



MAY 16 2012

Mr. Daniel Lee
Paramount Farms
13646 Highway 33
Lost Hills, CA 93249

**Re: Notice of Preliminary Decision - ATC / Certificate of Conformity
Facility # S-377
Project # S-1120294**

Dear Mr. Lee:

Enclosed for your review and comment is the District's analysis of an application for Authority to Construct for Paramount Farms located at 13646 Highway 33, Lost Hills, CA. The project is to install four additional column dryers to their existing pistachio hulling and drying operation.

After addressing all comments made during the 30-day public notice and the 45-day EPA comment periods, the Authority to Construct will be issued to the facility with a Certificate of Conformity. Prior to operating with modifications authorized by the Authority to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

The public notice will be published approximately three days from the date of this letter. Please submit your written comments within the 30-day public comment period which begins on the date of publication of the public notice.

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: DG/cm

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
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MAY 16 2012

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

**Re: Notice of Preliminary Decision - ATC / Certificate of Conformity
Facility # S-377
Project # S-1120294**

Dear Mr. Rios:

Enclosed for your review is the District's engineering evaluation of an application for Authority to Construct for Paramount Farms located at 13646 Highway 33, Lost Hills, CA, which has been issued a Title V permit. Paramount Farms is requesting that a Certificate of Conformity, with the procedural requirements of 40 CFR Part 70, be issued with this project. The project is to install four additional column dryers to their existing pistachio hulling and drying operation.

Enclosed is the engineering evaluation of this application, along with the current Title V permit, and proposed Authority to Construct # ATC S-377-19-29 with Certificate 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

DW: DG/cm

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MAY 16 2012

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

Re: **Notice of Preliminary Decision - ATC / Certificate of Conformity**
Facility # S-377
Project # S-1120294

Dear Mr. Tollstrup:

Enclosed for your review and comment is the District's analysis of an application for Authority to Construct for Paramount Farms located at 13646 Highway 33, Lost Hills, CA. The project is to install four additional column dryers to their existing pistachio hulling and drying operation.

The public notice will be published approximately three days from the date of this letter. Please submit your written comments within the 30-day public comment period which begins on the date of publication of the public notice.

Thank you for your cooperation in this matter. 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: DG/cm

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**NOTICE OF PRELIMINARY DECISION
FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT AND
THE PROPOSED MINOR 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 issuance of Authority To Construct to Paramount Farms for its nut processing operation located at 13646 Highway 33, Lost Hills, California. The project is to install four additional column dryers to their existing pistachio hulling and drying operation.

The analysis of the regulatory basis for these proposed actions, Project #S-1120294, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. 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, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.**

San Joaquin Valley Air Pollution Control District Authority to Construct Application Review

Pistachio Hulling & Drying Operations

Facility Name:	Paramount Farms Inc.	Date:	4/30/2012
Mailing Address:	13646 Highway 33 Lost Hills, CA 93249	Engineer:	Dolores Gough
Contact Person:	Daniel lee	Lead Engineer:	Allan Phillips <i>AP SUPP AWE</i>
Telephone:	661-797-6505		APR 30 2012
Application #:	S-377-19-29		
Project #:	S-1120294		
Deemed Complete:	2/21/2012		

I. Proposal

Paramount Farms Inc (Paramount) operates a pistachio processing facility. Paramount has requested an Authority to Construct (ATC) permit to add four (4) new column dryers to the existing pistachio hulling and drying operation #2 (S-377-19) at their Lost Hills nut processing facility. These dryers will bring the total number of column dryers to this permit unit to seventeen (17).

There is no proposed change to the current daily and annual fuel use limits that will result from these new column dryers. The current limits are 7.0 MMscf/day and 225 MMscf/year.

Paramount received their Title V Permit on August 16, 2001. This modification can be classified as a Title V minor modification pursuant to Rule 2520, Section 3.20, and can be processed with a Certificate of Conformity (COC). Since Paramount 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. Paramount must apply to administratively amend their Title V permit.

Appendix A: Current Permit to Operate

II. Applicable Rules

Rule 2201	New and Modified Stationary Source Review Rule (4/21/11)
Rule 2520	Federally Mandated Operating Permits (6/21/01)
Rule 4101	Visible Emissions (2/17/05)
Rule 4102	Nuisance (12/17/92)
Rule 4201	Particulate Matter Concentration (12/17/92)
Rule 4202	Particulate Matter Emission Rate (12/17/92)
Rule 4309	Dryers, Dehydrators, and Ovens (12/15/2005)
Rule 4801	Sulfur Compounds (12/17/92)

CH&SC 41700 Health Risk Assessment
CH&SC 42301.6 School Notice
Public Resources Code 21000-21177: California Environmental Quality Act (CEQA)
California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387: CEQA Guidelines

III. Project Location

The facility is located on Highway 33 approximately four miles north of Blackwell's Corner, California. The facility is not within 1,000 feet 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

Pistachios are harvested and hulled as rapidly as possible during the approximately 45 to 60 day season. Freshly harvested pistachios are extremely prone to damage such that a delay in the hulling and drying of harvested pistachios results in stained pistachios, which makes the nuts less valuable. In addition, it could result in the production of aflatoxin, a toxic by-product of molds.

After hulling, the nuts are transferred to column dryers to reduce the moisture content from 30-40% to approximately 7%. After drying, the nuts are conveyed to gravity decks to further separate the blanks prior to storage. The "good" nuts are stored in silos where the moisture is further reduced or maintained at the desired level. After this initial processing, the nuts can be stored, without sustaining damage until final processing.

