



AUG 21 2012

Mr. Sy Lee
California Daries Inc.
2000 N Plaza Drive
Visalia, CA 93291

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-1346
Project # S-1111873**

Dear Mr. Lee:

The Air Pollution Control Officer has issued Authorities to Construct (S-1346-18-6, '-19-6, '-25-0, and '-26-0) with Certificates of Conformity to California Daries Inc. located at 11894 Avenue 120 in Tipton. California Daries, Inc. is applying for Authorities to Construct to install two new Solar Turbine cogeneration units to provide the Tipton facility with both electricity and steam. The proposed project will allow two existing boilers, S-1346-18 and S-1346-19 to operate less.

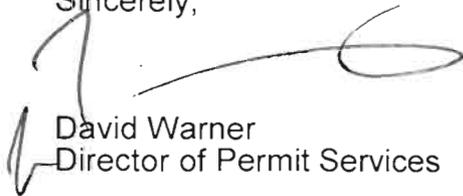
Enclosed are the Authorities to Construct. The application and proposal were sent to US EPA Region IX on June 11, 2012. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

Prior to operating with modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5.

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.

Sincerely,



David Warner
Director of Permit Services

DW: DK/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
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



AUG 21 2012

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

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-1346
Project # S-1111873**

Dear Mr. Rios:

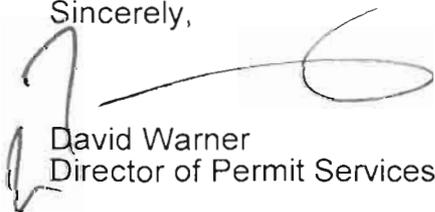
The Air Pollution Control Officer has issued Authorities to Construct (S-1346-18-6, '-19-6, '-25-0, and '-26-0) with Certificates of Conformity to California Daries Inc. located at 11894 Avenue 120 in Tipton. California Daries, Inc. is applying for Authorities to Construct to install two new Solar Turbine cogeneration units to provide the Tipton facility with both electricity and steam. The proposed project will allow two existing boilers, S-1346-18 and S-1346-19 to operate less.

Enclosed is a copy of the Authorities to Construct. The application and proposal were sent to US EPA Region IX on June 11, 2012. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

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.

Sincerely,



David Warner
Director of Permit Services

DW: DK/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
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



AUG 21 2012

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

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-1346
Project # S-1111873**

Dear Mr. Tollstrup:

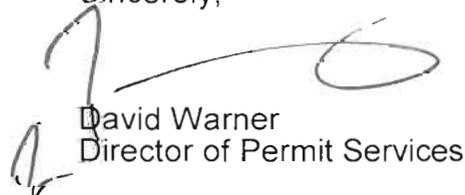
The Air Pollution Control Officer has issued Authorities to Construct (S-1346-18-6, '-19-6, '-25-0, and '-26-0) with Certificates of Conformity to California Daries Inc. located at 11894 Avenue 120 in Tipton. California Daries, Inc. is applying for Authorities to Construct to install two new Solar Turbine cogeneration units to provide the Tipton facility with both electricity and steam. The proposed project will allow two existing boilers, S-1346-18 and S-1346-19 to operate less.

Enclosed is a copy of the Authorities to Construct. The application and proposal were sent to US EPA Region IX on June 11, 2012. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

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.

Sincerely,



David Warner
Director of Permit Services

DW: DK/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
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

**NOTICE OF FINAL 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 has made its final decision to issue Authorities to Construct to California Daries Inc. for dairy located located at 11894 Avenue 120 in Tipton, California. California Daries, Inc. is applying for Authorities to Construct to install two new Solar Turbine cogeneration units to provide the Tipton facility with both electricity and steam. The proposed project will allow two existing boilers, S-1346-18 and S-1346-19 to operate less.

The District's analysis of the legal and factual basis for this proposed action, project #S-1111873, is available for public inspection at the District office at the address below. For additional information regarding this matter, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500, or contact David Warner, Director of Permit Services, in writing at SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



August 20, 2012

California Dairies, Inc
2000 N Plaza Dr
Visalia, CA 93291-9258

Authority to Construct Number(s): S-1346-18-6, S-1346-19-6, S-1346-25-0, S-1346-26-0

Rule 2010 3.0 – AUTHORITY TO CONSTRUCT

Enclosed please find Authority to Construct document(s) for your project. Please read the document(s) carefully and contact the Permit Services Division if the information does not appear correct or if you have any questions.

Remember to notify the Compliance Division when you begin operating to schedule a start-up inspection. After the Compliance Division has verified that the operation has satisfied all conditions of the Authority to Construct, a Permit to Operate may be issued. You will receive a Permit to Operate and billing, which must be paid to validate your Permit to Operate.

Contact the Permit Services Division prior to making changes to the equipment or operation, other than those described on the attached Authority to Construct document(s).

Permit Services Division or the Compliance Division can be reached at (661) 392-5500.

