OF SELLER AND ITS AFFILIATES BE IN EXCESS OF THE TOTAL PAYMENTS RECEIVED FROM BUYER UNDER THE CONTRACT, WHETHER ARISING UNDER WARRANTY/GUARANTEE, CONTRACT, NEGLIGENCE, STRICT LIABILITY, INDEMNIFICATION, DEFENSE OR ANY OTHER CAUSE OR COMBINATION OF CAUSES WHATSOEVER. ALL INSURANCE, BOND AND BANK GUARANTEE OR LETTER OF CREDIT PROCEEDS WHICH MAY BE PAID TO BUYER BY THE INSURERS, SURETIES OR BANKS OF SELLER OR ITS AFFILIATES WILL BE CREDITED AGAINST THE LIMITATION STATED ABOVE AND REDUCE THE AMOUNT OF THE CUMULATIVE LIABILITY OF SELLER AND ITS AFFILIATES. (b) NEITHER PARTY WILL BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, REVENUES OR OTHER ECONOMIC LOSSES, WHETHER ARISING UNDER WARRANTY/GUARANTEE, CONTRACT, NEGLIGENCE (INCLUDING NEGLIGENT MISREPRESENTATION), STRICT LIABILITY, INDEMNIFICATION, OR ANY OTHER CAUSE OR COMBINATION OF CAUSES, INCLUDING ANY THEORIES OF CONCURRENT LIABILITY ARISING FROM A DUTY OF CARE BY OPERATION OF LAW OR OTHERWISE. (c) THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FUNDAMENTAL BREACH OR FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. BUYER'S REMEDIES ARE LIMITED TO THOSE REMEDIES STATED HEREIN AND THESE REMEDIES SHALL NOT FAIL THEIR ESSENTIAL PURPOSE BECAUSE BUYER IS LIMITED TO THE EXCLUSIVE REMEDIES AS STATED HEREIN. THIS SECTION 11 SHALL APPLY TO ANY ADDITIONAL PURCHASES OF EQUIPMENT (INCLUDING SPARE PARTS AND AFTER MARKET PARTS) BY BUYER FROM SELLER AFTER THE DATE OF THE ORDER.

12. **DEFAULT.** Upon the occurrence of any of the following events: (a) Seller, or any affiliate of Seller, shall not have received a payment due from Buyer, or any affiliate of Buyer, hereunder by the date such payment is due under the Contract, and such failure shall remain uncured for a period of three business days after Buyer's receipt of written notice from Seller of such non-payment; (b) the failure of Buyer or Seller to perform any other obligation in the Contract (excluding Section 5, CREDIT TERMS, which is subject to (d) below) and such failure is not excused or cured within 30 days after written notice thereof; (c) the occurrence of a Bankruptcy Event; or (d) the failure of Buyer to timely provide prepayment or Performance Assurance as set forth in Section 5, CREDIT TERMS, then the non-defaulting party, in its sole discretion and without prior notice (other than as provided above) to the defaulting party, may do any one or more of the following: (x) suspend performance under the Contract; or (y) terminate the Contract, whereby any and all obligations of the defaulting party, including payments or deliveries due, will, at the option of the non-defaulting party, become immediately due and payable or deliverable, as applicable. If, as a result of a default by Buyer, Seller suspends performance and withholds delivery of the Goods as permitted above, it may sell the Goods to a third party and deduct from the proceeds of such sale the purchase price and all reasonable costs resulting from Buyer's default as identified above, including all costs associated with the transportation (including demurrage and other vessel or shipping related charges), storage, and sale of the Goods. The foregoing rights, which shall include specific performance, shall be cumulative and alternative and in addition to any other rights or remedies to which the non-defaulting party may be entitled at law or in equity. The non-defaulting party shall be entitled to recover from the defaulting party all court costs, reasonable attorneys' fees and expenses incurred by the non-defaulting party in connection with the defaulting party's default, and interest on past due amounts as set forth in Section 4, PAYMENT TERMS. In addition, Seller will have the right to maintain a lien on the Goods until payment in full is received by Seller. "Bankruptcy Event" means the occurrence of any of the following events with respect to either Buyer or Seller: (a) filing of a petition or otherwise commencing, authorizing or acquiescing in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law; (b) making of an assignment or any general arrangement for the benefit of creditors; (c) having a

February 2, 2011

Coen Co. Inc.
201101-17837r01

This proposal document is confidential and intended solely for the use of the individual or entity to which it is addressed. If you have received this proposal in error, please contact the sender and destroy all copies of the original message.

We hope you will find our offer in line with your requirements and competitive. We now look forward to receiving your valued order which will receive our best attention.

Very truly yours,
COEN COMPANY, INCORPORATED



B.K. Wadhvani
Product Manager
Process Equipment Division

Encl.: Coen T&C sale (Revised May 17, 2010)

CC: Roberto Santos/Robert Erdmann

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201101-17837r01

bodies and governmental entities, as well as natural persons, and words of masculine gender shall be deemed to include correlative words of the feminine gender and vice versa as the circumstances may require. The United Nations Convention on Contracts for the International Sale of Goods shall not apply.

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bankruptcy petition filed against it and such petition is not withdrawn or dismissed within 30 days after such filing; (d) otherwise becoming bankrupt or insolvent (however evidenced); (e) having a liquidator, administrator, custodian, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets; or (f) being generally unable to pay its debts as they fall due.

13. INTELLECTUAL PROPERTY. (a) Seller will defend and indemnify Buyer from any claim, suit or proceeding brought against Buyer based on a claim that the Goods as manufactured and furnished by Seller and used in the manner for which it was intended and sold to Buyer constitutes an infringement of any United States, Canadian or European Union-member patent, if Seller is notified promptly in writing and given authority, information and assistance for the defense of such claim, suit or proceeding. All aspects of the defense and settlement of any such claim, suit or proceeding shall be within Seller's sole discretion. Buyer remains solely responsible for its own costs, including all fees and expenses of its own counsel, if any, or its personnel, which are incurred in conjunction with the defense of such claim, suit or proceeding. Should it be held that the Goods constitute infringement and the use of the Goods is enjoined, Seller will, at its sole discretion and at its own expense, either procure for Buyer the right to continue using the Goods, replace the Goods with non-infringing goods, modify the Goods to become non-infringing or refund the purchase price for the infringing Goods. This indemnification does not apply to any liability for infringement (i) of any method patent where the Goods are used with other apparatus for carrying out a process resulting in a combination of steps which is deemed to infringe a method patent or patent directed to a combination of steps, (ii) the Goods are modified by Buyer, (iii) the Goods are used by Buyer in a manner different than the use communicated to and understood by Seller at the time the Goods were sold to Buyer and such use constitutes infringement, or (iv) with respect to claims of infringement where the Goods were designed and manufactured in accordance with the design or specifications furnished or required by Buyer. Seller's obligations under this indemnity, including all of its costs associated with the defense of any such suit or proceeding, shall in no event exceed the purchase price of the infringing Goods. (b) Buyer will indemnify and hold harmless Seller from any suit or proceeding brought against Seller by any third party based on claims resulting from exceptions (i), (ii), (iii) or (iv) as stated above. (c) Seller retains all intellectual property rights, whether registered or un-registered, including trademarks, patents, and copyright of all documents, drawing rights, design rights, developed programs, software, models and other data provided or developed in the course of the Contract. Seller will, if so required by Buyer, grant Buyer a non-exclusive, non-assignable royalty free license to use the same only for the purposes of operating or maintenance of the equipment by Buyer. (d) Buyer represents and warrants to Seller that Buyer has all necessary rights and permissions to provide all information provided by or on behalf of Buyer to Seller and shall indemnify Seller from any third party with respect to Seller's use of such information in connection with the Contract.