V. Equipment Listing

Pre-Project Equipment Description:

S-377-19-28: 550.5 MMBTU/HR NATURAL GAS-FIRED PISTACHIO HULLING AND DRYING OPERATION #2

Proposed Modification:

S-377-19-29: 550.5 MMBTU/HR NATURAL GAS-FIRED PISTACHIO HULLING AND DRYING OPERATION #2: ADD FOUR 27 MMBTU/HR COLUMN DRYERS

Post-Project Equipment Description:

S-377-19-29: 658.5 MMBTU/HR NATURAL GAS-FIRED PISTACHIO HULLING AND DRYING OPERATION #2

VI. Emission Control Technology Evaluation

Paramount is not proposing installation of any air pollution control equipment; therefore, an emission control technology evaluation is not required for this project.

VII. General Calculations

A. Assumptions

- Equipment may operate 24 hours/day, 365 days/year (worst-case)
- No change in emission factors for the dryers (listed below)
- No change in daily and annual fuel use (7.0 MMscf/day and 225 MMscf/yr)

B. Emission Factors

The approved emission factors in lb/MMscf for column dryers (current PTO) are:

Equipment	NOx	SOx	PM10	CO	VOC
Column Dryer	83.2	2.85	2.5	21.0	3.8

C. Calculations

1. Pre-Project Potential to Emit (PE1)

The PE1 for the existing unit from PAS are:

S-377-19-28	NOx	SOx	PM10	CO	VOC
Daily PE1 (lb/day)	1,019.2	34.9	154.3	489.9	46.6
Annual PE1 (b/yr)	32,448	1,112	5,650	15,501	1,482

The additional column dryers are new; therefore, their potential to emit (PE1) =0.

2. Post Project Potential to Emit (PE2)

The potential to emit (PE2) from the new dryers is calculated as follows:

$$\text{PE2 (lb/day or lb/yr)} = \text{Fuel Use (MMscf/day or MMscf/yr)} \times \text{EF (lb/MMscf)}$$

Daily maximum fuel use per column dryer (total of 17 column dryers) = 7.0 MMscf/day ÷ 17 dryers = 0.4118 MMscf/day)

Annual maximum fuel use per column dryer (total of 17 column dryers) = 225 MMscf/yr ÷ 17 dryers = 13.2353 MMscf/yr

Daily PE2 (lb/day)					
	NOx	SOx	PM10	CO	VOC
Each dryer	34.3	1.2	1.0	8.6	1.6
Four new dryers	137.2	4.8	4.0	34.4	6.4
Total for S-377-19-29	1,019.2	34.9	154.3	489.9	46.6

Annual PE2 (lb/yr)					
	NO _x	SO _x	PM10	CO	VOC
Each dryer	1,101	38	33	278	50
Four new dryers	4,404	152	132	1,112	200
Total for S-377-19-29	32,448	1,112	5,650	15,501	1,482

Since the total permitted fuel usage for the column dryers is not going to increase and the emission factors are also not going to change, the post-project PE2 for the permit unit will therefore be the same as the pre-project PE1 (PE1 = PE2), as shown in the tables above.

Greenhouse Gas (GHG) Emissions:

The direct GHG emissions increase for the project may be calculated based on the fuel usage using the following equation:

$$\text{GHG (as lb-CO}_2\text{e/yr)} = \text{EF (lb-CO}_2\text{e/MMBtu)} \times \text{MMBtu/yr}$$

Since there is no increase in fuel usage, an increase in GHG emissions is not expected and no calculations are necessary.

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.

The facility has no ERCs. The SSPE1 taken from the last project (S-1114075) are as follows:

Pre-Project Stationary Source Potential to Emit [SSPE1] (lb/year)					
Permit Unit	NO _x	SO _x	PM ₁₀	CO	VOC
Pre-Project SSPE (SSPE1)	99,780	3,908	17,386	40,732	26,452

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.

Since PE1 = PE2; therefore, the SSPE1 = SSPE2

Post Project Stationary Source Potential to Emit [SSPE2] (lb/year)					
Permit Unit	NO _x	SO _x	PM ₁₀	CO	VOC
Post Project SSPE (SSPE2)	99,780	3,908	17,386	40,732	26,452

5. Major Source Determination

Pursuant to Section 3.24 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 3.24.2 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)	SSPE	99,780	3,908	17,386	40,732	26,452
Post Project SSPE (SSPE2)	SSPE	99,780	3,908	17,386	40,732	26,452
Major Source Threshold		20,000	140,000	140,000	200,000	20,000
Major Source?		Yes	No	No	No	Yes

As seen in the table above, this facility is an existing Major Source for NO_x and VOC emissions and will remain a Major Source for NO_x and VOC with this project. No change in other pollutants will result in the facility becoming a Major Source for the other pollutants.

6. Baseline Emissions (BE)

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

Pursuant to District Rule 2201, BE = Pre-project Potential to Emit for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to District Rule 2201.

As shown in Section VII.C.5 above, the facility is not a Major Source for SO_x, PM₁₀, and CO. Therefore, Baseline Emissions (BE) are equal to the Pre-Project Potential to Emit (PE1) for SO_x, PM₁₀ and CO.

Paramount is a major source for NO_x and VOC.