SEYED SADREDIN
EXECUTIVE-DIRECTOR/APCO



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1346-18-6

ISSUANCE DATE: 08/15/2012

LEGAL OWNER OR OPERATOR: CALIFORNIA DAIRIES, INC.
MAILING ADDRESS: 2000 N PLAZA DR
VISALIA, CA 93291-9258

LOCATION: 11894 AVENUE 120
TIPTON, CA 93272

SECTION: SW17 **TOWNSHIP:** 22S **RANGE:** 25E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 31.5 MMBTU/HR NATURAL GAS-FIRED HURST BOILER #4 EQUIPPED WITH ULTRA LOW NOX BURNER: LIMIT USE TO 22,680 MMBTU/YR

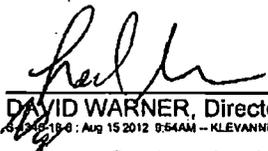
CONDITIONS

1. 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. 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 air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, nor 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rule 4201 and District Rule 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
5. Unit shall be fired on PUC-regulated natural gas. [District Rule 4301, 5.2.1 and County Rules 404 (Madera), 406 (Fresno), and 407 (the six remaining SJVUAPCD counties) and 40 CFR 60.42c(d)] Federally Enforceable Through Title V Permit
6. Operator shall maintain copies of fuel invoices and supplier certifications. [District Rule 2520, 9.3.2] 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

Aug 15 2012 9:54AM - KLEVANND - Joint Inspection NOT Required

7. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of fuel combusted in the unit shall be installed, utilized and maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Combined fuel use for boilers S-1346-18 and '-19 shall not exceed 136,080 MMBtu/yr during the first year. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Combined fuel use for boilers S-1346-18 and '-19 shall not exceed 45,360 MMBtu/yr after the first year. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Nitrogen oxide (NO_x) emission concentrations in ppmv referenced at dry stack emissions shall be corrected to 3% O₂ and lb/MMBtu rates shall be calculated as lb NO₂/MMBtu of heat input (hhv). [District Rule 4305, 8.1 and/or 4351, 8.1] Federally Enforceable Through Title V Permit
11. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirements: Rule 405 (Madera), Rule 408 (Fresno), Rule 408.2 (Merced) and 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin); Rule 402 (Madera) and 404 (all seven remaining counties in the San Joaquin Valley); SJVUAPCD Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
12. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirements: Rule 405 (Madera), 408 and 409 (Kern), and 408 (all six remaining counties in the San Joaquin Valley); Rule 404 (Madera) 406 (Fresno), and 407 (all six remaining counties in the San Joaquin Valley); SJVUAPCD Rule 4801. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rule 4201 and 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rule 4305, Sec. 4.2, 5.1.1, 5.1.2., 5.4, 6.1.1, 6.2 (excepting 6.2.3), 6.3, 8.1 and Rule 4351 Sec 4.2, 5.2.2.1, 5.2.2.2, 6.1.1, 6.2 (excepting 6.2.3), 8.1. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule and Rule 2520, 9.1] Federally Enforceable Through Title V Permit
18. Emissions from this boiler shall not exceed any of the following limits: PM₁₀: 0.0076 lb/MMBtu, SO_x (as SO₂): 0.00285 lb/MMBtu, NO_x (as NO₂): 7 ppmv @ 3% O₂ or 0.008 lb NO_x/MMBtu, VOC: 0.0055 lb/MMBtu, and CO: 100 ppmv @ 3% O₂ or 0.074 lb CO/MMBtu. [District Rules 2201, 4305, and 4320] Federally Enforceable Through Title V Permit
19. 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
20. 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
21. This unit shall be tested for compliance with the NO_x and CO emissions limits at least once every 12 months. After demonstrating compliance on two consecutive annual source tests, the unit shall be tested not less than once every thirty-six months. [District Rule 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

22. NOx 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. NOx emissions during the source test shall be calculated as the arithmetic average of three 30-consecutive-minute test runs. [District Rule 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
23. 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 Rule 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
24. Stack gas oxygen shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rule 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
25. The permittee shall monitor and record the stack concentration of NOx, 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 Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. If either the NOx or CO concentrations corrected to 3% 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 the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. 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 Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% 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 Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
29. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070]
30. ATCs S-1346-18 and '-19 shall be implemented within 90 days of startup of turbines S-1346-25 and '-26. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1346-19-6

ISSUANCE DATE: 08/15/2012

LEGAL OWNER OR OPERATOR: CALIFORNIA DAIRIES, INC.
MAILING ADDRESS: 2000 N PLAZA DR
VISALIA, CA 93291-9258

LOCATION: 11894 AVENUE 120
TIPTON, CA 93272

SECTION: SW17 **TOWNSHIP:** 22S **RANGE:** 25E

EQUIPMENT DESCRIPTION:
MODIFICATION OF 31.5 MMBTU/HR NATURAL GAS-FIRED HURST BOILER #5 EQUIPPED WITH ULTRA LOW NOX BURNER: LIMIT USE TO 22,680 MMBTU/YR

CONDITIONS

1. 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. 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 air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, nor 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rule 4201 and District Rule 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
5. Unit shall be fired on PUC-regulated natural gas. [District Rule 4301, 5.2.1 and County Rules 404 (Madera), 406 (Fresno), and 407 (the six remaining SJVUAPCD counties) and 40 CFR 60.42c(d)] Federally Enforceable Through Title V Permit
6. Operator shall maintain copies of fuel invoices and supplier certifications. [District Rule 2520, 9.3.2] 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.

