



**JUN 15 2016**

Mr. Thomas Williams  
California Dairies, Inc.  
P.O. Box 11865  
Fresno, CA 93775-1865

**Re: Proposed Authority to Construct/Certificate of Conformity (Minor Mod)  
District Facility # C-402  
Project # 1161369**

Dear Mr. Williams:

Enclosed for your review is the District's analysis of an application for Authorities to Construct for the facility identified above. You requested that Certificates of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. The Authority to Construct permits are to remove the sock filter on powder milk storage Silo C-402-15 and vent its exhaust to powder milk storage silo C-402-16's bin vent filter.

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

If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

**Seyed Sadredin**  
Executive Director/Air Pollution Control Officer

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**Northern Region**  
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Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Arnaud Marjollet".

Arnaud Marjollet  
Director of Permit Services

Enclosures

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

**San Joaquin Valley Air Pollution Control District**  
**Authority to Construct Application Review**  
Powder Milk Storage Silos

Facility Name: California Dairies, Inc. Date: 6/8/16  
Mailing Address: P.O. Box 11865 Engineer: David Torii  
Fresno, CA 93775-1865 Lead Engineer: Dan Klevann  
Contact Person: Thomas Williams DK 6-9-16  
Telephone: 559-233-5154 x119  
Application #(s): C-402-15-7 and '16-7  
Project #: 1161369  
Deemed Complete: 5/18/16

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**I. Proposal**

California Dairies, Inc. (CDI) has requested an Authority to Construct (ATC) permit to remove the sock filter on powder milk storage Silo C-402-15 and vent its exhaust to powder milk storage silo C-402-16's bin vent filter.

CDI received their Title V Permit on 7/31/12. This modification can be classified as a Title V minor modification pursuant to Rule 2520, and can be processed with a Certificate of Conformity (COC). Since the facility has specifically requested that this project be processed in that manner, the 45-day EPA comment period will be satisfied prior to the issuance of the Authority to Construct. CDI must apply to administratively amend their Title V permit.

**II. Applicable Rules**

Rule 2201 New and Modified Stationary Source Review Rule (2/18/16)  
Rule 2410 Prevention of Significant Deterioration (6/16/11)  
Rule 2520 Federally Mandated Operating Permits (6/21/01)  
Rule 4001 New Source Performance Standards (4/14/99)  
Rule 4002 National Emissions Standards for Hazardous Air Pollutants (5/20/04)  
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)  
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

California Dairies, Inc. is located at 755 "F" Street in Fresno. The equipment is not located within 1,000 feet of the outer boundary of a K-12 school. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to this project.

### IV. Process Description

The silos receive powder milk from the milk spray dryers.

### V. Equipment Listing

#### Pre-Project Equipment Description (see PTO in Appendix :

- C-402-15-4: 12,000-GALLON POWDER MILK STORAGE SILO #1 SERVED BY A SOCK FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15,'-16, '-17, '-18, & '-19)
- C-402-16-4: 12,000-GALLON POWDER MILK STORAGE SILO #2 SERVED BY BIN VENT FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15,'-16, '-17, '-18, & '-19)

#### Proposed ATCs:

- C-402-15-7: MODIFICATION OF 12,000-GALLON POWDER MILK STORAGE SILO #1 SERVED BY A SOCK FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15,'-16, '-17, '-18, & '-19): **REMOVE SOCK FILTER AND VENT SILO TO THE BIN VENT FILTER ON SILO #2 (C-402-16)**
- C-402-16-7: MODIFICATION OF 12,000-GALLON POWDER MILK STORAGE SILO #2 SERVED BY BIN VENT FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15,'-16, '-17, '-18, & '-19): **CONNECT SILO #1 (S-402-15) TO THE BIN VENT ON THIS SILO**

#### Post Project Equipment Description:

- C-402-15-7: 12,000-GALLON POWDER MILK STORAGE SILO #1 SERVED BY C-402-16'S BIN VENT FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15,'-16, '-17, '-18, & '-19).
- C-402-16-7: 12,000-GALLON POWDER MILK STORAGE SILO #2 SERVED BY BIN VENT FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15,'-16, '-17, '-18, & '-19)

### VI. Emission Control Technology Evaluation

The bin vent filters and sock filter are static units that collect particulate matter from the silos. When product fills a silo the displaced air exhausts through the bin vent filter or sock filter, thus capturing particulates suspended in the air.