Pursuant to Rule 2201, a Clean Emissions Unit is defined as an emissions unit that is "equipped with an emissions control technology with a minimum control efficiency of at least 95% or is equipped with emission control technology that meets the requirements for achieved-in-practice BACT as accepted by the APCO during the five years immediately prior to the submission of the complete application (see Appendix B for BACT Guideline 1.6.8).

The pistachio nut dryers are the only source of NO_x and VOC emissions from the permit unit that is being modified in this project. The dryers are equipped with burners, each with a NO_x emission rate of 0.083 and fired on natural gas fuel. This meets the requirements for achieved-in-practice BACT for NO_x during the five years immediately prior to the submission of the complete application. Therefore, the nut dryers are Clean Emissions Units for NO_x, and BE = PE1.

There is no achieved-in-practice BACT for VOC; however, there is a technologically feasible BACT, which is the use of natural gas with LPG backup fuel. The nut dryers meet this BACT and therefore can be considered as Clean Emissions Units for VOC, and BE = PE1.

7. SB 288 Major Modification

SB 288 Major Modification is defined in 40 CFR Part 51.165 as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act."

Since this facility is a major source for NO_x and VOC, the project's PE2 is compared to the SB 288 Major Modification Thresholds in the following table in order to determine if the SB 288 Major Modification calculation is required.

SB 288 Major Modification Thresholds			
Pollutant	Project PE2 (lb/year)	Threshold (lb/year)	SB 288 Major Modification Calculation Required?
NO _x	32,448	50,000	No
VOC	1,482	50,000	No

Since none of the SB 288 Major Modification Thresholds are surpassed with this project, this project does not constitute a SB288 Major Modification.

8. Federal Major Modification

District Rule 2201, Section 3.18 states that Federal Major Modifications are the same as "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

The determination of Federal Major Modification is based on a two-step test. For the first step, only the emission *increases* are counted. Emission decreases may not cancel out the increases for this determination.

Step 1

For new emissions units, the increase in emissions is equal to the PE2 for each new unit included in this project.

For federal modification calculation purposes, the increase in emissions is equal to the PE2 for the new column dryers, as calculated in Section VII.C.2 above.

Federal Major Modification Thresholds for Emission Increases			
Pollutant	Total Emissions Increases (lb/yr)**	Thresholds (lb/yr)	Federal Major Modification?
NO _x	4,404	0	Yes
VOC	200	0	Yes

**If there is any emission increases in NO_x or VOC, this project is a Federal Major Modification and no further analysis is required.

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. The QNEC is calculated using the following equation:

$$\text{QNEC (lb/qtr)} = [\text{PE2 (lb/yr)} - \text{PE1 (lb/yr)}] / 4$$

Since PE1 = PE2; QNEC = 0 and no detailed calculations are necessary.

VIII. Compliance

Rule 2201 New and Modified Stationary Source Review Rule

A. Best Available Control Technology (BACT)

1. BACT Applicability

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

- a. Any new emissions unit with a potential to emit exceeding two pounds per day,

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

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

As seen in Section VII.C.2 of this evaluation, the applicant is proposing to install four new column dryers with a PE greater than 2 lb/day for NO_x for each dryer. Therefore, BACT is triggered for NO_x.

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

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

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

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

d. SB 288/Federal Major Modification

As discussed in Section VII.C.7 and VIIC.8 above, this project does not constitute a SB 288; however, it is a Federal Major Modification project and BACT is therefore triggered.

2. BACT Guideline

BACT Guideline 1.6.8, Pistachio Nut Dryer applies to the proposed column dryers (See **Appendix B**).

3. Top-Down BACT Analysis

Per Permit Services Policies and Procedures for BACT, a Top-Down BACT analysis shall be performed as a part of the application review for each application subject to the BACT requirements pursuant to the District's NSR Rule.

Pursuant to the attached Top-Down BACT Analysis (**Appendix B**), BACT has been satisfied with the following:

NO_x: Low NO_x burner @ 0.083 lb/MMBtu and natural gas fuel
VOC: Natural gas fuel with LPG as backup fuel

B. Offsets

1. Offset Applicability

Pursuant to Section 4.5.3, offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the Post Project Stationary Source Potential to Emit (SSPE2) equals to or exceeds the offset threshold levels in Table 4-1 of Rule 2201.

Offset Determination (lb/year)					
	NO_x	SO_x	PM₁₀	CO	VOC
Post Project SSPE (SSPE2)	99,780	3,908	17,386	40,732	26,452
Offset Threshold	20,000	54,750	29,200	200,000	20,000
Offsets triggered?	Yes	No	No	No	Yes

2. Quantity of Offsets Required

As seen above, the SSPE2 is greater than the offset thresholds for NO_x and VOC; therefore, offset calculations will be required for this project.

Per Section 4.7, the quantity of offsets in pounds per year for NO_x and VOC is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

$$\text{Offsets Required (lb/year)} = (\Sigma[\text{PE2} - \text{BE}] + \text{ICCE}) \times \text{DOR}, \text{ for all new or modified emissions units in the project,}$$

Where,

PE2 = Post Project Potential to Emit, (lb/year)

BE = Baseline Emissions, (lb/year)

ICCE = Increase in Cargo Carrier Emissions, (lb/year) = 0

DOR = Distance Offset Ratio, determined pursuant to Section 4.8

BE = Pre-project Potential to Emit for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, Located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE)

Since BE = PE1 and PE1 = PE2; and ICCE = 0; no offsets will be required for this project.