14. DELIVERY DATE. Seller shall use reasonable efforts to meet Buyer's requested delivery date, but Seller does not guarantee a specific delivery date.

15. BACKCHARGES. No backcharges will be paid or allowed by Seller unless: (a) Seller is notified in writing of any defect claim or omission pursuant to Section 9, WARRANTY, and (b) Seller provides prior approval of such backcharges in writing.

16. CANCELLATION FEE. Buyer may not cancel any part of the Contract except upon written notice and payment to Seller of: (a) all reasonable costs arising from the Order prior to the date of cancellation, (b) all reasonable costs arising due to the cancellation, plus (c) a cancellation fee. Unless otherwise specified in the Order, the cancellation fee shall be the higher of 35% of the total price of the Contract or \$250.00. The parties agree that Seller's damages following a termination of any part of the Contract by Buyer are difficult to determine and that the cancellation fee provided by this provision is a genuine pre-estimate of loss and not a penalty and is reasonable in light of the circumstances. Seller shall be entitled to the payments set forth above if Seller terminates the Contract pursuant to Section 12, DEFAULT, or Section 17, SUSPENSION. Title to all works in progress and all materials not delivered to Buyer prior to the date of cancellation will remain with Seller.

17. SUSPENSION AND DELAYS. (a) Buyer may only suspend an Order upon receipt of Seller's prior written consent, which may be withheld by Seller for any reason. (b) If Buyer or any of its agents delays Seller's performance due to failure to promptly approve drawings or procedures or due to any other action or non-action on part of Buyer or its agents: (i) Buyer shall reimburse Seller for all costs incurred by Seller as a result of such delay (including costs of reactivation), (ii) the delivery time shall be adjusted, and (iii) milestone payments (if applicable) will be adjusted to keep Seller whole for verifiable costs incurred up to the date of delay or suspension. (c) If, due to any action or non-action on the part of Buyer or its agents, Seller is delayed for more than 45 days, or such longer period of time as deemed reasonable by Seller in its sole discretion, Seller may elect to terminate the Agreement, such termination to be at Seller's sole discretion. Seller will be entitled to the payments provided in Section 16 following any such termination.

18. FORCE MAJEURE. Force Majeure means any circumstances beyond the reasonable control of either party, including fire, explosion, breakdown of machinery or equipment, plant shutdown, strikes or other labor disputes, acts of terrorism or war, riots or other civil disturbances or voluntary or involuntary compliance with any law, order regulation, recommendation or request of any governmental authority, inability to obtain materials necessary for manufacturer of the Goods, total or partial failure of any of Seller's usual means of transportation of the Goods, or for failure to obtain necessary governmental approvals, permits or licenses. Neither party will have any liability, other than for the payment of monies owing, for their failure to perform any of their contractual obligations arising out of or in connection with events of Force Majeure.

19. ASSIGNABILITY. The rights and duties under the Contract are not assignable or transferable by Buyer, in whole or in part, by operation of law or otherwise, without the prior written consent of Seller that may be granted or withheld in its sole discretion. Any assignment or attempted assignment in contravention of the foregoing shall be null and void, shall be considered a breach of the Contract and shall permit Seller, in addition to any other rights which it may have, to terminate the Contract. Seller shall have the right to assign any rights or obligations under the Contract to any third party.

20. GOVERNING LAW. The Contract and its execution, performance, interpretation, construction and enforcement shall be governed by the law, both procedural and substantive, of the State of Kansas, without regard to its conflicts of law rules. Any action or proceeding between Buyer and Seller relating to the Contract shall be commenced and maintained exclusively in the State or federal courts in Wichita, Kansas, and Buyer submits itself unconditionally and

irrevocably to the personal jurisdiction of such courts. BUYER AND SELLER EACH WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION, CLAIM OR PROCEEDING RELATING TO THE CONTRACT.

21. NOTICE. All notices, consents, communications or transmittals under the Contract shall be in writing and shall be deemed received on the day of delivery if personally hand delivered or sent by facsimile or electronic transmission (with written confirmation of the completed transmittal); or within two business days if mailed as certified or registered mail with return receipt, postage prepaid addressed to the party to whom such notice is given at the address of such party stated in the Contract.

22. ENTIRE AGREEMENT; AMENDMENT; WAIVERS. The Contract shall supersede all prior negotiations, discussions, and dealings concerning the subject matter hereof, and shall constitute the entire agreement between Seller and Buyer concerning the subject matter hereof. There are no understandings, inducements, commitments, conditions, representations or warranties of any kind, whether direct, indirect, collateral, express or implied, oral or written, from either party to the other, other than as contained in this Agreement. Neither party shall claim any amendment, modification or release of any provisions hereof unless the same is in writing and signed by both parties. No waiver by Buyer of any breach of any terms, conditions or obligations under the Contract shall be deemed a waiver of any continuing or subsequent breach of the same or any other terms, conditions or obligations hereunder.

23. ELECTRONIC TRANSACTIONS. The Contract may be digitally copied and stored on computer tapes and disks (the "Imaged Agreement"). The Imaged Agreement (once digitally regenerated to paper form), and any facsimile, and all computer records of the foregoing, if introduced as evidence in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form and neither party shall object on the basis that such business records were not originated or maintained in documentary form under any rule of evidence.

24. COMPLIANCE. (a) Buyer and Seller shall comply fully with all applicable laws and regulations in their respective performances of the Contract and shall neither take nor refrain from taking any action that could result in liability for either Buyer or Seller under applicable law, including the U.S. Foreign Corrupt Practices Act, the OECD Anti-Bribery Convention or any other applicable anti-bribery law or treaty, or those regulations maintained by the U.S. Treasury Department's Office of Foreign Assets Control (31 C.F.R. Chapter V) or the U.S. Commerce Department's Bureau of Industry and Security (15 C.F.R. Parts 730 et. Seq.). Neither Buyer nor Seller shall be required to take or refrain from taking any action impermissible or penalized under United States or other applicable laws. (b) Without restricting the generality of the foregoing: (i) Buyer does hereby acknowledge that any distribution, sale, transfer or re-export of the Goods is governed by and subject to the trade control laws of the United States. (ii) Buyer will not distribute, sell, transfer or re-export the Goods, except in conformance with United States law. (iii) If Buyer knows or has reason to know that any of its customers intends to distribute, sell, transfer or re-export the Goods, either directly or through incorporation into other products, then Buyer shall inform the customer that the customer is responsible for obtaining any licenses or other approvals from the U.S. Government before such distribution, sale, transfer or re-export, by including the following language in Buyer's purchase order acknowledgement or other appropriate documentation to its customer: *NOTICE: The products, technical data, and/or software included in this Order were provided in compliance with the laws and regulations of the United States. Customer is responsible for obtaining all licenses, permits or other approvals that may be necessary under the laws of the United States before any distribution, sale, transfer or re-export of such items and for ensuring that the end-user and end use of these products are permitted under U.S. law. Re-export, diversion, transshipment, or use contrary to U.S. law is prohibited and is cause for cancellation of this [purchase order].* (c) Buyer's breach of this Section shall constitute cause for immediate termination of the Contract by Seller.