Sayed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

S-1346-19-6 - Aug 15 2012 8:54AM - KLEVANN0 : Joint Inspection NOT Required

7. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of fuel combusted in the unit shall be installed, utilized and maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Combined fuel use for boilers S-1346-18 and '-19 shall not exceed 136,080 MMBtu/yr during the first year. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Combined fuel use for boilers S-1346-18 and '-19 shall not exceed 45,360 MMBtu/yr after the first year. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Nitrogen oxide (NO_x) emission concentrations in ppmv referenced at dry stack emissions shall be corrected to 3% O₂ and lb/MMBtu rates shall be calculated as lb NO₂/MMBtu of heat input (hhv). [District Rule 4305, 8.1 and/or 4351, 8.1] Federally Enforceable Through Title V Permit
11. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirements: Rule 405 (Madera), Rule 408 (Fresno), Rule 408.2 (Merced) and 407.2 (Kern, Tulare, Kings, Stanislaus, and San Joaquin); Rule 402 (Madera) and 404 (all seven remaining counties in the San Joaquin Valley); SJVUAPCD Rule 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
12. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following subsumed requirements: Rule 405 (Madera), 408 and 409 (Kern), and 408 (all six remaining counties in the San Joaquin Valley); Rule 404 (Madera) 406 (Fresno), and 407 (all six remaining counties in the San Joaquin Valley); SJVUAPCD Rule 4801. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
13. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rule 4201 and 4301. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
14. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
15. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVUAPCD Rule 4305, Sec. 4.2, 5.1.1, 5.1.2., 5.4, 6.1.1, 6.2 (excepting 6.2.3), 6.3, 8.1 and Rule 4351 Sec 4.2, 5.2.2.1, 5.2.2.2, 6.1.1, 6.2 (excepting 6.2.3), 8.1. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule and Rule 2520, 9.1] Federally Enforceable Through Title V Permit
18. Emissions from this boiler shall not exceed any of the following limits: PM₁₀: 0.0076 lb/MMBtu, SO_x (as SO₂): 0.00285 lb/MMBtu, NO_x (as NO₂): 7 ppmv @ 3% O₂ or 0.008 lb NO_x/MMBtu, VOC: 0.0055 lb/MMBtu, and CO: 100 ppmv @ 3% O₂ or 0.074 lb CO/MMBtu. [District Rules 2201, 4305, and 4320] Federally Enforceable Through Title V Permit
19. 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
20. 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
21. This unit shall be tested for compliance with the NO_x and CO emissions limits at least once every 12 months. After demonstrating compliance on two consecutive annual source tests, the unit shall be tested not less than once every thirty-six months. [District Rule 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

22. NOx 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. NOx emissions during the source test shall be calculated as the arithmetic average of three 30-consecutive-minute test runs. [District Rule 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
23. 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 Rule 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
24. Stack gas oxygen shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rule 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
25. The permittee shall monitor and record the stack concentration of NOx, 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 Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. If either the NOx or CO concentrations corrected to 3% 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 the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. 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 Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% 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 Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
29. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070]
30. ATCs S-1346-18 and '-19 shall be implemented within 90 days of startup of turbines S-1346-25 and '-26. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1346-25-0

ISSUANCE DATE: 08/15/2012

LEGAL OWNER OR OPERATOR: CALIFORNIA DAIRIES, INC.
MAILING ADDRESS: 2000 N PLAZA DR
VISALIA, CA 93291-9258

LOCATION: 11894 AVENUE 120
TIPTON, CA 93272

EQUIPMENT DESCRIPTION:

SOLAR TURBINE TAURUS 60S NATURAL GAS TURBINE DRIVING A GENERATOR WITH AN ISO RATING OF 5.7 MW WITH UNFIRED HEAT RECOVERY STEAM GENERATOR (HRSG) WITH SELECTIVE CATALYTIC REDUCTION AND OXIDATION CATALYST

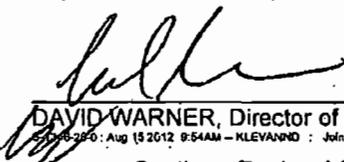
CONDITIONS

1. 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. 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 air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. Heat recovery steam generator design shall provide space for additional catalysts if additional catalyst are necessary to achieve NOx emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Maximum heat input rating of Solar Taurus 60S gas-fired turbine engine shall not exceed 64.47 MMBtu/hr. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Gas turbine engine lube oil vents, generator lube oil vents, and lube oil accumulator vents shall be equipped with mist eliminators. Lube oil vents shall not exhibit visible emissions of 5% opacity or greater except for up to three minutes in any hour. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Gas-fired turbine engine shall be equipped with selective catalytic reduction (SCR) NOx control system utilizing ammonia as reducing agent. [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-1346-25-0 : Aug 15 2012 9:54AM - KLEVANNND : Joint Inspection NOT Required