Based on source tests performed on similar emission units with similar control devices at Facility S-1346 (California Dairies, Inc. in Tipton, CA, see project number S-950355), the expected control efficiency of the bin vent and sock filter is expected to be at least 99%.

## **VII. General Calculations**

### **A. Assumptions**

The subject equipment emits PM10 only.

The following conditions currently on C-402-15 and '16; as well as C-402-15, '-16, '-17, '-18 & '-19, will be maintained:

*The total PM10 emissions from silos C-402-15, '-16, '-17, '-18 & '-19 combined shall not exceed 5.7 lb/day.*

*The amount of product transferred to silos C-402-15, '-16, '-17, '-18 & '-19 shall not exceed 475 tons combined in any one day. [District Rule 2201]*

### **B. Emission Factors**

Post project, the 0.012 lb-PM10/ton-throughput currently emitted at silo C-402-15' sock filter will be emitted at C-402-16's bin vent filter.

### **C. Calculations**

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

The pre-project potential to emit for C-402-15, '-16, '-17, '-18 & '-19 equals the SLC's 5.7 lb-PM10/day.

$$\text{PE1: } (5.7 \text{ lb-PM10/day})(365 \text{ day/yr}) = 2,081 \text{ lb-PM10/yr}$$

## 2. Post Project Potential to Emit (PE2)

The post-project potential to emit for C-402-15, '-16, '-17, '-18 & '-19 equals the SLC's 5.7 lb-PM10/day.

$$\text{PE2: } (5.7 \text{ lb-PM10/day})(365 \text{ day/yr}) = 2,081 \text{ lb-PM10/yr}$$

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

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

| <b>Pre-Project Stationary Source Potential to Emit [SSPE1] (lb/year)</b> |                 |                 |                  |               |               |
|--|-----------------|-----------------|------------------|---------------|---------------|
| Permit Unit  | NO <sub>x</sub> | SO <sub>x</sub> | PM <sub>10</sub> | CO            | VOC           |
| C-402-2-4  | 10,694          | 736             | 15,067           | 18,739        | 26,981        |
| C-402-4-3  | 5,825           | 1,630           | 4,061            | 19,771        | 2,244         |
| C-402-5-3  | 8,112           | 406             | 15,362           | 3,786         | 622           |
| C-402-6-5  | 10,512          | 526             | 16,421           | 26,718        | 5,782         |
| C-402-10-1   | 6,456           | 352             | 7,630            | 14,849        | 3,522         |
| C-402-11-0   | 426             | 181             | 16               | 237           | 89            |
| C-402-13-0   | 0               | 0               | 147              | 0             | 0             |
| C-402-14-1   | 0               | 0               | 348              | 0             | 0             |
| C-402-15-1   | 0               | 0               | 2,081*           | 0             | 0             |
| C-402-16-1   | 0               | 0               |                  | 0             | 0             |
| C-402-17-1   | 0               | 0               |                  | 0             | 0             |
| C-402-18-1   | 0               | 0               |                  | 0             | 0             |
| C-402-19-1   | 0               | 0               |                  | 0             | 0             |
| ERC C-658-2  | 177             | 0               | 0                | 0             | 0             |
| ERC C-677-2  | 1,363           | 0               | 0                | 0             | 0             |
| <b>Pre-Project SSPE (SSPE1)</b>  | <b>43,565</b>   | <b>3,831</b>    | <b>61,133</b>    | <b>84,100</b> | <b>39,240</b> |