25. INDEPENDENT CONTRACTORS. Seller and Buyer are independent contractors only and are not partners, master/servant, principal/agent or involved herein as parties to any other similar legal relationship with respect to the transactions contemplated under the Contract or otherwise, and no fiduciary, trust, or advisor relationship, nor any other relationship imposing vicarious liability shall exist between the parties under the Contract or otherwise at law.

26. NO THIRD PARTY BENEFICIARIES. The Contract is solely for the benefit of, and shall inure to the benefit of, Buyer and Seller, and shall not otherwise be deemed to confer upon or give to any third party any right, claim, cause of action or other interest herein.

27. SEVERABILITY. The invalidity or unenforceability of any provision of the Contract shall not affect the validity or enforceability of its other provisions and the remaining provisions shall remain in full force and effect.

28. CONFIDENTIALITY. All information that Buyer acquires from Seller hereunder, directly or indirectly, and all information that arises out of the sale of the Goods or Services hereunder, concerning such Goods, Services, and/or proprietary processes involved, including information concerning Seller's current and future business plans, information relating to Seller's operations, know-how, and other Seller-furnished information shall be deemed Seller's "Proprietary Information". Buyer shall (a) hold Seller's Proprietary Information in strictest confidence, (b) not disclose it to others, (c) use it solely for purposes of this Agreement and (d) upon Seller's request, either promptly deliver to Seller all such Proprietary Information that is in written, electronic or other form, including copies and summaries, or, at Seller's option, destroy such Proprietary Information and provide Buyer certification of such destruction. The obligations under this Section shall survive the expiration or termination of the Contract.

29. MISCELLANEOUS. The captions and section headings set forth in the Contract are used for convenience only and shall not be used in defining or construing any of the terms and conditions set forth in the Contract. The term "days", as used herein, shall mean actual days occurring, including Saturdays, Sundays and holidays where banks are authorized to be closed in the city where Seller's chief executive office is located. The term "business days" shall mean days other than Saturdays, Sundays and holidays where banks are authorized to be closed in the city where Seller's chief executive office is located. The term "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement that it follows to the specific items immediately following it. Unless the context indicate otherwise, words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, association, partnerships and corporations, including public

ATTACHMENT III
Emissions Profiles

Permit #: S-1234-2-24	Last Updated
Facility: TAFT PRODUCTION COMPANY	06/29/2011 EDGEHILR

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	12877.0	3210.0	86906.0	73584.0	1445.0
Daily Emis. Limit (lb/Day)	35.3	11.8	238.1	201.6	4.0
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	-3350.0	0.0	0.0	12877.0	0.0
Q2:	-3351.0	0.0	0.0	12877.0	0.0
Q3:	-3351.0	0.0	0.0	12877.0	0.0
Q4:	-3351.0	0.0	0.0	12878.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Permit #: S-1234-3-5	Last Updated
Facility: TAFT PRODUCTION COMPANY	06/26/2011 EDGEHILR

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	30660.0	3592.0	1664.0	3723.0	657.0
Daily Emis. Limit (lb/Day)	84.0	9.8	4.6	10.3	1.8
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	-11650.0	0.0	0.0
Q2:	0.0	0.0	-11651.0	0.0	0.0
Q3:	0.0	0.0	-11651.0	0.0	0.0
Q4:	0.0	0.0	-11651.0	0.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Permit #: S-1234-14-12	Last Updated
Facility: TAFT PRODUCTION COMPANY	06/29/2011 EDGEHILR

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	11446.0	3831.0	20674.0	65408.0	788.0
Daily Emis. Limit (lb/Day)	31.4	10.4	56.6	179.2	2.2
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	-6489.0	0.0	0.0	11446.0	0.0
Q2:	-6490.0	0.0	0.0	11446.0	0.0
Q3:	-6490.0	0.0	0.0	11447.0	0.0
Q4:	-6490.0	0.0	0.0	11447.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Permit #: S-1234-22-7	Last Updated
Facility: TAFT PRODUCTION COMPANY	06/27/2011 EDGEHILR

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	350.0	57.0	579.0	294.0	17299.0
Daily Emis. Limit (lb/Day)	1.0	0.2	1.6	0.8	165.7
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	0.0	0.0	0.0
Q2:	0.0	0.0	0.0	0.0	0.0
Q3:	0.0	0.0	0.0	0.0	0.0
Q4:	0.0	0.0	0.0	0.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Permit #: S-1234-26-0	Last Updated
Facility: TAFT PRODUCTION COMPANY	06/26/2011 EDGEHILR

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	0.0	0.0	46603.0	0.0	0.0
Daily Emis. Limit (lb/Day)	0.0	0.0	127.7	0.0	0.0
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	11650.0	0.0	0.0
Q2:	0.0	0.0	11651.0	0.0	0.0
Q3:	0.0	0.0	11651.0	0.0	0.0
Q4:	0.0	0.0	11651.0	0.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

ATTACHMENT IV
AAQA Analysis

San Joaquin Valley Air Pollution Control District Risk Management Review

To: Richard Edgehill, AQE – Permit Services
 From: Ester Davila, SAQS – Technical Services
 Date: June 30, 2011
 Facility Name: Taft Production Company
 Location: 950 Petroleum Club Road, Taft CA
 Application #(s): S-1234-2-24, 3-5, 14-12, 22-7 & 26-0
 Project #: S-1110782

A. RMR SUMMARY

Categories	NG-Fired Dryers (Units 2-24, -3-5, 14-12, 22-7 & 26-0)			Project Totals	Facility Totals
	2-24	14-12	26-0		
Units					
Prioritization Score	NA ¹	NA ¹	NA ²	NA ¹	0.01
Acute Hazard Index	NA ¹	NA ¹	NA ²	NA ¹	NA ¹
Chronic Hazard Index	NA ¹	NA ¹	NA ²	NA ¹	NA ¹
Maximum Individual Cancer Risk (10 ⁻⁶)	NA ¹	NA ¹	NA ²	NA ¹	NA ¹
T-BACT Required?	No	No	No		
Special Permit Conditions?	Yes	Yes	No		

- 1 Cancer risk, Acute and Chronic Hazard Indices were not calculated since there were no increases in emissions and only a CO AAQA was performed.
- 2 This is an administrative unit created to separate combustion equipment from non-combustion equipment.