8. Gas turbine shall be fired exclusively on PUC-regulated natural gas with a sulfur content not exceeding 1.0 gr S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Gas turbine shall be equipped with continuously recording fuel gas flow meter. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods. [District Rule 1081] Federally Enforceable Through Title V Permit
11. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Except during startup, shutdown and the initial commission period, emissions from the gas turbine system shall not exceed any of the following limits: 2.5 ppmvd NO_x @ 15% O₂ referenced as NO₂; 6.0 ppmvd CO @ 15% O₂; 0.021 lb-PM₁₀/MMBtu; 2.0 ppmvd VOC @ 15% O₂ referenced as methane; and 0.00285 lb-SO_x/MMBtu referenced as SO₂. NO_x and CO emission limits are based on 3-hour rolling average period. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
13. Emissions from the gas turbine system during the initial commission period shall not exceed any of the following limits: 2.5 ppmvd NO_x @ 15% O₂ referenced as NO₂; 43.48 ppmvd CO @ 15% O₂; 0.021 lb-PM₁₀/MMBtu; 6.13 ppmvd VOC @ 15% O₂ referenced as methane; and 0.00285 lb-SO_x/MMBtu referenced as SO₂. NO_x and CO emission limits are based on 3-hour rolling average period. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
14. Initial commission of the unit shall not exceed 60 days of initial firing. [District Rule 2201] Federally Enforceable Through Title V Permit
15. During startup of the unit, emissions shall not exceed any of the following limits: 0.5 lb-NO_x/startup, referenced as NO₂; 12.5 lb-CO/startup; or 1.0 lb-VOC/startup, referenced as methane. [District Rule 2201] Federally Enforceable Through Title V Permit
16. During shutdown of the unit, emissions shall not exceed any of the following limits: 0.4 lb-NO_x/shutdown, referenced as NO₂; 4.3 lb-CO/shutdown; or 0.4 lb-VOC/shutdown, referenced as methane. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Start-up shall not exceed 2 hours per event. [District Rule 4703] Federally Enforceable Through Title V Permit
18. Shutdown shall not exceed 2 hours per event. [District Rule 4703] Federally Enforceable Through Title V Permit
19. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rule 4703] Federally Enforceable Through Title V Permit
20. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. [District Rule 4703] Federally Enforceable Through Title V Permit
21. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rule 4703] Federally Enforceable Through Title V Permit
22. No more than 3 startups nor 3 shutdowns shall occur per day and no more than 365 startups nor 365 shutdowns shall occur per year. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Ammonia (NH₃) slip shall not exceed 5 ppmvd @ 15% O₂ over a 24-hour average period. [District Rule 4102] Federally Enforceable Through Title V Permit
24. Combined fuel use for gas turbines S-1346-25 and '-26 shall not exceed 543,482 MMBtu/yr during the first year. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Combined fuel use for gas turbines S-1346-25 and '-26 shall not exceed 682,737 MMBtu/yr after the first year. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

