

JAN 30 2012

Gerardo C. Rios, Chief
Permits Office (AIR-3)
U.S. EPA - Region IX
75 Hawthorne St
San Francisco, CA 94105

**Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-883
Project # S-1100277**

Dear Mr. Rios:

The Air Pollution Control Officer has modified the Title V permit for Rio Bravo Poso by incorporating S-883-1-11 and '3-18. These modifications will allow the facility to accept, handle, and burn biomass.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on February 2, 2011. No comments were received following the District's preliminary decision on this project.

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:KTR

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
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Tel: (209) 557-6400 FAX: (209) 557-6475

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JAN 30 2012

William Rossiter
Rio Bravo Poso
P.O. Box 81027
Bakersfield, CA 93308-1027

**Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-883
Project # S-1100277**

Dear Mr. Rossiter:

The Air Pollution Control Officer has modified the Title V permit for Rio Bravo Poso by incorporating S-883-1-11 and '3-18. These modifications will allow the facility to accept, handle, and burn biomass.

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San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-883-1-12

EXPIRATION DATE: 01/31/2015

SECTION: SW28 **TOWNSHIP:** 27S **RANGE:** 27E

EQUIPMENT DESCRIPTION:

FUEL RECEIVING AND STORAGE OPERATION INCLUDING ENCLOSED TRUCK RECEIVING STATION WITH FABRIC COLLECTOR AND WATER/SURFACTANT SPRAY SYSTEM, TWO FUEL SILOS WITH FABRIC COLLECTORS, AND ENCLOSED UNDERHOPPER CONVEYOR - POSO CREEK

PERMIT UNIT REQUIREMENTS

1. Two 30 ft. diam. by 80 ft. tall fuel storage silos shall each vent to a fabric collector. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Coal/petroleum coke/biomass truck receiving shall be fully enclosed during entire fuel unloading operation. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Visible emissions shall not exceed 1/4 Ringelmann or equivalent 5% opacity at any time from truck receiving hopper enclosure, fuel conveyors, conveyor transfer points, fuel storage silos or any fabric collector. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Coal/coke/biomass shall not be received, conveyed, or transferred into storage silos unless ventilation systems and fabric collectors are operating. [District Rule 2201] Federally Enforceable Through Title V Permit
5. All collected fines shall be returned to the fuel system. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Coal/coke/biomass receiving shall not operate more than 300 hours per month. [District Rule 2201] Federally Enforceable Through Title V Permit
7. PM10 emissions rate from both fuel silo fabric collectors shall not exceed 0.032 lb/hr. [District Rule 2201] Federally Enforceable Through Title V Permit
8. All roadways, driveways, and vehicular work areas shall be surfaced with slow cure asphalt paving. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Fabric collection system shall be completely inspected annually while in operation for evidence of particulate matter breakthrough and shall be repaired as needed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
10. Fabric collector filters shall be completely inspected annually while not in operation for tears, scuffs, abrasives or holes which might interfere with PM collection efficiency and shall be replaced as needed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
11. Visible emissions from storage silo shall be checked and record results quarterly. If visible emissions are observed, corrective action is required prior to further loading. Corrective action means that visible emissions are eliminated before next loading event. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
12. Records of fabric collector filter maintenance, inspection, and repairs shall be maintained. The records shall include identification of equipment, date of inspection, corrective action taken, and identification of individual performing inspection. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

13. The records of hours of operation of fuel receiving system shall be maintained on monthly basis. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
14. Records of types, amounts and origins (including copies of all purchase contracts) of fuels received shall be maintained and made readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit

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

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-883-3-19

EXPIRATION DATE: 01/31/2015

SECTION: SW28 **TOWNSHIP:** 27S **RANGE:** 27E

EQUIPMENT DESCRIPTION:

36.0 MW SOLID FUEL FIRED CIRCULATING BED COMBUSTOR COGENERATION UNIT INCLUDING 389 MMBTU/HR COMBUSTOR WITH LOW-TEMPERATURE STAGED COMBUSTION, AMMONIA INJECTION, AND PULVERIZED LIMESTONE INJECTION - POSO CREEK