Proposed Permit Conditions

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

Units # 2-24 & 14-12

1. {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap, roof overhang, or any other obstruction. [District Rule 4102] N

B. RMR REPORT

I. Project Description

Technical Services received a request on June 29, 2011 to perform a Risk Management Review for Taft Production Company requesting ATCs for modifications to four natural gas-fired dryers for compliance with Rule 4309. Two of the dryers (s-1234-2 & 1234-14) will be retrofitted with Low NOx burners for Rule 4309 compliance. A third dryer (1234-3) will be designated as a Dormant Emissions Unit (DEU). The additional equipment listed on S-1234-3 will be removed from the permit and listed on a new permit unit (1234-26-0). Unit S-1234-22-7 will revise its sulfur testing requirements.

II. Analysis

There were not increases in emissions or modifications to processes or process rates therefore in accordance with the District's *Risk Management Policy for Permitting New and Modified Sources* (APR 1905-1, March 2, 2001), no further analysis was necessary.

An Ambient Air quality analysis for CO modeling was requested and performed. CO emissions provided by the processing engineer and the AERMOD model were used, with the parameters outlined below and the concatenated meteorological data from 2005 to 2009 from Bakersfield to determine the dispersion factors (i.e., the predicted concentration or X divided by the normalized source strength or Q) for a receptor grid.

The following parameters were used for the review:

Analysis Parameters Units 2-24 & 14-12				
Unit	2-24	14-12		
Source Type	Point		Closest Receptor (m)	N/A
Stack Height (m)	14.6	10.67	Unit 2-24 – CO (lb/hr)	5.88
Stack Diameter (m)	1.07	0.76	Unit 2-24 – CO (lb/yr)	51,509
Stack Exit Velocity (m/s)	15.8	28.98	Unit 14-12 – CO (lb/hr)	5.46
Stack Exit Temp (°K)	293	293	Unit 14-12 – CO (lb/yr)	47,786

CO Modeling Results

Unit	CO (ug/m ³)		Background CO (ug/m ³)	Total CO (ug/m ³)	State & National AAQS (ug/m ³)	Passes Standards
	2-24	14-12				
1 Hour Avg.	19.286	12.385	4077.5	4109.171	23,000	Pass
8 Hour Avg.	11.071	8.419	2563	2582.49	10,000	Pass

Values are in ug/m³

Criteria Pollutant Modeling Results Units 2-24 & 14-12*

	1 Hour	3 Hours	8 Hours	24 Hours	Annual
CO	Pass	X	Pass	X	X

*Results were taken from the attached PSD spreadsheet.

Conclusion:

The Criteria modeling runs and the CO modeling results table indicate that the emissions from the proposed equipment will not have an adverse impact on the State and National AAQS. Therefore, no further modeling will be required to demonstrate that the AAQS or EPA's level of significance would be exceeded.

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.

Attachments:

- A. AAQA-CO Request
- B. Additional Information

ATTACHMENT V
Compliance Certification

San Joaquin Valley Unified Air Pollution Control District

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

I. TYPE OF PERMIT ACTION (Check appropriate box)

- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE
 MINOR PERMIT MODIFICATION AMENDMENT

COMPANY NAME: Taft Production Company	FACILITY ID: S-1234
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name: <i>Oil Dei Corporation</i>	
3. Agent to the Owner: <i>Homer Emberson</i>	

II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial all circles for confirmation):

- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will continue to comply with the applicable federal requirement(s).
- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.
- Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.
- Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.

I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true:

Homer Emberson

Signature of Responsible Official

6-16-11

Date

Homer Emberson

Name of Responsible Official (please print)

SK Project Manager

Title of Responsible Official (please print)

ATTACHMENT VI
Draft ATCs

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
DRAFT

PERMIT NO: S-1234-2-24

LEGAL OWNER OR OPERATOR: TAFT PRODUCTION COMPANY
MAILING ADDRESS: PO BOX 1277
950 N PETROLEUM CLUB ROAD
TAFT, CA 93268-1277

LOCATION: 950 N PETROLEUM CLUB ROAD
TAFT, CA

SECTION: 28 TOWNSHIP: 32S RANGE: 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF DRYING/MILLING/STORAGE OPERATION: REPLACE EXISTING 35 MMBTU/HR ECLIPSE NATURAL GAS/LPG-FIRED BURNER WITH A 35 MMBTU/HR COEN (OR EQUIVALENT) NATURAL GAS/LPG-FIRED BURNER AND REVISE SULFUR TESTING REQUIREMENTS

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-6600 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

DRAFT

DAVID WARNER, Director of Permit Services

S-1234-2-24: Jul 19 2011 1:55PM - EDGEHLR : Joint Inspection NOT Required

5. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
6. {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
7. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Operation shall include feed conveyor C4; feed elevator E4, E6, E8-E13; bucket elevator E16; screens S2, S4; mills M3, M5; conveyors C7; C20-C22; dryer D1; 3 silos T5-T7; fabric collector DC-2; screenhouse B9; and venturi scrubber SV2. [District NSR Rule] Federally Enforceable Through Title V Permit
9. Screenhouse B9 shall include 9 screens S6-S14, 4 mills M7-M10, and 6 conveyors C9-C14; all vented to Jamac Fabric Collector DC 2. [District NSR Rule] Federally Enforceable Through Title V Permit
10. The 35 MMBtu/hr natural gas/propane-fired fluidized bed dryer D1 shall include piping for reprocessing of ore material, and dryer exhaust shall be vented to venturi scrubber SV-2. [District NSR Rule] Federally Enforceable Through Title V Permit
11. The total fuel usage shall be limited to 720,000 scf per day. [District NSR Rule] Federally Enforceable Through Title V Permit
12. Screens S2, S4; conveyors C7, C20-C22; mills M3, M5; and elevator E6 shall be vented to Ultra reverse-pulse fabric collector DC-1 (shared with S-1234-1, '-12, and '-26) [District NSR Rule] Federally Enforceable Through Title V Permit
13. If Jamac fabric collector DC-2 is inoperable, screenhouse B9 shall be shut down. [District NSR Rule] Federally Enforceable Through Title V Permit
14. Exhaust fan on Jamac fabric collector DC-2 shall be equipped with an electric motor with rating not to exceed 100.hp. [District NSR Rule] Federally Enforceable Through Title V Permit
15. Exhaust outlet for fluidized bed dryer D1 shall be vented solely to venturi scrubber (SV-2) equipped with mist eliminator. [District NSR Rule] Federally Enforceable Through Title V Permit
16. Venturi scrubber SV-2 shall operate whenever fluidized bed dryer D1 is in operation. [District NSR Rule] Federally Enforceable Through Title V Permit
17. There shall be 8 in. dia. free-flow piping from bucket elevator at tank T7 to screen S14 for reprocessing ore. [District NSR Rule] Federally Enforceable Through Title V Permit
18. All ventilation ductwork shall have capped pitot ports for measurement of internal fluid velocities. [District NSR Rule] Federally Enforceable Through Title V Permit
19. Duct velocities of ductwork serving screens S6-S14 shall be maintained at no less than 3,900 ft/min. [District NSR Rule] Federally Enforceable Through Title V Permit
20. Jamac fabric collector, DC-2 shall ventilate 25,800 cfm from screenhouse. [District NSR Rule] Federally Enforceable Through Title V Permit
21. There shall be no visible emissions greater than 5% opacity at any screenhouse ventilation point. [District NSR Rule] Federally Enforceable Through Title V Permit
22. Product in packaging room storage tanks shall not be cleaned (i.e., 25 hp Sutorbuilt Blower will not operate) unless it contains more than 2% fines (less than 40 mesh particles). [District NSR Rule] Federally Enforceable Through Title V Permit
23. Only one packaging tank shall be cleaned at a time. [District NSR Rule] Federally Enforceable Through Title V Permit
24. Vacuum system for reprocessing of product will only handle milled and screened final product (cat litter). [District NSR Rule] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