26. Upon concluding the initial shakedown period, emissions from the gas turbine system, including startup and shutdown emissions, shall not exceed any of the following limits: 16.9 lb-NOx/day referenced as NO₂; 4.4 lb-SOx/day; 32.5 lb-PM₁₀/day; 71.1 lb-CO/day; 8.1 lb-VOC/day; and 10.5 lb-NH₃/day. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Combined emissions from gas turbines S-1346-25 and -26, including startup and shutdown emissions, shall not exceed any of the following limits: 6,939 lb-NOx/yr; 1,946 lb-SOx/yr; 14,338 lb-PM₁₀/yr; 21,415 lb-CO/yr; 2,729 lb-VOC/yr; and 1,604 lb-NH₃/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Each three hour rolling average will be compiled from the three most recent one hour periods. Each one hour period shall commence on the hour. Each one hour period in a twenty-four hour average for ammonia slip will commence on the hour. The twenty-four hour average will be calculated starting and ending at twelve-midnight. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Daily emissions shall be compiled for a twenty-four hour period starting and ending at twelve-midnight. Each calendar month in a twelve consecutive month rolling emissions total shall commence at the beginning of the first day of the month. The twelve consecutive month rolling emissions totals used to determine compliance with annual emission limits shall be compiled from the twelve most recent calendar months. [District Rule 2201] Federally Enforceable Through Title V Permit
30. Ammonia shall be injected whenever the selective catalytic reduction system catalyst temperature exceeds the minimum ammonia injection temperature recommended by the manufacturer. The minimum ammonia injection rate demonstrated during the initial compliance test to result in compliance with the NOx and ammonia emissions limits shall be imposed as a condition in the Permit to Operate. [District Rules 2201 and 4703, 40 CFR part 64, 40 CFR 60.4355] Federally Enforceable Through Title V Permit
31. The permittee shall monitor and record the ammonia injection rate on a daily basis to assure the emission control system is functioning properly. Monitoring shall not be required if the gas turbine is not in operation, i.e. the gas turbine need not be started solely to perform monitoring. [40 CFR Part 64] Federally Enforceable Through Title V Permit
32. The approved ammonia injection rate operating range for monitoring daily compliance shall be established from manufacturer's information or by source testing this unit, and shall be stated on this permit. This operating range must be determined during the next source test or within six months, whichever comes first. [40 CFR Part 64] Federally Enforceable Through Title V Permit
33. If the ammonia injection rate is less than the minimum ammonia injection rate demonstrated during the initial compliance test, the permittee shall return the ammonia injection rate above the minimum ammonia injection rate established during compliance testing as soon as possible, but no longer than 8 hours after detection. If the ammonia injection rate is not returned above the minimum ammonia injection rate established during compliance testing within 8 hours, the permittee shall notify the District within the following 1 hour and conduct a source test within 60 days of the first exceedance to demonstrate compliance with the applicable emission limits at the reduced ammonia injection rate. A District-approved portable analyzer may be used in lieu of a source test to demonstrate compliance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must 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 the performing the notification and testing required by this condition. [District Rules 2201 and 4703, 40 CFR part 64, 40 CFR 60.4355] Federally Enforceable Through Title V Permit
34. The owner or operator shall submit to the District information correlating the ammonia injection rate to the associated measured NOx output. The information must be sufficient to allow the District to determine compliance with the NOx emission limits of this permit when ammonia injection rate cannot be monitored. [District Rule 4703] Federally Enforceable Through Title V Permit
35. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR part 64.7. [40 CFR Part 64] Federally Enforceable Through Title V Permit
36. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR part 64.9. [40 CFR Part 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 part 64.8. [40 CFR Part 64] Federally Enforceable Through Title V Permit
38. The permittee shall monitor and record the stack concentration of NO_x (as NO₂), CO, and O₂ weekly. If compliance with NO_x and CO emission is demonstrated for eight (8) consecutive weeks, then the monitoring frequency shall be reduced to monthly. If deviations are observed in two consecutive months, monitoring shall revert to weekly until 8 consecutive weeks show no deviations. 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 one (1) day of restarting the unit unless monitoring has been performed within the last month if on a monthly monitoring schedule, or within the week if on a weekly monitoring schedule. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
39. If the NO_x and/or CO concentrations, as measured by the permittee with a portable analyzer, exceed the permitted emission limits, the permittee shall notify the District and return the NO_x and CO concentrations to the permitted emission limits as soon as possible but no longer than eight (8) hours after detection. If the permittee's portable analyzer readings continue to exceed the permitted emission limits after eight (8) hour, the permittee shall notify the District within the following one (1) hour, and conduct a certified source test within 60 days to demonstrate compliance with permitted emissions limits. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must 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 the performing the notification and testing required by this condition. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
40. 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 Rules 2201 and 4703] Federally Enforceable Through Title V Permit
41. 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 3% 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 Rules 2201 and 4703] Federally Enforceable Through Title V Permit
42. The exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods and shall be equipped with safe permanent provisions to sample stack gases with a portable NO_x, CO, and O₂ analyzer during District inspections. The sampling ports shall be located in accordance with the CARB regulation titled California Air Resources Board Air Monitoring Quality Assurance Volume VI, Standard Operating Procedures for Stationary Emission Monitoring and Testing. [District Rule 1081] Federally Enforceable Through Title V Permit
43. 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
44. Source testing shall be witnessed or authorized by District personnel and samples shall be collected by a California Air Resources Board (CARB) certified testing laboratory or a CARB certified source testing firm. [District Rule 1081] Federally Enforceable Through Title V Permit
45. Source testing to determine compliance with the NO_x, CO, VOC, and NH₃ emission rates (ppmvd @ 15% O₂) during normal operation shall be conducted within 60 days of initial startup under this permit and annually thereafter. [District Rules 2201 and 4703, CFR 60.4400] Federally Enforceable Through Title V Permit
46. For the purpose of determining compliance with the emissions limits (ppmvd @ 15% O₂) during normal operation in this permit, the arithmetic mean of three test runs shall apply, unless two of the three results are above an applicable limit. If two of three runs are above the applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rule 1081] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