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 SSIPE 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 constitutes a Federal Major Modification; therefore, public noticing for 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	99,780	99,780	20,000 lb/year	No
SO _x	33,908	33,908	54,750 lb/year	No
PM ₁₀	17,386	17,386	29,200 lb/year	No
CO	40,732	40,732	200,000 lb/year	No
VOC	26,452	26,452	20,000 lb/year	No

As shown above, there are 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	SSPE2 (lb/year)	SSPE1 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
NO _x	99,780	99,780	0	20,000 lb/year	No
SO _x	33,908	33,908	0	20,000 lb/year	No
PM ₁₀	17,386	17,386	0	20,000 lb/year	No
CO	40,732	40,732	0	20,000 lb/year	No
VOC	26,452	26,452	0	20,000 lb/year	No

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

2. Public Notice Action

As discussed above, public noticing is required for this project for NO_x and VOC emissions exceeding the federal major modification thresholds. 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 3.16 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. Per Sections 3.16.1 and 3.16.2, the DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT.

All the DEL conditions on the current permit will be retained to ensure compliance.

E. Compliance Assurance

1. Source Testing

Pursuant to District Policy APR 1705, source testing is not required to demonstrate compliance with Rule 2201.

2. Monitoring

No monitoring is required to demonstrate the compliance with Rule 2201.

3. Recordkeeping

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

- Records of daily and annual fuel consumption shall be maintained and retained on-site for a period of at least five years and made available for District inspection upon request. [District Rule 2201]

4. Reporting

No reporting is required to demonstrate 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 has determined that since there is no increase in fuel usage and emissions, an AAQA is not required.

G. Compliance Certification

Pursuant to Section 4.15.2, the owner of the proposed new Major Source or federal major modification shall demonstrate to the satisfaction of the APCO that all major stationary sources owned or operated by such person (or any entity controlling, controlled by, or under common control with such person) in California which are subject to emission limitations are in compliance or on a schedule for compliance with all applicable limitations and standards.

Paramount provided verification that all major Stationary Sources owned or operated by Paramount in California are in compliance or on a schedule for compliance with all applicable emission limitations and standards (**Appendix E**).

H. Alternate Siting Analysis

The current project occurs at an existing facility. The applicant proposes to install four new column dryers to accommodate expected increases in Paramount's nut production. Since the dryers will be used at the same location, the existing site will result in the least possible impact from the project. Alternative sites would involve the relocation and/or construction of

various support structures on a much greater scale, and would therefore not be practical and result in a much greater impact.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. The proposed modification is a Minor Modification to the Title V Permit pursuant to Section 3.20 of this rule:

In accordance with Rule 2520, 3.20, these modifications:

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

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

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). The proposed column dryers have PM10 emissions of 1.03 lb/day per dryer. Visible emissions are not expected to exceed Ringelmann; therefore, 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.

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

The cancer risk for this project is shown below:

HRA Summary		
Unit	Cancer Risk	T-BACT Required
S-377-19-29	0.2 per million	No

Discussion of T-BACT

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

Rule 4201 Particulate Matter Concentration

This rule prohibits the release of particulate matter in excess of specified limits based on the process weight of material involved in the operation. The proposed dryers are not expected to be sources of non-combustion PM₁₀ emissions; therefore, continued compliance with this rule is expected.

Rule 4202 Particulate Matter Emission Rate

The proposal includes the installation of column dryers that are handling clean processed nuts with minimal PM₁₀ emissions. Therefore, continued compliance with the requirements of Rule 4202 is expected.

Rule 4301 Fuel Burning Equipment

This rule applies to any furnace, boiler or apparatus used in the process of burning fuel for the primary purpose of producing heat or power by indirect heat transfer. Since the primary purpose of these dryers is drying material through direct heat transfer, Rule 4301 does not apply.

Rule 4309 Dryers, Dehydrators and Ovens

This rule exempt column-type or tower dryers used to dry grains or tree nuts (pistachios). The proposed dryers are column-type dryers used to dry tree nuts; therefore, Rule 4309 does not apply.

Rule 4801 Sulfur Compounds

This rule limits sulfur compound emissions to 2,000 ppmv as SO₂. As the combustion equipment associated with this project will be fired on PUC natural gas, continued compliance with this rule is expected.

Using the ideal gas equation and the emission factor presented in Section VII, the sulfur compound emissions are calculated as follows:

$$\text{Volume SO}_2 = \frac{n RT}{P}$$

With:

N = moles SO₂

T (Standard Temperature) = 60°F = 520°R

P (Standard Pressure) = 14.7 psi

R (Universal Gas Constant) = $\frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot ^\circ\text{R}}$

$$\frac{0.00285 \text{ lb} - \text{SO}_x}{\text{MMBtu}} \times \frac{\text{MMBtu}}{8,578 \text{ dscf}} \times \frac{1 \text{ lb} \cdot \text{mol}}{64 \text{ lb}} \times \frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot ^\circ\text{R}} \times \frac{520^\circ\text{R}}{14.7 \text{ psi}} \times \frac{1,000,000 \cdot \text{parts}}{\text{million}} = 2 \frac{\text{parts}}{\text{million}}$$

$$\text{Sulfur Concentration} = 2 \frac{\text{parts}}{\text{million}} < 2,000 \text{ ppmv (or 0.2\%)}$$

Therefore, compliance with District Rule 4801 requirements 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. Issue Authority to Construct S-377-19-29 subject to the permit conditions on the attached draft Authority to Construct in Appendix D.