\*SLC emission limit

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

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

| <b>Post-Project Stationary Source Potential to Emit [SSPE2] (lb/year)</b> |                 |                 |                  |               |               |
|---|-----------------|-----------------|------------------|---------------|---------------|
| Permit Unit   | NO <sub>x</sub> | SO <sub>x</sub> | PM <sub>10</sub> | CO            | VOC           |
| C-402-2-4   | 10,694          | 736             | 15,067           | 18,739        | 26,981        |
| C-402-4-3   | 5,825           | 1,630           | 4,061            | 19,771        | 2,244         |
| C-402-5-3   | 8,112           | 406             | 15,362           | 3,786         | 622           |
| C-402-6-5   | 10,512          | 526             | 16,421           | 26,718        | 5,782         |
| C-402-10-1  | 6,456           | 352             | 7,630            | 14,849        | 3,522         |
| C-402-11-0  | 426             | 181             | 16               | 237           | 89            |
| C-402-13-0  | 0               | 0               | 147              | 0             | 0             |
| C-402-14-1  | 0               | 0               | 348              | 0             | 0             |
| C-402-15-1  | 0               | 0               | 2,081*           | 0             | 0             |
| C-402-16-1  | 0               | 0               |                  | 0             | 0             |
| C-402-17-1  | 0               | 0               |                  | 0             | 0             |
| C-402-18-1  | 0               | 0               |                  | 0             | 0             |
| C-402-19-1  | 0               | 0               |                  | 0             | 0             |
| ERC C-658-2   | 177             | 0               | 0                | 0             | 0             |
| ERC C-677-2   | 1,363           | 0               | 0                | 0             | 0             |
| Pre-Project SSPE (SSPE2)  | <b>43,565</b>   | <b>3,831</b>    | <b>61,133</b>    | <b>84,100</b> | <b>39,240</b> |

\*SLC emission limit

## 5. Major Source Determination

### Rule 2201 Major Source Determination:

Pursuant to District Rule 2201, a Major Source is a stationary source with a SSPE2 equal to or exceeding one or more of the following threshold values. For the purposes of determining major source status the following shall not be included:

- any ERCs associated with the stationary source
- Emissions from non-road IC engines (i.e. IC engines at a particular site at the facility for less than 12 months)
- Fugitive emissions, except for the specific source categories specified in 40 CFR 51.165

| <b>Rule 2201 Major Source Determination (lb/year)</b> |                 |                 |                  |                   |         |        |
|---|-----------------|-----------------|------------------|-------------------|---------|--------|
|   | NO <sub>x</sub> | SO <sub>x</sub> | PM <sub>10</sub> | PM <sub>2.5</sub> | CO      | VOC    |
| SSPE1   | 43,565          | 3,831           | 61,133           | 61,133            | 84,100  | 39,240 |
| SSPE2   | 43,565          | 3,831           | 61,133           | 61,133            | 84,100  | 39,240 |
| Major Source Threshold                                | 20,000          | 140,000         | 140,000          | 140,000           | 200,000 | 20,000 |
| Major Source?   | y               | n               | n                | n                 | n       | y      |

Note: PM2.5 assumed to be equal to PM10

As seen in the table above, the facility is an existing Major Source for NO<sub>x</sub> and VOC emissions.

**Rule 2410 Major Source Determination:**

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(iii). Therefore the PSD Major Source threshold is 250 tpy for any regulated NSR pollutant.

| <b>PSD Major Source Determination<br/>(tons/year)</b> |            |            |            |           |           |             |
|---|------------|------------|------------|-----------|-----------|-------------|
|   | <b>NO2</b> | <b>VOC</b> | <b>SO2</b> | <b>CO</b> | <b>PM</b> | <b>PM10</b> |
| Estimated Facility PE before Project Increase         | 21.8       | 19.6       | 1.9        | 42.0      | 30.6      | 30.6        |
| PSD Major Source Thresholds                           | 250        | 250        | 250        | 250       | 250       | 250         |
| PSD Major Source ? (Y/N)                              | n          | n          | n          | n         | n         | n           |

As shown above, the facility is not an existing PSD major source for any regulated NSR pollutant expected to be emitted at this facility.

**6. Baseline Emissions (BE)**

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

Pursuant to District Rule 2201, BE = PE1 for:

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

otherwise,

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

As shown in Section VII.C.5 above, the facility is not a Major Source for PM10.

Therefore BE=PE1.

**7. SB 288 Major Modification**

Since this facility is not a major source for PM10, this project does not constitute an SB 288 major modification.