47. The following test methods shall be used: NO_x - EPA Method 7E or 20 or CARB Method 100; CO - EPA Method 10 or 10B or CARB Method 100; VOC - EPA Method 18 or 25; PM₁₀ - EPA Method 5 (front half and back half) or 201 and 202a; ammonia - BAAQMD ST-1B; and O₂ - EPA Method 3, 3A, or 20 or CARB Method 100; natural gas fuel sulfur content: ASTM D3246; natural gas higher heating value (HHV): ASTM D3588-91, 1826-88, or 1945-81. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. [District Rules 1081 and 4703, and 40 CFR 60.4400 (1)(i)] Federally Enforceable Through Title V Permit
48. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081 and 40 CFR 60.4375(b)] Federally Enforceable Through Title V Permit
49. The owner or operator shall maintain a stationary gas turbine system operating log that includes, on a daily basis, the actual local startup and stop time, total hours of operation, the type and quantity of fuel used, duration of each start-up and each shutdown time period. [District Rule 4703] Federally Enforceable Through Title V Permit
50. The permittee shall maintain records including as utility bills/invoices from natural gas supplier for fuel sulfur content verification. [40 CFR Subpart 60.4365] Federally Enforceable Through Title V Permit
51. The permittee shall maintain records of daily and annual natural gas consumption (MMBtu) of gas turbine engine, daily and annual calculated emissions, ammonia injection rate, and catalyst inlet temperature. [District Rule 2201 and 40 CFR Subpart 60.4365] Federally Enforceable Through Title V Permit
52. Applicant shall develop and keep on-site a parameter monitoring plan which explains the procedures used to document proper operation of the NO_x emissions control system. [40 CFR 60.4355] Federally Enforceable Through Title V Permit
53. All records required to be maintained by this permit shall be maintained for a period of five years and shall be made readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
54. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NO_x: 541 lb/quarter and PM₁₀: 1967 lb/quarter. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 4/21/11). PM₁₀ may be offset using SO_x at an interpollutant offset ratio of 1.0 tons SO_x/ton PM₁₀. [District Rule 2201] Federally Enforceable Through Title V Permit
55. ERC Certificate Numbers N-836-2, N-707-2, S-2731-2 and N-986-5 (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
56. ATCs S-7063-8-5, '-9-5, and '-18-2 shall be implemented within 90 days of startup of turbines S-7063-19 and '-20. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1346-26-0

ISSUANCE DATE: 08/15/2012

LEGAL OWNER OR OPERATOR: CALIFORNIA DAIRIES, INC.
MAILING ADDRESS: 2000 N PLAZA DR
VISALIA, CA 93291-9258

LOCATION: 11894 AVENUE 120
TIPTON, CA 93272

EQUIPMENT DESCRIPTION:

SOLAR TURBINE TAURUS 60S NATURAL GAS TURBINE DRIVING A GENERATOR WITH AN ISO RATING OF 5.7 MW WITH UNFIRED HEAT RECOVERY STEAM GENERATOR (HRSG) WITH SELECTIVE CATALYTIC REDUCTION AND OXIDATION CATALYST

CONDITIONS

1. 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. 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 air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. Heat recovery steam generator design shall provide space for additional catalysts if additional catalyst are necessary to achieve NOx emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Maximum heat input rating of Solar Taurus 60S gas-fired turbine engine shall not exceed 64.47 MMBtu/hr. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Gas turbine engine lube oil vents, generator lube oil vents, and lube oil accumulator vents shall be equipped with mist eliminators. Lube oil vents shall not exhibit visible emissions of 5% opacity or greater except for up to three minutes in any hour. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Gas-fired turbine engine shall be equipped with selective catalytic reduction (SCR) NOx control system utilizing ammonia as reducing agent. [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-1346-26-0: Aug 15 2012 9:54AM - KLEVANND : Joint Inspection NCT Required

8. Gas turbine shall be fired exclusively on PUC-regulated natural gas with a sulfur content not exceeding 1.0 gr S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Gas turbine shall be equipped with continuously recording fuel gas flow meter. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods. [District Rule 1081] Federally Enforceable Through Title V Permit
11. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Except during startup, shutdown and the initial commission period, emissions from the gas turbine system shall not exceed any of the following limits: 2.5 ppmvd NOx @ 15% O2 referenced as NO2; 6.0 ppmvd CO @ 15% O2; 0.021 lb-PM10/MMBtu; 2.0 ppmvd VOC @ 15% O2 referenced as methane; and 0.00285 lb-SOx/MMBtu referenced as SO2. NOx and CO emission limits are based on 3-hour rolling average period. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
13. Emissions from the gas turbine system during the initial commission period shall not exceed any of the following limits: 2.5 ppmvd NOx @ 15% O2 referenced as NO2; 43.48 ppmvd CO @ 15% O2; 0.021 lb-PM10/MMBtu; 6.13 ppmvd VOC @ 15% O2 referenced as methane; and 0.00285 lb-SOx/MMBtu referenced as SO2. NOx and CO emission limits are based on 3-hour rolling average period. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
14. Initial commission of the unit shall not exceed 60 days of initial firing. [District Rule 2201] Federally Enforceable Through Title V Permit
15. During startup of the unit, emissions shall not exceed any of the following limits: 0.5 lb-NOx/startup, referenced as NO2; 12.5 lb-CO/startup; or 1.0 lb-VOC/startup, referenced as methane. [District Rule 2201] Federally Enforceable Through Title V Permit
16. During shutdown of the unit, emissions shall not exceed any of the following limits: 0.4 lb-NOx/shutdown, referenced as NO2; 4.3 lb-CO/shutdown; or 0.4 lb-VOC/shutdown, referenced as methane. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Start-up shall not exceed 2 hours per event. [District Rule 4703] Federally Enforceable Through Title V Permit
18. Shutdown shall not exceed 2 hours per event. [District Rule 4703] Federally Enforceable Through Title V Permit
19. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rule 4703] Federally Enforceable Through Title V Permit
20. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. [District Rule 4703] Federally Enforceable Through Title V Permit
21. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rule 4703] Federally Enforceable Through Title V Permit
22. No more than 3 startups nor 3 shutdowns shall occur per day and no more than 365 startups nor 365 shutdowns shall occur per year. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Ammonia (NH3) slip shall not exceed 5 ppmvd @ 15% O2 over a 24-hour average period. [District Rule 4102] Federally Enforceable Through Title V Permit
24. Combined fuel use for gas turbines S-1346-25 and '-26 shall not exceed 543,482 MMBtu/yr during the first year. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Combined fuel use for gas turbines S-1346-25 and '-26 shall not exceed 682,737 MMBtu/yr after the first year. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