X. Billing Information

Annual Permit Fees			
Permit Number	Fee Schedule	Fee Description	Annual Fee
S-377-19-29	3020-02-D	658.5 MMBtu/hr	\$1,030.00

Appendices

- A: Current PTO
- B: BACT Guideline and Analysis
- C: Health Risk Assessment
- D: Draft ATC and Emissions Profile
- E: Compliance Certifications

APPENDIX A

Current PTO

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-377-19-28

EXPIRATION DATE: 10/31/2016

SECTION: 23 **TOWNSHIP:** 25S **RANGE:** 19E

EQUIPMENT DESCRIPTION:

550.5 MMBTU/HR NATURAL GAS-FIRED PISTACHIO HULLING AND DRYING OPERATION #2

PERMIT UNIT REQUIREMENTS

1. Disposal of solid and liquid wastes shall not result in odors nor constitute a nuisance. [District Rule 4102]
2. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
3. There shall be no visible emissions in excess of 5% opacity at receiving pits, stickreels, conveyors, conveyor transfer points or trash disposal operations. [District NSR Rule] Federally Enforceable Through Title V Permit
4. There shall be no visible emissions at dryers conveyors aspirators cyclones exhausts. [District NSR Rule] Federally Enforceable Through Title V Permit
5. Operation shall be equipped with seven receiving pits, seven receiving discharge conveyors, seven pit discharge conveyors, seven cleated belt stickreel conveyors and seven 60 in. stickreels. [District NSR Rule] Federally Enforceable Through Title V Permit
6. Operation shall be equipped with seven precleaner leaf blowers, each with one 44" high-efficiency cyclone preceded by expansion box. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Operation shall be equipped with precleaner discharge conveyors, incline discharge conveyors, trash conveyors, transfer conveyors, and distribution conveyors. [District NSR Rule] Federally Enforceable Through Title V Permit
8. Operation may be equipped with the following permit exempt equipment: pistachio huller/peelers, wash decks, float tanks, gravity decks each with a high efficiency cyclone, size graders, detwiggers, product reclaim line, wet aspirators with cyclones and/or expansion boxes, electric air compressors, electric compressed air dryers, and associated conveyors, hoppers, and elevators. [District Rule 2010] Federally Enforceable Through Title V Permit
9. Operation shall be equipped with four 28.5 MMBtu/hr bed type pistachio dryers, each equipped with: four modified 5.5 MMBtu/hr burners, one modified 6.5 MMBtu/hr burner, four 40 hp blowers, and one 50 hp blower. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Operation shall be equipped with two 28.5 MMBtu/hr bed type pistachio dryers, each equipped with four modified 5.5 MMBtu/hr burners, one modified 6.5 MMBtu/hr burner, two 40 hp blowers, and eight 25 hp blowers. [District NSR Rule] Federally Enforceable Through Title V Permit
11. Operation shall be equipped with one 28.5 MMBtu/hr bed type pistachio dryer equipped with four modified 5.5 MMBtu/hr burners, one modified 6.5 MMBtu/hr burner, two 40 hp blowers, eight 25 hp blowers, and two 40 hp suction fans. [District NSR Rule] Federally Enforceable Through Title V Permit
12. Operation shall be equipped with thirteen 27.0 MMBtu/hr natural gas-fired column type pistachio dryers. [District NSR Rule] Federally Enforceable Through Title V Permit
13. Operation shall be equipped with an operational totalizing fuel flow meter serving bed type dryers listed above. [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. Operation shall be equipped with an operational totalizing fuel flow meter serving column type dryers listed above. [District NSR Rule] Federally Enforceable Through Title V Permit
15. Operation shall be equipped with dryer discharge conveyors, two aspirators each with cyclone and 25 hp blower, and incline conveyors. [District NSR Rule] Federally Enforceable Through Title V Permit
16. All stacks shall remain open during normal operation of four 28.5 MMBtu/hr bed type pistachio dryers. [District NSR Rule] Federally Enforceable Through Title V Permit
17. Maximum emission rate of PM10 from each of the precleaner cyclones listed above shall not exceed 0.08 lb/hr. [District NSR Rule] Federally Enforceable Through Title V Permit
18. All combustion equipment shall be fired with PUC regulated natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Maximum daily natural gas consumption of bed type dryers listed above shall not exceed 5.25 MMscf/day. [District NSR Rule] Federally Enforceable Through Title V Permit
20. Maximum annual natural gas consumption of bed type dryers listed above shall not exceed 165 MMscf/year. [District NSR Rule] Federally Enforceable Through Title V Permit
21. Emission rates for bed type dryers listed above shall not exceed any of the following: PM10: 23.5 lb/MMscf, SOx (as SO2): 2.85 lb/MMscf, NOx (as NO2): 83.20 lb/MMscf, VOC: 3.8 lb/MMscf or CO: 65.31 lb/MMscf. [District NSR Rule] Federally Enforceable Through Title V Permit
22. Maximum daily natural gas consumption of column type dryers listed above shall not exceed 7.0 MMscf/day. [District NSR Rule] Federally Enforceable Through Title V Permit
23. Maximum annual natural gas consumption of column type dryers listed above shall not exceed 225 MMscf/year. [District NSR Rule] Federally Enforceable Through Title V Permit
24. Emission rates for column type dryers listed above shall not exceed any of the following: PM10: 2.5 lb/MMscf, SOx (as SO2): 2.85 lb/MMscf, NOx (as NO2): 83.20 lb/MMscf, VOC: 3.8 lb/MMscf or CO: 21.0 lb/MMscf. [District NSR Rule] Federally Enforceable Through Title V Permit
25. The bed type pistachio dryers shall be operated and maintained according to manufacturer's specifications. [District Rule 4309] Federally Enforceable Through Title V Permit
26. The operator shall maintain daily records showing the bed type pistachio dryers are fired exclusively on PUC quality natural gas, and operation and maintenance records demonstrating operation and maintenance according to manufacturer's specifications. [District Rule 4309] Federally Enforceable Through Title V Permit
27. The operator shall maintain on-site during normal business hours a copy of the manufacturer's operation specifications and maintenance instruction manual for the bed-type dryers, or APCO-approved alternative procedures. [District Rule 4309] Federally Enforceable Through Title V Permit
28. Permittee shall maintain records of the volume of fuel used each day and each year. Written documentation shall be made readily available to District for a period of five years. [District Rule 1070]
29. The unit shall be inspected quarterly for visible emissions during operation. If any visible emissions are observed, corrective action shall be taken. If visible emissions cannot be corrected within 2 hours, a visible emissions test using EPA Method 9 shall be conducted within 48 hours. The results of inspection shall be kept in a record and shall be made available to the District upon request. [District Rule NSR Rule & 2520, 9.3.2] Federally Enforceable Through Title V Permit