## 8. Federal Major Modification

District Rule 2201 states that a Federal Major Modification is the same as a "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

Since this facility is not a Major Source for PM<sub>10</sub>, this project does not constitute a Federal Major Modification. Additionally, it is not a major source for PM<sub>2.5</sub> (200,000 lb/year).

## VIII. Compliance Determination

### 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 specifically exempted by Rule 2201, BACT shall be required for the following actions\*:

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

\*Except for CO emissions from a new or modified emissions unit at a Stationary Source with an SSPE<sub>2</sub> of less than 200,000 pounds per year of CO.

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

As discussed in Section I above, there are no new emissions units associated with this project. Therefore BACT for new units with PE > 2 lb/day purposes is not triggered.

##### 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

AIPE = PE<sub>2</sub> – HAPE

Where,

AIPE = Adjusted Increase in Permitted Emissions, (lb/day)

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

HAPE = Historically Adjusted Potential to Emit, (lb/day)

$$HAPE = PE1 \times (EF2/EF1)$$

Where,

PE1 = The emissions unit's PE prior to modification or relocation, (lb/day)

EF2 = The emissions unit's permitted emission factor for the pollutant after modification or relocation. If EF2 is greater than EF1 then EF2/EF1 shall be set to 1

EF1 = The emissions unit's permitted emission factor for the pollutant before the modification or relocation

$$AIPE = PE2 - (PE1 * (EF2 / EF1))$$

There is no change in EF; therefore, EF2/EF1 = 1

C-402-15-7 and 16-7:

$$\begin{aligned} AIPE &= 5.7 - (5.7 * (1)) \\ &= 0.0 \text{ lb/day} \end{aligned}$$

As demonstrated above, the AIPE is not greater than 2.0 lb/day. Therefore BACT is not triggered.

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

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

## **B. Offsets**

### **1. Offset Applicability**

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

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

| Offset Determination (lb/year) |                 |                 |                  |         |        |
|--------------------------------|-----------------|-----------------|------------------|---------|--------|
|                                | NO <sub>x</sub> | SO <sub>x</sub> | PM <sub>10</sub> | CO      | VOC    |
| SSPE2                          | 43,565          | 3,831           | 61,133           | 84,100  | 39,240 |
| Offset Thresholds              | 20,000          | 54,750          | 29,200           | 200,000 | 20,000 |
| Offsets triggered?             | NA              | No              | Yes              | No      | NA     |

## 2. Quantity of Offsets Required

As seen above, the SSPE2 is greater than the offset thresholds for PM10. Therefore offset calculations will be required for this project.

The quantity of offsets in pounds per year is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

Offsets Required (lb/year) =  $(\Sigma[PE2 - BE] + ICCE) \times DOR$ , 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)

DOR = Distance Offset Ratio, determined pursuant to Section 4.8

BE = PE1 for:

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

otherwise,

BE = HAE

As calculated in Section VII.C.6 above, the units' BE equals PE1 since they are Clean Emissions Units.

Offsets Required (lb/year) =  $([PE2 - BE] + ICCE) \times DOR$

PE2 = 2,081 lb/year

BE = 2,081 lb/year

ICCE = 0 lb/year

$$\begin{aligned}\text{Offsets Required (lb/year)} &= ([2,081 - 2,081] + 0) \text{ DOR} \\ &= 0 \text{ lb/year}\end{aligned}$$

As demonstrated in the above calculation, the amount of offsets is zero. Therefore, offsets will not be required for this project.

## **C. Public Notification**

### **1. Applicability**

Public noticing is required for:

- a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications,
- b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- c. Any project which results in the offset thresholds being surpassed, and/or
- d. Any project with an SSPE of greater than 20,000 lb/year for any pollutant.
- e. Any project which results in a Title V significant permit modification

#### **a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications**

New Major Sources are new facilities, which are also Major Sources. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.

As demonstrated in Sections VII.C.7 and VII.C.8, this project does not constitute an SB 288 or Federal Major Modification; therefore, public noticing for SB 288 or Federal Major Modification purposes is not required.

#### **b. PE > 100 lb/day**

Applications which include a new emissions unit with a PE greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. There are no new emissions units associated with this project. Therefore public noticing is not required for this project for PE > 100 lb/day.