25. Maximum emission rate of particulate matter 10 microns and smaller (PM10) from Jamac fabric collector shall not exceed 2.55 lb/hr. [District NSR Rule and District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
26. Maximum emission rate of PM10 from Venturi Scrubber #2 shall not exceed 7.37 lb/hr. [District NSR Rule, and District Rules 4202, 4.0 and 4301, 5.2] Federally Enforceable Through Title V Permit
27. Only LPG or natural gas purchased from a PUC-regulated utility shall be combusted in fluidized bed dryer. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Sulfur content of propane shall not exceed 15 grain per 100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Emissions for NOx and CO shall be uncorrected if the measured oxygen exhaust concentration exceeds 19.0% by volume or shall be corrected to 19.0% by volume for units operating at measured O2 concentrations of 19.0 % by volume or less. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
30. Except during startup and shutdown emissions rates for combustion of natural gas in fluidized bed dryer shall not exceed any of the following limits: 4.3 ppmvd NOX @ 19% O2 or 0.049 lb/MMBtu, 0.00285 lb-SOx/MMBtu, 40 ppmvd CO @ 19% O2 or 0.280 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
31. Except during startup and shutdown emissions rates for combustion of propane in fluidized bed dryer shall not exceed any of the following limits: 4.3 ppmvd NOX @ 19% O2 or 0.049 lb/MMBtu, 0.0164 lb-SOx/MMBtu, 40 ppmvd CO @ 19% O2 or 0.280 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
32. Total duration of startup shall not exceed 1 hr/day. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
33. Total duration of shutdown shall not exceed 1 hr/day. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
34. Daily records of start-up and shutdown durations and number of occurrences of each shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
35. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation $E = 3.59 \times P^{0.62}$ if P is less than or equal to 30 tons per hour, or $E = 17.31 \times P^{0.16}$ if P is greater than 30 tons per hour. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
36. Visible emissions from each dust collector shall be evaluated using EPA method 22 for a period of at least 6 minutes at least once during each day the dust collector is operated. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. Corrective action shall include the following: inspecting the dust collector system for any tears, abrasions, or holes in the filters; inspecting closed duct systems for damage; and repairing or replacing any defective or damaged material. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
37. Dust collection systems shall be inspected at least quarterly when the unit is not in operation for any tears, abrasions, or holes in the filters; damage to closed duct systems; or any evidence of particulate matter leaks which might interfere with the PM collection efficiency. Any defective or damaged material shall be repaired or replaced as needed. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
38. Records of dust collection system maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4.1 and 40 CFR 64] Federally Enforceable Through Title V Permit
39. Scrubber pressure differential shall be observed and recorded at least daily during operation of the unit. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
40. If scrubber pressure differential is not within the proper range, corrective action shall be taken. Corrective action shall include inspecting scrubber and performing any necessary repairs. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

41. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rule 4309] Federally Enforceable Through Title V Permit
42. If either the NO_x or CO concentrations corrected to 19% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rule 4309] Federally Enforceable Through Title V Permit
43. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rule 4309] Federally Enforceable Through Title V Permit
44. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 19% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rule 4309] Federally Enforceable Through Title V Permit
45. Records of scrubber pressure differential observations shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
46. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
47. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
48. If the District or EPA determine 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] Federally Enforceable Through Title V Permit
49. {109} Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081]
50. {110} The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]
51. Fluidized bed dryer shall be tested for compliance with the NO_x and CO emissions limits within 60 days of startup and once every 24 months thereafter. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
52. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. NO_x emissions during the source test shall be calculated as the arithmetic average of three 30-consecutive-minute test runs. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
53. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. CO emissions during the source test shall be calculated as the arithmetic average of three 30-consecutive-minute test runs. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

54. Stack gas oxygen shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
55. PM10 emissions from Jamac Fabric Collector DC 2 and venturi scrubber SV2 shall be source tested annually using CARB Method 5, EPA Method 5 (front half), EPA Method 201A in combination with EPA Method 202, or any combination of these methods. Annual source tests shall be conducted at least 6 months after the previous annual source test but not more than 18 months after the previous annual source test. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
56. {2426} The permittee shall maintain, and make available for District inspection, all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
57. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
58. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
59. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
60. Operator shall maintain copies of fuel invoices and supplier certifications. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
61. {2983} 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 Rules 1070, 4305, and 4306]

DRAFT

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
DRAFT

PERMIT NO: S-1234-3-5

LEGAL OWNER OR OPERATOR: TAFT PRODUCTION COMPANY
MAILING ADDRESS: PO BOX 1277
950 N PETROLEUM CLUB ROAD
TAFT, CA 93268-1277

LOCATION: 950 N PETROLEUM CLUB ROAD
TAFT, CA

SECTION: 28 TOWNSHIP: 32S RANGE: 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF DRYING/SCREENING/MILLING OPERATION #2 INCLUDING ROTARY DRYER WITH 25 MMBTU/HR GAS-FIRED BURNER ASSEMBLY, TWO BELT CONVEYORS, AND TWO FEED ELEVATORS: DESIGNATE DRYER AS DORMANT EMISSIONS UNIT AND CREATE SEPARATE PERMIT S-1234-3 FOR NONCOMBUSTION EQUIPMENT AND REVISE SULFUR TESTING REQUIREMENTS

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 NSR Rule] 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. No modification to this unit shall be performed without an Authority to Construct for such modifications, except for changes specified in the conditions below. [District Rule 2010] Federally Enforceable Through Title V Permit
4. Upon seven days prior written notice to the District, this unit may be designated as a dormant emissions unit or an active emissions unit. [District Rule 2080] Federally Enforceable Through Title V Permit
5. While dormant, the fuel line shall be physically disconnected from the unit. [District Rule 2080] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director APCO