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

APPENDIX B

BACT Guideline and Analysis

Per » B A C T » Bact Guideline.asp?category Level1=1&category Level2=6&category Level3=8&last Update=4 » 14 :

Back

**Best Available Control Technology (BACT) Guideline 1.6.8
Last Update: 4/14/1995**

Pistachio Nut Dryer

Pollutant	Achieved in Practice or in the SIP	Technologically Feasible	Alternate Basic Equipment
CO		Natural gas with LPG as backup fuel	
NOx	Low NOx burner @ 0.083 lb/MMBtu and natural gas fuel		
PM10		Natural gas with LPG as backup fuel	
SOx		PUC quality natural gas with LPG as backup fuel	
VOC		Natural gas with LPG as backup fuel	

BACT is the most stringent control technique for the emissions unit and class of source. Control techniques that are not achieved in practice or contained in a state implementation plan must be cost effective as well as feasible. Economic analysis to demonstrate cost effectiveness is required for all determinations that are not achieved in practice or contained in an EPA approved State Implementation Plan.

This is a Summary Page for this Class of Source. For background information, see Permit Specific BACT Determinations on Details Page.

BACT Analysis for NOx Emissions:

a. Step 1 - Identify all control technologies

BACT Guideline 1.6.8 identifies only the following option:

- *Low NOx burner @ 0.083 lb/MMBtu and natural gas fuel (Achieved-in-Practice)*

b. Step 2 - Eliminate technologically infeasible options

The control option listed in Step 1 is not technologically infeasible.

c. Step 3 - Rank remaining options by control effectiveness

No ranking needs to be done because there is only one control option listed in Step 1.

d. Step 4 - Cost Effectiveness Analysis

The applicant has proposed the only control option listed. Therefore, a cost effectiveness analysis is not required.

e. Step 5 - Select BACT

The applicant is proposing a low NOx burner @ 0.083 lb/MMBtu and natural gas fuel; therefore, BACT will be satisfied.

BACT Analysis for VOC Emissions:

a. Step 1 - Identify all control technologies

BACT Guideline 1.6.8 identifies only the following option:

- *Natural Gas with LPG as backup fuel (Technologically Feasible)*

b. Step 2 - Eliminate technologically infeasible options

The control option listed in Step 1 is technologically feasible.

c. Step 3 - Rank remaining options by control effectiveness

No ranking needs to be done because there is only one control option listed in Step 1.

d. Step 4 - Cost Effectiveness Analysis

The applicant has proposed the only control option listed. Therefore, a cost effectiveness analysis is not required.

e. Step 5 - Select BACT

The applicant is proposing to use natural gas fuel; therefore, BACT will be satisfied.

APPENDIX C

Health Risk Assessment

San Joaquin Valley Air Pollution Control District Risk Management Review

To: Dolores Gough, AQE – Permit Services
 From: Joe Aguayo, AQS – Technical Services
 Date: April 25, 2012
 Facility Name: Paramount Farms
 Location: 13646 Highway 33
 Lost Hills, CA
 Application #(s): S-377-19-29
 Project #: S-1120294

RECEIVED
 APR 25 2012
 SJVAPCD
 Southern Region

A. RMR SUMMARY

RMR Summary			
Categories	NG-fired Dryers (Unit 19-29)	Project Totals	Facility Totals
Prioritization Score	<1.0	<1.0	>1.0
Acute Hazard Index	0.01	0.01	6.80
Chronic Hazard Index	0.00	0.00	1.02
Maximum Individual Cancer Risk (10 ⁻⁶)	0.2	0.2	0.3
T-BACT Required?	No		
Special Permit Conditions?	No		

Proposed Permit Conditions

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

Unit # 19-29

1. Operation of this unit shall not exceed 1500 hours per calendar year.

B. RMR REPORT

I. Project Description

Technical Services received a request on February 21, 2012, to perform an Ambient Air Quality Analysis and a Risk Management Review for modification to a 550.5 MMBtu/hr natural gas-fired pistachio hulling and drying operation. The modification consists of adding four 27 MMBtu/hr column dryers.