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

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

| Offset Thresholds |                 |                 |                  |                         |
|-------------------|-----------------|-----------------|------------------|-------------------------|
| Pollutant         | SSPE1 (lb/year) | SSPE2 (lb/year) | Offset Threshold | Public Notice Required? |
| NO <sub>x</sub>   | 43,565          | 43,565          | 20,000 lb/year   | No                      |
| SO <sub>x</sub>   | 3,831           | 3,831           | 54,750 lb/year   | No                      |
| PM <sub>10</sub>  | 61,133          | 61,133          | 29,200 lb/year   | No                      |
| CO                | 84,100          | 84,100          | 200,000 lb/year  | No                      |
| VOC               | 39,240          | 39,240          | 20,000 lb/year   | No                      |

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

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

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

| SSIPE Public Notice Thresholds |                 |                 |                 |                               |                         |
|--------------------------------|-----------------|-----------------|-----------------|-------------------------------|-------------------------|
| Pollutant                      | SSPE1 (lb/year) | SSPE2 (lb/year) | SSIPE (lb/year) | SSIPE Public Notice Threshold | Public Notice Required? |
| NO <sub>x</sub>                | 43,565          | 43,565          | 0               | 20,000 lb/year                | No                      |
| SO <sub>x</sub>                | 3,831           | 3,831           | 0               | 20,000 lb/year                | No                      |
| PM <sub>10</sub>               | 61,133          | 61,133          | 0               | 20,000 lb/year                | No                      |
| CO                             | 84,100          | 84,100          | 0               | 20,000 lb/year                | No                      |
| VOC                            | 39,240          | 39,240          | 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.

**e. Title V Significant Permit Modification**

As shown in the Discussion of Rule 2520 below, this project does not constitute a Title V significant modification. Therefore, public noticing for Title V significant modifications is not required for this project.

**2. Public Notice Action**

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

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

DELs and other enforceable conditions are required by Rule 2201 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. The DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT.

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

#### **C-402-15-7:**

- PM10 emissions from C-402-16's bin vent filter shall not exceed 0.012 lb/ton of product transferred to this silo. [District Rule 2201] Y
- The total PM10 emissions from silos C-402-15, '-16, '-17, '-18 & '-19 combined shall not exceed 5.7 lb/day. [District Rule 2201] Y
- The amount of product transferred to silos C-402-15, '-16, '-17, '-18 & '-19 shall not exceed 475 tons combined in any one day. [District Rule 2201] Y

#### **C-402-16-7:**

- PM10 emissions from bin vent filter shall not exceed 0.012 lb/ton of product transferred to silos C-402-15 and/or '16. [District Rule 2201] Y
- The total PM10 emissions from silos C-402-15, '-16, '-17, '-18 & '-19 combined shall not exceed 5.7 lb/day. [District Rule 2201] Y
- The amount of product transferred to silos C-402-15, '-16, '-17, '-18 & '-19 shall not exceed 475 tons combined in any one day. [District Rule 2201] Y

## **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**

- Visible emissions from the source operation shall be evaluated using EPA method 22 once per calendar year. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. If visible emissions cannot be corrected within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520]

### 3. Recordkeeping

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

- Records of the amount of daily milk powder (in tons) process shall be maintained, retained for at least five years, and shall be made available for District inspection upon request. [District Rules 1070 and 2201] Y
- Annual records of visible emissions monitoring results shall be maintained and retained on the premises for a period of at least 5 years and made available for District inspection upon request. [District Rule 2520] Y

### 4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

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

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

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

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

In accordance with Rule 2520, these modifications:

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

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

#### **Rule 4001 New Source Performance Standards (NSPS)**

This rule incorporates NSPS from Part 60, Chapter 1, Title 40, Code of Federal Regulations (CFR); and applies to all new sources of air pollution and modifications of existing sources of air pollution listed in 40 CFR Part 60. However, no subparts of 40 CFR Part 60 apply to the storage and bagging of powder milk.