26. Upon concluding the initial shakedown period, emissions from the gas turbine system, including startup and shutdown emissions, shall not exceed any of the following limits: 16.9 lb-NO_x/day referenced as NO₂; 4.4 lb-SO_x/day; 32.5 lb-PM₁₀/day; 71.1 lb-CO/day; 8.1 lb-VOC/day; and 10.5 lb-NH₃/day. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Combined emissions from gas turbines S-1346-25 and '-26, including startup and shutdown emissions, shall not exceed any of the following limits: 6,939 lb-NO_x/yr; 1,946 lb-SO_x/yr; 14,338 lb-PM₁₀/yr; 21,415 lb-CO/yr; 2,729 lb-VOC/yr; and 1,604 lb-NH₃/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Each three hour rolling average will be compiled from the three most recent one hour periods. Each one hour period shall commence on the hour. Each one hour period in a twenty-four hour average for ammonia slip will commence on the hour. The twenty-four hour average will be calculated starting and ending at twelve-midnight. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Daily emissions shall be compiled for a twenty-four hour period starting and ending at twelve-midnight. Each calendar month in a twelve consecutive month rolling emissions total shall commence at the beginning of the first day of the month. The twelve consecutive month rolling emissions totals used to determine compliance with annual emission limits shall be compiled from the twelve most recent calendar months. [District Rule 2201] Federally Enforceable Through Title V Permit
30. Ammonia shall be injected whenever the selective catalytic reduction system catalyst temperature exceeds the minimum ammonia injection temperature recommended by the manufacturer. The minimum ammonia injection rate demonstrated during the initial compliance test to result in compliance with the NO_x and ammonia emissions limits shall be imposed as a condition in the Permit to Operate. [District Rules 2201 and 4703, 40 CFR part 64, 40 CFR 60.4355] Federally Enforceable Through Title V Permit
31. The permittee shall monitor and record the ammonia injection rate on a daily basis to assure the emission control system is functioning properly. Monitoring shall not be required if the gas turbine is not in operation, i.e. the gas turbine need not be started solely to perform monitoring. [40 CFR Part 64] Federally Enforceable Through Title V Permit
32. The approved ammonia injection rate operating range for monitoring daily compliance shall be established from manufacturer's information or by source testing this unit, and shall be stated on this permit. This operating range must be determined during the next source test or within six months, whichever comes first. [40 CFR Part 64] Federally Enforceable Through Title V Permit
33. If the ammonia injection rate is less than the minimum ammonia injection rate demonstrated during the initial compliance test, the permittee shall return the ammonia injection rate above the minimum ammonia injection rate established during compliance testing as soon as possible, but no longer than 8 hours after detection. If the ammonia injection rate is not returned above the minimum ammonia injection rate established during compliance testing within 8 hours, the permittee shall notify the District within the following 1 hour and conduct a source test within 60 days of the first exceedance to demonstrate compliance with the applicable emission limits at the reduced ammonia injection rate. A District-approved portable analyzer may be used in lieu of a source test to demonstrate compliance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must 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 the performing the notification and testing required by this condition. [District Rules 2201 and 4703, 40 CFR part 64, 40 CFR 60.4355] Federally Enforceable Through Title V Permit
34. The owner or operator shall submit to the District information correlating the ammonia injection rate to the associated measured NO_x output. The information must be sufficient to allow the District to determine compliance with the NO_x emission limits of this permit when ammonia injection rate cannot be monitored. [District Rule 4703] Federally Enforceable Through Title V Permit
35. The permittee shall comply with the compliance assurance monitoring operation and maintenance requirements of 40 CFR part 64.7. [40 CFR Part 64] Federally Enforceable Through Title V Permit
36. The permittee shall comply with the recordkeeping and reporting requirements of 40 CFR part 64.9. [40 CFR Part 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 part 64.8. [40 CFR Part 64] Federally Enforceable Through Title V Permit
38. The permittee shall monitor and record the stack concentration of NO_x (as NO₂), CO, and O₂ weekly. If compliance with NO_x and CO emission is demonstrated for eight (8) consecutive weeks, then the monitoring frequency shall be reduced to monthly. If deviations are observed in two consecutive months, monitoring shall revert to weekly until 8 consecutive weeks show no deviations. 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 one (1) day of restarting the unit unless monitoring has been performed within the last month if on a monthly monitoring schedule, or within the week if on a weekly monitoring schedule. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
39. If the NO_x and/or CO concentrations, as measured by the permittee with a portable analyzer, exceed the permitted emission limits, the permittee shall notify the District and return the NO_x and CO concentrations to the permitted emission limits as soon as possible but no longer than eight (8) hours after detection. If the permittee's portable analyzer readings continue to exceed the permitted emission limits after eight (8) hour, the permittee shall notify the District within the following one (1) hour, and conduct a certified source test within 60 days to demonstrate compliance with permitted emissions limits. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must 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 the performing the notification and testing required by this condition. [District Rules 2201 and 4703] Federally Enforceable Through Title V Permit
40. 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 Rules 2201 and 4703] Federally Enforceable Through Title V Permit
41. 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 3% 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 Rules 2201 and 4703] Federally Enforceable Through Title V Permit
42. The exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples consistent with EPA test methods and shall be equipped with safe permanent provisions to sample stack gases with a portable NO_x, CO, and O₂ analyzer during District inspections. The sampling ports shall be located in accordance with the CARB regulation titled California Air Resources Board Air Monitoring Quality Assurance Volume VI, Standard Operating Procedures for Stationary Emission Monitoring and Testing. [District Rule 1081] Federally Enforceable Through Title V Permit
43. 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
44. Source testing shall be witnessed or authorized by District personnel and samples shall be collected by a California Air Resources Board (CARB) certified testing laboratory or a CARB certified source testing firm. [District Rule 1081] Federally Enforceable Through Title V Permit
45. Source testing to determine compliance with the NO_x, CO, VOC, and NH₃ emission rates (ppmvd @ 15% O₂) during normal operation shall be conducted within 60 days of initial startup under this permit and annually thereafter. [District Rules 2201 and 4703, CFR 60.4400] Federally Enforceable Through Title V Permit
46. For the purpose of determining compliance with the emissions limits (ppmvd @ 15% O₂) during normal operation in this permit, the arithmetic mean of three test runs shall apply, unless two of the three results are above an applicable limit. If two of three runs are above the applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rule 1081] Federally Enforceable Through Title V Permit