II. Analysis

Technical Services performed a health risk assessment using the Toxic Emissions from External Combustion of Natural Gas spreadsheet. The cumulative prioritization scores were greater than 1.0, thus modeling was conducted using the AERMOD model, with the parameters outlined below and meteorological data for 2005-2009 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.

Analysis Parameters Unit 19-29			
Source Type	Area	Location Type	Rural
X-Length (m)	6.096	Closest Receptor (m)	1524
Y-Length (m)	6.096	Type of Receptor	Residential
Release Height (m)	3.05	Throughput MMscf/hr	0.29

An Ambient Air Quality Analysis is not required for this project since the modification will not result in an increase of criteria pollutants.

III. Conclusion

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

To ensure that human health risks will not exceed District allowable levels; the permit conditions listed on page 1 of this report must be included for this proposed unit.

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.

The emissions from the proposed equipment will not cause or contribute significantly to a violation of the State and National AAQS.

IV. Attachments

- A. RMR request from the project engineer
- B. Additional information from the applicant/project engineer
- C. Toxic emissions summary
- D. Prioritization score
- E. Facility Summary

APPENDIX D

Draft ATCs and Emissions Profile

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
DRAFT

PERMIT NO: S-377-19-29

LEGAL OWNER OR OPERATOR: PARAMOUNT FARMS
MAILING ADDRESS: ATTN: DANIEL LEE
13646 HIGHWAY 33
LOST HILLS, CA 93249-9719

LOCATION: 3.5 MILES NORTH OF HWY 46 ON HWY 33
LOST HILLS, CA

SECTION: 23 **TOWNSHIP:** 25S **RANGE:** 19E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 550.5 MMBTU/HR NATURAL GAS-FIRED PISTACHIO HULLING AND DRYING OPERATION #2:
ADD FOUR 27 MMBTU/HR COLUMN DRYERS

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Disposal of solid and liquid wastes shall not result in odors nor constitute a nuisance. [District Rule 4102]
4. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
5. There shall be no visible emissions in excess of 5% opacity at receiving pits, stickreels, conveyors, conveyor transfer points or trash disposal operations. [District NSR Rule] Federally Enforceable Through Title V Permit
6. There shall be no visible emissions at dryers conveyors aspirators cyclones exhausts. [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-377-19-29 May 15 2012 4:51PM - GOUUGH Joint Inspection NOT Required

7. Operation shall be equipped with seven receiving pits, seven receiving discharge conveyors, seven pit discharge conveyors, seven cleated belt stickreel conveyors and seven 60 in. stickreels. [District NSR Rule] Federally Enforceable Through Title V Permit
8. Operation shall be equipped with seven precleaner leaf blowers, each with one 44" high-efficiency cyclone preceded by expansion box. [District NSR Rule] Federally Enforceable Through Title V Permit
9. Operation shall be equipped with precleaner discharge conveyors, incline discharge conveyors, trash conveyors, transfer conveyors, and distribution conveyors. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Operation may be equipped with the following permit exempt equipment: pistachio huller/peelers, wash decks, float tanks, gravity decks each with a high efficiency cyclone, size graders, detwiggers, product reclaim line, wet aspirators with cyclones and/or expansion boxes, electric air compressors, electric compressed air dryers, and associated conveyors, hoppers, and elevators. [District Rule 2010] Federally Enforceable Through Title V Permit
11. Operation shall be equipped with four 28.5 MMBtu/hr bed type pistachio dryers, each equipped with: four modified 5.5 MMBtu/hr burners, one modified 6.5 MMBtu/hr burner, four 40 hp blowers, and one 50 hp blower. [District NSR Rule] Federally Enforceable Through Title V Permit
12. Operation shall be equipped with two 28.5 MMBtu/hr bed type pistachio dryers, each equipped with four modified 5.5 MMBtu/hr burners, one modified 6.5 MMBtu/hr burner, two 40 hp blowers, and eight 25 hp blowers. [District NSR Rule] Federally Enforceable Through Title V Permit
13. Operation shall be equipped with one 28.5 MMBtu/hr bed type pistachio dryer equipped with four modified 5.5 MMBtu/hr burners, one modified 6.5 MMBtu/hr burner, two 40 hp blowers, eight 25 hp blowers, and two 40 hp suction fans. [District NSR Rule] Federally Enforceable Through Title V Permit
14. Operation shall be equipped with seventeen 27.0 MMBtu/hr natural gas-fired column type pistachio dryers. [District NSR Rule] Federally Enforceable Through Title V Permit
15. Operation shall be equipped with an operational totalizing fuel flow meter serving bed type dryers listed above. [District NSR Rule] Federally Enforceable Through Title V Permit
16. Operation shall be equipped with an operational totalizing fuel flow meter serving column type dryers listed above. [District NSR Rule] Federally Enforceable Through Title V Permit
17. Operation shall be equipped with dryer discharge conveyors, up to two aspirators each with cyclone and 25 hp blower, and incline conveyors. [District NSR Rule] Federally Enforceable Through Title V Permit
18. All stacks shall remain open during normal operation of four 28.5 MMBtu/hr bed type pistachio dryers. [District NSR Rule] Federally Enforceable Through Title V Permit
19. Maximum emission rate of PM10 from each of the precleaner cyclones listed above shall not exceed 0.08 lb/hr. [District NSR Rule] Federally Enforceable Through Title V Permit
20. All combustion equipment shall be fired with PUC regulated natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Maximum daily natural gas consumption of bed type dryers listed above shall not exceed 5.25 MMscf/day. [District NSR Rule] Federally Enforceable Through Title V Permit
22. Maximum annual natural gas consumption of bed type dryers listed above shall not exceed 165 MMscf/year. [District NSR Rule] Federally Enforceable Through Title V Permit
23. Emission rates for bed type dryers listed above shall not exceed any of the following: PM10: 23.5 lb/MMscf, SO_x (as SO₂): 2.85 lb/MMscf, NO_x (as NO₂): 83.20 lb/MMscf, VOC: 3.8 lb/MMscf or CO: 65.31 lb/MMscf. [District NSR Rule] Federally Enforceable Through Title V Permit
24. Maximum daily natural gas consumption of column type dryers listed above shall not exceed 7.0 MMscf/day. [District NSR Rule] Federally Enforceable Through Title V Permit
25. Maximum annual natural gas consumption of column type dryers listed above shall not exceed 225 MMscf/year. [District NSR Rule] Federally Enforceable Through Title V Permit