DRAFT

DAVID WARNER, Director of Permit Services

S-1234-3-5 : Jul 19 2011 11:40AM - EDGEMLR : Joint Inspection NOT Required

6. While dormant, normal source testing and monitoring shall not be required. [District Rule 2080] Federally Enforceable Through Title V Permit
7. Upon recommencing operation of this unit, normal source testing and monitoring shall resume. [District Rule 2080] Federally Enforceable Through Title V Permit
8. Any source testing required by this permit shall be performed within 60 days of recommencing operation of this unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080] Federally Enforceable Through Title V Permit
9. Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained 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
10. Process weight rate of dryer #2 shall not exceed 10.5 tons per hour. [District NSR Rule and District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
11. Only LPG or natural gas purchased from a PUC-regulated utility shall be combusted in dryer #2. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Sulfur content of propane shall not exceed 15 grain per 100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Emissions from this permit unit shall not exceed any of the following limits: 3.50 lbm-NOx per hour; 0.075 lbm-VOC per hour; 0.425 lbm-CO per hour. [District NSR Rule and District Rule 4301, 5.2] Federally Enforceable Through Title V Permit
14. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
15. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
16. If the District or EPA determine 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] Federally Enforceable Through Title V Permit
17. The permittee shall maintain accurate records of hourly process weight. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
18. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
20. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
21. Operator shall maintain copies of fuel invoices and supplier certifications. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
22. {2983} 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 Rules 1070, 4305, and 4306]
23. ATC shall be implemented concurrent with ATC S-1234-26-0. [District Rule 2201] Federally Enforceable Through Title V Permit

DRAFT

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT

PERMIT NO: S-1234-14-12

LEGAL OWNER OR OPERATOR: TAFT PRODUCTION COMPANY
MAILING ADDRESS: PO BOX 1277
950 N PETROLEUM CLUB ROAD
TAFT, CA 93268-1277

LOCATION: 950 N PETROLEUM CLUB ROAD
TAFT, CA

SECTION: 28 TOWNSHIP: 32S RANGE: 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF AGRICULTURAL CHEMICALS/MINERALS DRYING & STORAGE OPERATION: REPLACE EXISTING 32 MMBTU/HR NORTH AMERICAN NATURAL GAS/LPG-FIRED BURNER WITH A 25 HP BLOWER WITH A 32 MMBTU/HR COEN (OR EQUIVALENT) NATURAL GAS/LPG-FIRED BURNER WITH A 30 HP BLOWER AND REVISE SULFUR TESTING REQUIREMENTS

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director, APCO

DAVID WARNER, Director of Permit Services

S-1234-14-12; Jul 19 2011 11:40AM - EDGEHLR - Joint Inspection NOT Required

5. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
6. {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
7. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Operation shall include two 5 hp belt conveyors #'s 104 & 105, fluidized bed dryer with 32 MMBtu/hr COEN (or equivalent) gas-fired burner with 30 hp blower, elevator #102, one roll mill #101, one cyclone #101, one screen, and two dried feed tanks #'s 103 & 104. [District NSR Rule] Federally Enforceable Through Title V Permit
9. Operation shall include fabric collector #102 serving fluid-bed dryer #101 and cyclone #101. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Operation shall include U.S. Air Filtration, model 99, fabric collector #105, with 15 hp blower motor serving roll mill, screen, conveyor #105, elevator #102, ore storage tanks #103 and #104, and roll mill #107 listed on permit S-1234-15. [District NSR Rule] Federally Enforceable Through Title V Permit
11. Total heat input to burner shall not exceed 640 MMBtu/day regardless of fuel burned. [District NSR Rule] Federally Enforceable Through Title V Permit
12. Exhaust duct flowrate to fabric collector #102 shall be maintained at no more than 28,000 scfm. [District NSR Rule] Federally Enforceable Through Title V Permit
13. Exhaust duct flowrate to fabric collector #105 shall be maintained at no more than 6,489 scfm. [District NSR Rule] Federally Enforceable Through Title V Permit
14. Particulate matter (as PM10) emissions from fabric collector #102 shall not exceed 2.14 lb/hour. [District NSR Rule and District Rules 4202, 4.0 and 4301, 5.2] Federally Enforceable Through Title V Permit
15. Particulate matter (as PM10) emissions from fabric collector #105 shall not exceed 0.22 lb/hour. [District NSR Rule and District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
16. Stack particulate matter (as PM10) concentration from fabric collector #102 shall not exceed 0.0089 grains/dscf (BACT requirement). [District NSR Rule and District Rule 4201, 3.0] Federally Enforceable Through Title V Permit
17. Stack particulate matter (as PM10) concentration from fabric collector #105 shall not exceed 0.004 grains/dscf. [District NSR Rule and District Rule 4201, 3.0] Federally Enforceable Through Title V Permit
18. Only LPG or natural gas purchased from a PUC-regulated utility shall be combusted in fluidized bed dryer. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Sulfur content of propane shall not exceed 15 grain per 100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Emissions for NOx and CO shall be uncorrected if the measured oxygen exhaust concentration exceeds 19.0% by volume or shall be corrected to 19.0% by volume for units operating at measured O2 concentrations of 19.0 % by volume or less. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
21. Except during startup and shutdown emissions rates for combustion of natural gas in fluidized bed dryer shall not exceed any of the following limits: 4.3 ppmvd NOX @ 19% O2 or 0.049 lb/MMBtu , 0.00285 lb-SOx/MMBtu, 40 ppmvd CO @ 19% O2 or 0.280 lb-CO/MMBtu, or 0.09 lb/hr VOC. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
22. Except during startup and shutdown emissions rates for combustion of propane in fluidized bed dryer shall not exceed any of the following limits: 4.3 ppmvd NOX @ 19% O2 or 0.049 lb/MMBtu, 0.0164 lb-SOx/MMBtu, 40 ppmvd CO @ 19% O2 or 0.280 lb-CO/MMBtu, or 0.09 lb/hr VOC. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
23. Total duration of startup shall not exceed 1 hr/day. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