47. The following test methods shall be used: NO_x - EPA Method 7E or 20 or CARB Method 100; CO - EPA Method 10 or 10B or CARB Method 100; VOC - EPA Method 18 or 25; PM₁₀ - EPA Method 5 (front half and back half) or 201 and 202a; ammonia - BAAQMD ST-1B; and O₂ - EPA Method 3, 3A, or 20 or CARB Method 100; natural gas fuel sulfur content: ASTM D3246; natural gas higher heating value (HHV): ASTM D3588-91, 1826-88, or 1945-81. EPA approved alternative test methods as approved by the District may also be used to address the source testing requirements of this permit. [District Rules 1081 and 4703, and 40 CFR 60.4400 (1)(i)] Federally Enforceable Through Title V Permit
48. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081 and 40 CFR 60.4375(b)] Federally Enforceable Through Title V Permit
49. The owner or operator shall maintain a stationary gas turbine system operating log that includes, on a daily basis, the actual local startup and stop time, total hours of operation, the type and quantity of fuel used, duration of each start-up and each shutdown time period. [District Rule 4703] Federally Enforceable Through Title V Permit
50. The permittee shall maintain records including as utility bills/invoices from natural gas supplier for fuel sulfur content verification. [40 CFR Subpart 60.4365] Federally Enforceable Through Title V Permit
51. The permittee shall maintain records of daily and annual natural gas consumption (MMBtu) of gas turbine engine, daily and annual calculated emissions, ammonia injection rate, and catalyst inlet temperature. [District Rule 2201 and 40 CFR Subpart 60.4365] Federally Enforceable Through Title V Permit
52. Applicant shall develop and keep on-site a parameter monitoring plan which explains the procedures used to document proper operation of the NO_x emissions control system. [40 CFR 60.4355] Federally Enforceable Through Title V Permit
53. All records required to be maintained by this permit shall be maintained for a period of five years and shall be made readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
54. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NO_x: 541 lb/quarter and PM₁₀: 1967 lb/quarter. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 4/21/11). PM₁₀ may be offset using SO_x at an interpollutant offset ratio of 1.0 tons SO_x/ton PM₁₀. [District Rule 2201] Federally Enforceable Through Title V Permit
55. ERC Certificate Numbers N-836-2, N-707-2, S-2731-2 and N-986-5 (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
56. ATCs S-7063-8-5, '-9-5, and '-18-2 shall be implemented within 90 days of startup of turbines S-7063-19 and '-20. [District Rule 2201] Federally Enforceable Through Title V Permit