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

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

#### **Rule 4101 Visible Emissions**

As long as the equipment is properly maintained and operated, the emission units shall not discharge, into the atmosphere, any air contaminant, other than uncombined water vapor, for a period or periods aggregating more than three (3) minutes in any one (1) hour which is as dark, or darker, in shade as that designated as No. 1 on the Ringelmann Chart or equivalent to 20% opacity.

Per District Policy SSP 1005, the visible emissions from processes served by a baghouse or fabric filter shall not equal or exceed 5% opacity for a period or periods aggregating more than three (3) minutes in any one (1) hour. If the equipment is properly maintained this condition should not be exceeded. The following condition will be placed on the permits to assure compliance with this rule.

- Visible emissions from the bin vent filter serving the storage silo shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201]

#### **Rule 4102 Nuisance**

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

#### **California Health & Safety Code 41700 (Health Risk Assessment)**

District Policy APR 1905 – *Risk Management Policy for Permitting New and Modified Sources* specifies that for an increase in emissions associated with a proposed new source

or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

As demonstrated above, there are no increases in emissions associated with this project, therefore a health risk assessment is not necessary and no further risk analysis is required.

**Rule 4201 Particulate Matter Concentration**

Section 3.0 requires emissions of dust, fumes, or particulate matter not to exceed 0.1 grain per cubic foot of gas at dry standard conditions. The PM emission concentration will be calculated based on the following parameters:

| Permit   | Emission Unit   | PM Emission Rate (Dust Collectors) | Air Flow Rate | Operating Hours |
|----------|-----------------|------------------------------------|---------------|-----------------|
| C-402-15 | Storage Silo #1 | 5.7 lb-PM/day                      | 400 cfm       | 24              |
| C-402-16 | Storage Silo #2 |                                    |               |                 |

The following calculation is representative of each emission unit for determining PM concentration

$$\text{PM Concentration} = \frac{(\text{PM Emission Rate}) \times (7,000 \text{ gr/lb})}{(\text{Air Flow Rate}) \times (\text{Operating Hours}) \times (60 \text{ min/hr})}$$

| Permit      | Emission Unit   | PM Concentration |
|-------------|-----------------|------------------|
| C-402-15-1: | Storage Silo #1 | 0.07 gr/dscf     |
| C-402-16-1: | Storage Silo #2 |                  |

The calculated emissions are well below the allowable emissions level. It can be assumed that under dry conditions emissions will not exceed the allowable 0.1 gr/dscf. Therefore, compliance with this rule is expected.

**Rule 4202 Particulate Matter Emission Rate**

Section 4.1 limits emissions based on raw process weight.

For this project permit units:

$$E_{\text{max}} = 3.59 P^{0.62} \text{ (used where } P < 30 \text{ tons/hr)}$$

where,

E = Emissions in lbs/hr

P = Process weight rate in tons/hr (worst case scenario)

The total process weight (P) is:

|          |                             |
|----------|-----------------------------|
| C-402-15 | 475 tons/day or 19.8 ton/hr |
| C-402-16 |                             |

thus,

|          |               |
|----------|---------------|
|          | $E_{max}$     |
| C-402-15 | 22.9 lb-PM/hr |
| C-402-16 |               |

The PE for each permit unit is  $PM_{10}$  per day, assuming  $PM_{10} = 100\%$  of PM, this yields the following PM calculations:

$$E_{actual} = PE \text{ (lb-PM}_{10}\text{/day)} \div (24 \text{ hr/day} \times 100\%)$$

|          | PE            |   | $E_{actual}$  |    | $E_{max}$     |
|----------|---------------|---|---------------|----|---------------|
| C-402-15 | 5.7 lb-PM/day | = | 0.24 lb-PM/hr | << | 22.9 lb-PM/hr |
| C-402-16 |               | = |               |    |               |

The actual PM emission rates are much less than the calculated limits,  $E_{max}$ . Compliance with this rule is expected.

#### California Health & Safety Code 42301.6 (School Notice)

Pursuant to California Health and Safety Code 42301.6, since this project will not result in an increase in emissions, a school notice is not required.