24. Total duration of shutdown shall not exceed 1 hr/day. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
25. Daily records of start-up and shutdown durations and number of occurrences of each shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Dust collection equipment shall be in operation when process equipment is in operation. [District NSR Rule] Federally Enforceable Through Title V Permit
27. Flue gas temperature shall be maintained at all times so as to eliminate condensation in fabric collector and to not exceed bag material temperature limit. [District NSR Rule] Federally Enforceable Through Title V Permit
28. Fluidized bed dryer shall have no fugitive emissions. [District NSR Rule] Federally Enforceable Through Title V Permit
29. Material removed from fabric dust collectors #102 and #105 shall be handled in a manner preventing entrainment into the atmosphere (less than 10% opacity). [District Rule 4102]
30. Permittee shall comply in full with all applicable New Source Performance Standards (Rule 4001), including Subpart 000 "Standards of Performance of Non-Metallic Mineral Processing Plant." [District Rule 4001 and 40 CFR 60 Subpart 000] Federally Enforceable Through Title V Permit
31. Owner or operator shall not cause to be discharged into the atmosphere from any transfer point on belt conveyors or from any other affected facility any stack emissions which: (1) Contain particulate matter in excess of 0.05 g/dscm (0.022 gr/dscf); or (2) Exhibit greater than 7 percent opacity. [District Rule 4201, 3.0 and 40 CFR 60.672(a)] Federally Enforceable Through Title V Permit
32. Owner or operator shall not cause to be discharged into the atmosphere from any transfer point on belt conveyors or from any other affected facility any fugitive emissions which exhibit greater than 10 percent opacity. [40 CFR 60.672(b)] Federally Enforceable Through Title V Permit
33. Visible emissions at fabric dust collectors #102 and #105 shall not exceed 7% opacity. [40 CFR 60.672(a) and 60.672(f)] Federally Enforceable Through Title V Permit
34. Testing to demonstrate compliance with the opacity standards in 40 CFR 60.672(a) shall be performed at least annually using EPA Method 9 and the procedures in 40 CFR 60.11. [40 CFR 60.675(b)] Federally Enforceable Through Title V Permit
35. Testing to demonstrate compliance with the particulate matter standards in 40 CFR 60.672(b) shall be performed at least annually using EPA Method 9 and the procedures in 40 CFR 60.11, with the following additions: (i) The minimum distance between the observer and the emission source shall be 4.57 meters (15 feet); (ii) The observer shall, when possible, select a position that minimizes interference from other fugitive emission sources (e.g., road dust). The required observer position relative to the sun (Method 9, Section 2.1) must be followed. [40 CFR 60.675(c)(1)] Federally Enforceable Through Title V Permit
36. Testing to demonstrate compliance with the opacity of stack emissions standards from any baghouse subject to 40 CFR 60.672(f) shall be performed at least annually using EPA Method 9. The duration of the Method 9 observations shall be 1 hour (ten 6-minute averages). [40 CFR 60.675(c)(2)] Federally Enforceable Through Title V Permit
37. When testing for compliance with the fugitive emissions opacity standard of 40 CFR 60.672(b), the duration of the Method 9 observations may be reduced from 3 hours (thirty 6-minute averages) to 1 hour (ten 6-minute averages) only if the following conditions apply: (i) There are no individual readings greater than 10 percent opacity; and (ii) There are no more than 3 readings of 10 percent for the 1-hour period. [40 CFR 60.675(c)(3)] Federally Enforceable Through Title V Permit
38. Owner or operator of any affected facility shall submit written reports of the results of all performance tests conducted to demonstrate compliance, including reports of opacity observations made using Method 9 and reports of observations using Method 22. [40 CFR 60.676(f)] Federally Enforceable Through Title V Permit
39. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation $E = 3.59 \times P^{0.62}$ if P is less than or equal to 30 tons per hour, or $E = 17.31 \times P^{0.16}$ if P is greater than 30 tons per hour. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

40. Visible emissions from each dust collector shall be evaluated using EPA method 22 for a period of at least 6 minutes at least once during each day the dust collector is operated. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. Corrective action shall include the following: inspecting the dust collector system for any tears, abrasions, or holes in the filters; inspecting closed duct systems for damage; and repairing or replacing any defective or damaged material. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
41. Dust collection system shall be inspected at least quarterly when the unit is not in operation for any tears, abrasions, or holes in the filters; damage to closed duct systems; or any evidence of particulate matter leaks which might interfere with the PM collection efficiency. Any defective or damaged material shall be repaired or replaced as needed. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
42. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rule 4309] Federally Enforceable Through Title V Permit
43. If either the NO_x or CO concentrations corrected to 19% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rule 4309] Federally Enforceable Through Title V Permit
44. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rule 4309] Federally Enforceable Through Title V Permit
45. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 19% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rule 4309] Federally Enforceable Through Title V Permit
46. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
47. 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
48. Fluidized bed dryer shall be tested for compliance with the NO_x and CO emissions limits within 60 days of startup and once every 24 months thereafter. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
49. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. NO_x emissions during the source test shall be calculated as the arithmetic average of three 30-consecutive-minute test runs. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
50. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. CO emissions during the source test shall be calculated as the arithmetic average of three 30-consecutive-minute test runs. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

51. Stack gas oxygen shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 2201 and 4309] Federally Enforceable Through Title V Permit
52. Records of dust collection system maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
53. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
54. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
55. If the District or EPA determine 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] Federally Enforceable Through Title V Permit
56. Permittee shall maintain accurate daily records of the type and amount of fuel used and the daily hours of operation and make such records readily available for District inspection upon request. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
57. {2426} The permittee shall maintain, and make available for District inspection, all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
58. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
59. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
60. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
61. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of 40 CFR 60 Subpart OOO. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
62. Operator shall maintain copies of fuel invoices and supplier certifications. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
63. {2983} 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 Rules 1070, 4305, and 4306]

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San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

DRAFT
ISSUANCE DATE: DRAFT

PERMIT NO: S-1234-22-7

LEGAL OWNER OR OPERATOR: TAFT PRODUCTION COMPANY
MAILING ADDRESS: PO BOX 1277
950 N PETROLEUM CLUB ROAD
TAFT, CA 93268-1277

LOCATION: 950 N PETROLEUM CLUB ROAD
TAFT, CA

EQUIPMENT DESCRIPTION:

MODIFICATION OF CAT LITTER PAINTING OPERATION INCLUDING: ONE BUCKET ELEVATOR, ONE PAINT MIXER, ONE 0.4 MMBTU/HR NATURAL GAS FIRED DRYER, ONE EXHAUST FAN, AND ONE CONVEYOR:REVISE SULFUR TESTING REQUIREMENTS

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 NSR Rule] 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. The enclosed chute from permit S-1234-15, bucket elevator, loading of the unpainted cat litter, and emissions from the screen/mixer shall be enclosed and vented to baghouse #107 shared with permit unit S-1234-17. [District NSR Rule] Federally Enforceable Through Title V Permit
4. Material introduced to the dryer shall not exceed 24 tons per day. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Paint usage shall not exceed 240 gallons per day and 25,043 gallons per year. [District NSR Rule] Federally Enforceable Through Title V Permit
6. VOC content of paint shall not exceed 0.69 pound per gallon. [District NSR Rule] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director, APCO