DRAFT
CONDITIONS CONTINUE ON NEXT PAGE

26. Emission rates for column type dryers listed above shall not exceed any of the following: PM10: 2.5 lb/MMscf, SO_x (as SO₂): 2.85 lb/MMscf, NO_x (as NO₂): 83.20 lb/MMscf, VOC: 3.8 lb/MMscf or CO: 21.0 lb/MMscf. [District NSR Rule] Federally Enforceable Through Title V Permit
27. The bed type pistachio dryers shall be operated and maintained according to manufacturer's specifications. [District Rule 4309] Federally Enforceable Through Title V Permit
28. Operation of each pre-cleaning line cyclone shall not exceed 1500 hours per calendar year. [District Rule 4102]
29. The operator shall maintain daily records showing the bed type pistachio dryers are fired exclusively on PUC quality natural gas, and operation and maintenance records demonstrating operation and maintenance according to manufacturer's specifications. [District Rule 4309] Federally Enforceable Through Title V Permit
30. The operator shall maintain on-site during normal business hours a copy of the manufacturer's operation specifications and maintenance instruction manual for the bed-type dryers, or APCO-approved alternative procedures. [District Rule 4309] Federally Enforceable Through Title V Permit
31. Permittee shall maintain records of the volume of fuel used each day and each year, and records of pre-cleaner cyclone operation per calendar year. Written documentation shall be made readily available to District for a period of five years. [District Rules 1070 and 4102]
32. The unit shall be inspected for visible emissions once during the quarter in which the unit operates. If any visible emissions are observed, corrective action shall be taken. If visible emissions cannot be corrected within 2 hours, a visible emissions test using EPA Method 9 shall be conducted within 48 hours. The results of inspection shall be kept in a record and shall be made available to the District upon request. [District Rule NSR Rule & 2520, 9.3.2] Federally Enforceable Through Title V Permit

DRAFT

Permit #: S-377-19-29	Last Updated
Facility: PARAMOUNT FARMS	04/26/2012 GOUGHD

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	32448.0	1112.0	5650.0	15501.0	1482.0
Daily Emis. Limit (lb/Day)	1019.2	34.9	154.3	489.9	46.6
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:					

APPENDIX E

Compliance Certifications

**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: Paramount Farms, Inc.	FACILITY ID: S - 377
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:	
3. Agent to the Owner:	

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

- Based on information and belief formed after reasonable inquiry, the source identified in this application will continue to comply with the applicable federal requirement(s).
- Based on information and belief formed after reasonable inquiry, the source 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:


Signature of Responsible Official

11/31/2012
Date

Dave Szeflin
Name of Responsible Official (please print)

Vice President of Operations
Title of Responsible Official (please print)

Add four 27 MM Btu/hr Column Dryers to Huller #2.

CERTIFICATION

Paramount Farms, LLC hereby certifies as follows:

1. Paramount Farms owns or operates certain major stationary sources in the State of California. Such sources are comprised of a vast number of emission points. As used in this certification, the term "major stationary source" shall, with respect to Paramount Farms stationary sources in the SJVUAPCD, have the meaning ascribed thereto in SJVUAPCD Rule 2201, Section 3.23, and shall, with respect to all of Paramount's other stationary sources in the State of California, have the meaning ascribed thereto in section 302(J) of the Clean Air Act (42 U.S.C. Section 7602 (J)).

2. Subject to paragraphs 3 and 4 below, all major stationary sources owned or operated by Paramount Farms in the State of California are either in compliance, or on an approved schedule of compliance, with all applicable emission limitations and standards under the Clean Air Act and all of the State Implementation Plan approved by the Environmental Protection Agency.

3. This certification is made on information and belief and is based upon a review of Paramount Farms major stationary sources in the State of California by those employees of Paramount Farms who have operational responsibility for compliance. In conducting such reviews, Paramount Farms and its employees have acted in good faith and have exercised best efforts to identify any exceedance of the emission limitations and standards referred to in paragraph 2 thereof.

4. This certification shall speak as of the time and date of its execution.

CERTIFICATION

By: 
Dave Szeflin

Title: Vice President of Operations

Date: 1/31/2012