#### California Environmental Quality Act (CEQA)

CEQA requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The District adopted its *Environmental Review Guidelines* (ERG) in 2001. The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities;
- Identify the ways that environmental damage can be avoided or significantly reduced;
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible; and
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

The District performed an Engineering Evaluation (this document) for the proposed project and determined that all project specific emission unit(s) do not trigger Best Available Control Technology (BACT) and do not trigger Toxic Best Available Control Technology (T-BACT) requirements.

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

permitting action constitutes a ministerial approval. Section 21080 of the Public Resources Code exempts from the application of CEQA those projects over which a public agency exercises only ministerial approval. Therefore, the District finds that this project is exempt from the provisions of CEQA.

**IX. Recommendation**

Compliance with all applicable rules and regulations is expected. Pending a successful EPA Noticing period, issue ATCs C-402-15-7 and '16-7 subject to the permit conditions on the attached draft ATCs in **Appendix C**.

**X. Billing Information**

| Annual Permit Fees |              |                            |            |
|--------------------|--------------|----------------------------|------------|
| Permit Number      | Fee Schedule | Fee Description            | Annual Fee |
| C-402-15-7         | 3020-05 B    | 12,000 Gallon Storage Tank | \$98       |
| C-402-16-7         | 3020-05 B    | 12,000 Gallon Storage Tank | \$98       |

**Appendixes**

- A: Current PTO(s)
- B: Draft ATCs

**APPENDIX A**  
**Current PTOs**

# San Joaquin Valley Air Pollution Control District

**PERMIT UNIT:** C-402-15-4

**EXPIRATION DATE:** 01/31/2016

**EQUIPMENT DESCRIPTION:**

12,000-GALLON POWDER MILK STORAGE SILO #1 SERVED BY A SOCK FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15, '-16, '-17, '-18, & '-19)

## PERMIT UNIT REQUIREMENTS

---

1. Visible emissions from the sock filter serving the storage silo operation shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201] Federally Enforceable Through Title V Permit
2. 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
3. PM10 emissions from sock filter shall not exceed 0.012 lb/ton of product transferred to silo. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The total PM10 emissions from silos C-402-15, '-16, '-17, '-18 & '-19 combined shall not exceed 5.7 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The amount of product transferred to silos C-402-15, '-16, '-17, '-18 & '-19 shall not exceed 475 tons combined in any one day. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Records of the amount of daily milk powder (in tons) process shall be maintained, retained for at least five years, and shall be made available for District inspection upon request. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
7. Visible emissions from the source operation shall be evaluated using EPA method 22 once per calendar year. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. If visible emissions cannot be corrected within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520] Federally Enforceable Through Title V Permit
8. Annual records of visible emissions monitoring results shall be maintained and retained on the premises for a period of at least 5 years and made available for District inspection upon request. [District Rule 2520] Federally Enforceable Through Title V Permit

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

# San Joaquin Valley Air Pollution Control District

**PERMIT UNIT:** C-402-16-4

**EXPIRATION DATE:** 01/31/2016

**EQUIPMENT DESCRIPTION:**

12,000-GALLON POWDER MILK STORAGE SILO #2 SERVED BY BIN VENT FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15,'-16, '-17, '-18, & '-19)

## PERMIT UNIT REQUIREMENTS

---

1. Visible emissions from the bin vent filter serving the storage silo operation shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201] Federally Enforceable Through Title V Permit
2. 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
3. PM10 emissions from bin vent filter shall not exceed 0.012 lb/ton of product transferred to silo. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The total PM10 emissions from silos C-402-15, '-16, '-17, '-18 & '-19 combined shall not exceed 5.7 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The amount of product transferred to silos C-402-15, '-16, '-17, '-18 & '-19 shall not exceed 475 tons combined in any one day. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Records of the amount of daily milk powder (in tons) process shall be maintained, retained for at least five years, and shall be made available for District inspection upon request. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
7. Visible emissions from the source operation shall be evaluated using EPA method 22 once per calendar year. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. If visible emissions cannot be corrected within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520] Federally Enforceable Through Title V Permit
8. Annual records of visible emissions monitoring results shall be maintained and retained on the premises for a period of at least 5 years and made available for District inspection upon request. [District Rule 2520] Federally Enforceable Through Title V Permit