DAVID WARNER, Director of Permit Services

S-1234-22-7: Jul 19 2011 11:40AM - EDGEHLR : Joint Inspection NOT Required

7. Only LPG or natural gas purchased from a PUC-regulated utility shall be combusted in dryer. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Sulfur content of natural gas shall not exceed 1.0 gr S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Sulfur content of LPG shall not exceed 15 grain per 100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Dryer emissions shall not exceed: NOx - 100.0 lb/MMscf; VOC - 5.3 lb MMscf; PM10 - 12.0 lb/MMscf; and CO - 21.0 lb/MMscf. [District NSR Rule and District Rule 4301, 5.2] Federally Enforceable Through Title V Permit
11. Owner or operator shall not cause to be discharged into the atmosphere from any transfer point on belt conveyors or from any other affected facility any stack emissions which: (1) Contain particulate matter in excess of 0.05 g/dscm (0.022 gr/dscf); or (2) Exhibit greater than 7 percent opacity. [District Rule 4201, 3.0 and 40 CFR 60.672(a)] Federally Enforceable Through Title V Permit
12. Visible emissions from fabric dust collector #107 shall not exceed 7% opacity. [40 CFR 60.672(a)] Federally Enforceable Through Title V Permit
13. Owner or operator shall not cause to be discharged into the atmosphere from any transfer point on belt conveyors or from any other affected facility any fugitive emissions which exhibit greater than 10 percent opacity. [40 CFR 60.672(b)] Federally Enforceable Through Title V Permit
14. Testing to demonstrate compliance with the opacity standards in 40 CFR 60.672(a) shall be performed at least annually using EPA Method 9 and the procedures in 40 CFR 60.11. [40 CFR 60.675(b)] Federally Enforceable Through Title V Permit
15. Testing to demonstrate compliance with the particulate matter standards in 40 CFR 60.672(b) shall be performed at least annually using EPA Method 9 and the procedures in ¹ 60.11, with the following additions: (i) The minimum distance between the observer and the emission source shall be 4.57 meters (15 feet); (ii) The observer shall, when possible, select a position that minimizes interference from other fugitive emission sources (e.g., road dust). The required observer position relative to the sun (Method 9, Section 2.1) must be followed. [40 CFR 60.675(c)(1)] Federally Enforceable Through Title V Permit
16. Testing to demonstrate compliance with the opacity of stack emissions standards from any baghouse subject to 40 CFR 60.672(f) shall be performed at least annually using EPA Method 9. The duration of the Method 9 observations shall be 1 hour (ten 6-minute averages). [40 CFR 60.675(c)(2)] Federally Enforceable Through Title V Permit
17. When testing for compliance with the fugitive emissions opacity standard of 40 CFR 60.672(b), the duration of the Method 9 observations may be reduced from 3 hours (thirty 6-minute averages) to 1 hour (ten 6-minute averages) only if the following conditions apply: (i) There are no individual readings greater than 10 percent opacity; and (ii) There are no more than 3 readings of 10 percent for the 1-hour period. [40 CFR 60.675(c)(3)] Federally Enforceable Through Title V Permit
18. Owner or operator of any affected facility shall submit written reports of the results of all performance tests conducted to demonstrate compliance, including reports of opacity observations made using Method 9 and reports of observations using Method 22. [40 CFR 60.676(f)] Federally Enforceable Through Title V Permit
19. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation $E = 3.59 \times P^{0.62}$ if P is less than or equal to 30 tons per hour, or $E = 17.31 \times P^{0.16}$ if P is greater than 30 tons per hour. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
20. Permittee shall keep accurate records of material processed, paint usage on a daily basis, and VOC content of paint. Records shall be made readily available for District inspection for a period of at least five years. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
21. {2426} The permittee shall maintain, and make available for District inspection, all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

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CONDITIONS CONTINUE ON NEXT PAGE

22. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
23. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
24. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
25. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of 40 CFR 60 Subpart OOO. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
26. Operator shall maintain copies of fuel invoices and supplier certifications. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
27. {2983} 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 Rules 1070, 4305, and 4306]

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San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT

PERMIT NO: S-1234-26-0

LEGAL OWNER OR OPERATOR: TAFT PRODUCTION COMPANY
MAILING ADDRESS: PO BOX 1277
950 N PETROLEUM CLUB ROAD
TAFT, CA 93268-1277

LOCATION: 950 N PETROLEUM CLUB ROAD
TAFT, CA

EQUIPMENT DESCRIPTION:
CLEANING/MILLING OPERATION #2 INCLUDING TWO BELT CONVEYORS, AND TWO FEED ELEVATORS

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 NSR Rule] 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. Universal vibrating screen and roller mill shall vent to venturi scrubber #1. [District NSR Rule] Federally Enforceable Through Title V Permit
4. Feed elevators, enclosed screen and roll mill shall be ventilated to Ultra reverse pulse fabric collector (shared with S-1234-1, '-2, and '-12). [District NSR Rule] Federally Enforceable Through Title V Permit
5. Unloading spillage shall be minimized to prevent fugitive dust emissions. [District NSR Rule] Federally Enforceable Through Title V Permit
6. Scrubber H2O supply shall have operational pressure gauge with pressure differential maintained above 8.5 inches W.C. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Particulate matter concentration at scrubber exhaust shall not exceed 0.027 grains/scf. [District NSR Rule and District Rule 4201, 3.0] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director, APCO

DAVID WARNER, Director of Permit Services

S-1234-26-0; Jul 19 2011 11:40AM - EDGEHLR : Joint Inspection NOT Required

8. Ultra reverse pulse fabric collector (shared with S-1234-1, '-2, and '-12) shall operate whenever process equipment is operated. [District NSR Rule] Federally Enforceable Through Title V Permit
9. Ventilation system serving feed conveying, elevating, screening and milling equipment shall be adjusted and maintained to prevent visible emissions from the ventilated equipment. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Fines from screen shall be conveyed via closed system only to fines silo listed on PTO #S-1234-1. [District NSR Rule] Federally Enforceable Through Title V Permit
11. Particulate matter (PM10) emissions from this permit unit shall not exceed 5.32 lbm per hour. [District NSR Rule and District Rules 4301, 5.2 and 4202, 4.0] Federally Enforceable Through Title V Permit
12. Particulate matter emissions shall not exceed the hourly rate as calculated in District Rule 4202 using the equation $E = 3.59 \times P^{0.62}$ if P is less than or equal to 30 tons per hour, or $E = 17.31 \times P^{0.16}$ if P is greater than 30 tons per hour. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
13. Visible emissions from each dust collector shall be evaluated using EPA method 22 for a period of at least 6 minutes at least once during each day the dust collector is operated. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. Corrective action shall include the following: inspecting the dust collector system for any tears, abrasions, or holes in the filters; inspecting closed duct systems for damage; and repairing or replacing any defective or damaged material. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
14. Dust collection system shall be inspected at least quarterly when the unit is not in operation for any tears, abrasions, or holes in the filters; damage to closed duct systems; or any evidence of particulate matter leaks which might interfere with the PM collection efficiency. Any defective or damaged material shall be repaired or replaced as needed. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
15. Records of dust collection system maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4.1 and 40 CFR 64] Federally Enforceable Through Title V Permit
16. Scrubber pressure differential shall be observed and recorded at least daily during operation of the unit. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
17. If scrubber pressure differential is not within the proper range, corrective action shall be taken. Corrective action shall include inspecting scrubber and performing any necessary repairs. [District Rules 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
18. Records of scrubber pressure differential observations shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.3.2 and 40 CFR 64] Federally Enforceable Through Title V Permit
19. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR 64.7. [40 CFR 64] Federally Enforceable Through Title V Permit
20. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR 64.9. [40 CFR 64] Federally Enforceable Through Title V Permit
21. If the District or EPA determine 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] Federally Enforceable Through Title V Permit
22. PM10 emissions from Ultra reverse pulse fabric collector and venturi scrubber #1 shall be source tested annually using CARB Method 5, EPA Method 5 (front half), EPA Method 201A in combination with EPA Method 202, or any combination of these methods. Annual source tests shall be conducted at least 6 months after the previous annual source test but not more than 18 months after the previous annual source test. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

24. 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
25. The permittee shall maintain accurate records of hourly process weight. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit
26. {2426} The permittee shall maintain, and make available for District inspection, all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
27. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4202 (as amended 12/17/92). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
28. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
29. Compliance with permit conditions in the Title V permit shall be deemed compliance with the applicable requirements of District Rule 4801 and Kern County Rule 407. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
30. ATC shall be implemented concurrent with ATC S-1234-3-5. [District Rule 2201] Federally Enforceable Through Title V Permit

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