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

**APPENDIX B**  
**Draft ATCs**

San Joaquin Valley  
Air Pollution Control District

**AUTHORITY TO CONSTRUCT**

**ISSUANCE DATE: DRAFT**

**PERMIT NO:** C-402-15-7

**LEGAL OWNER OR OPERATOR:** CALIFORNIA DAIRIES, INC.  
**MAILING ADDRESS:** PO BOX 11865  
FRESNO, CA 93775-1865

**LOCATION:** 755 F ST  
FRESNO, CA 93706-3415

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF 12,000-GALLON POWDER MILK STORAGE SILO #1 SERVED BY A SOCK FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15, '-16, '-17, '-18, & '-19): REMOVE SOCK FILTER AND VENT SILO TO THE BIN VENT FILTER ON SILO #2 (C-402-16)

**CONDITIONS**

1. Visible emissions from the sock filter serving the storage silo operation shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201] Federally Enforceable Through Title V Permit
2. 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
3. PM10 emissions from C-402-16's bin vent filter shall not exceed 0.012 lb/ton of product transferred to this silo. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The total PM10 emissions from silos C-402-15, '-16, '-17, '-18 & '-19 combined shall not exceed 5.7 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The amount of product transferred to silos C-402-15, '-16, '-17, '-18 & '-19 shall not exceed 475 tons combined in any one day. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Records of the amount of daily milk powder (in tons) process shall be maintained, retained for at least five years, and shall be made available for District inspection upon request. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director, APCO

Arnaud Marjolle, Director of Permit Services

C-402-15-7 Jun 8 2016 1:08PM - TORID : Joint Inspection NOT Required

7. Visible emissions from the source operation shall be evaluated using EPA method 22 once per calendar year. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. If visible emissions cannot be corrected within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520] Federally Enforceable Through Title V Permit
8. Annual records of visible emissions monitoring results shall be maintained and retained on the premises for a period of at least 5 years and made available for District inspection upon request. [District Rule 2520] Federally Enforceable Through Title V Permit

DRAFT

San Joaquin Valley  
Air Pollution Control District

**AUTHORITY TO CONSTRUCT**

**ISSUANCE DATE:** DRAFT

**PERMIT NO:** C-402-16-7

**LEGAL OWNER OR OPERATOR:** CALIFORNIA DAIRIES, INC.  
**MAILING ADDRESS:** PO BOX 11865  
FRESNO, CA 93775-1865

**LOCATION:** 755 F ST  
FRESNO, CA 93706-3415

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF 12,000-GALLON POWDER MILK STORAGE SILO #2 SERVED BY BIN VENT FILTER (DAILY THROUGHPUT LIMIT SHARED WITH PERMIT UNITS '-15,'-16, '-17, '-18, & '-19): CONNECT SILO #1 (S-402-15) TO THE BIN VENT ON THIS SILO

**CONDITIONS**

1. Visible emissions from the bin vent filter serving the storage silo operation shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201] Federally Enforceable Through Title V Permit
2. 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
3. PM10 emissions from bin vent filter shall not exceed 0.012 lb/ton of product transferred to silos C-402-15 and/or '16. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The total PM10 emissions from silos C-402-15, '-16, '-17, '-18 & '-19 combined shall not exceed 5.7 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The amount of product transferred to silos C-402-15, '-16, '-17, '-18 & '-19 shall not exceed 475 tons combined in any one day. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Records of the amount of daily milk powder (in tons) process shall be maintained, retained for at least five years, and shall be made available for District inspection upon request. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

**YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT.** This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director, APCO

Arnaud Marjollet, Director of Permit Services

C-402-16-7 : Jun 8 2016 1:08PM -- TORID : Joint Inspection NOT Required

7. Visible emissions from the source operation shall be evaluated using EPA method 22 once per calendar year. If visible emissions are observed, corrective action shall be taken to eliminate visible emissions. If visible emissions cannot be corrected within 24 hours, a visible emissions test using EPA Method 9 shall be conducted. [District Rule 2520] Federally Enforceable Through Title V Permit
8. Annual records of visible emissions monitoring results shall be maintained and retained on the premises for a period of at least 5 years and made available for District inspection upon request. [District Rule 2520] Federally Enforceable Through Title V Permit

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