PERMIT UNIT REQUIREMENTS

1. Permittee shall comply in full with all applicable Rule 4001 requirements (New Source Performance Standards, 40 CFR, Part 60, Subpart Da). [District Rule 4001] Federally Enforceable Through Title V Permit
2. Fuel collecting conveyor, two fuel crushers, two bucket elevators, two boiler feed conveyors, fuel feed bin, fuel feeder, and limestone conveyor/feeder shall be totally enclosed and ventilated to fabric collector. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Operation shall be equipped with pneumatic limestone feed system. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Operation shall be equipped with primary and secondary combustion air blowers and air preheater with ash hopper. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Operation shall be equipped with fabric collector with ash hopper serving fuel/limestone handling equipment and combustor. [District Rule 2201] Federally Enforceable Through Title V Permit
6. The main exhaust stack shall be equipped with permanent provisions to allow collection of stack gas samples using approved EPA test methods. [District Rule 1081, 3.0; and PSD SJ 85-07] Federally Enforceable Through Title V Permit
7. Combustor shall be fired only on coal, petroleum coke, and/or biomass fuel. Propane or natural gas may be used as start-up fuel. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Biomass introduced into the combustor shall not contain more than 2% by weight non-biomass material (plastics, metal, painted and preservative-treated wood, roofing material, fiberglass, etc.). [District Rule 4102]
9. At least once per quarter, operator shall collect a representative sample of the biomass material combusted and determine the weight percent of non-biomass material contained in that sample. Prior to collecting the first quarterly sample, operator shall submit a sampling plan to the District's compliance division for approval and shall follow the approved plan for all subsequent sampling, unless a revised plan is submitted and approved. [District Rules 1081 and 4102] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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10. "Biomass" means any organic material originating from plants including but not limited to products, by-products, residues and wastes from agriculture, forestry, aquatic and related industries, such as agricultural, energy or feed crops, residues and wastes, orchard and vineyard prunings and removal, stone fruit pits, nut shells, cotton gin trash, corn stalks and stover, straw, seedhulls, sugarcane leavings and bagasse, aquatic plants and algae, cull logs, eucalyptus logs, poplars, willows, switchgrass, alfalfa, bark, lawn, yard and garden clippings, waste paper (unprinted), leaves, silvicultural residue, tree and brush pruning, sawdust, timber slash, mill scrap, wood and wood chips, and wood waste. Biomass does not include material containing sewage sludge or industrial, hazardous, radioactive, municipal solid waste, or any material chemically treated or derived from fossil fuels. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit
11. Wood waste includes clean, chipped wood products, plywood, wood products manufacturing wood materials, construction and demolition wood materials, and wood pallets, crates and boxes. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit
12. No more than 836,520 lb (on a dry basis) of coal or coke fuel per day of no more than 4.0% by weight sulfur shall be introduced into the combustor. Two (2) pounds of biomass fuel of no more than 4.0% by weight sulfur may be substituted for one (1) pound of coal or coke fuel. [District Rule 2201] Federally Enforceable Through Title V Permit
13. No more than 836,520 lb (on a dry basis) of solid fuel per day of no more than 4.0% by weight sulfur shall be introduced into the combustor. [PSD S-85-07] Federally Enforceable Through Title V Permit
14. Limestone shall be capable of being directly injected into the combustor at a minimum of 0.042 lb limestone per lb of coal or coke introduced into the combustor, or 0.021 lb limestone per lb of biomass. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Peak temperature of combustor shall not exceed 1800 degrees F. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Unit shall be operated as staged-combustion device by introducing sub-stoichiometric amount of combustion air in primary combustion zone. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Ash shall be removed from combustion system only by means authorized by ash handling and loadout operation (Permit No. S-883-4). [District Rule 2201] Federally Enforceable Through Title V Permit
18. Fuel feed and combustion air supply shall be automatically shutdown whenever fabric collector is shutdown. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Visible emissions shall not exceed 1/4 Ringelmann or equivalent 5% opacity at any time from fuel conveyors, crusher, feed bin, feeder, and fabric collector. [District Rule 2201] Federally Enforceable Through Title V Permit
20. All combustor exhaust gas shall pass through fabric collector prior to emission to atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Ammonia injection system shall be capable of delivering at least 2.0 moles of NH₃ for each mole of NO_x. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Soot-blowing shall not result in visible emissions of greater than Ringelmann 1 or equivalent 20% opacity, excluding uncombined water vapor, except for aggregate periods of less than 3 minutes in any one hour period. [District Rule 4101] Federally Enforceable Through Title V Permit
23. Start-up period is defined as the period of time, not exceeding 96 hours except during refractory curing when 192 hours are allowed, during which the combustor is heated to the operating temperature and pressure from a shutdown status. [District Rule 4352] Federally Enforceable Through Title V Permit
24. Shutdown period is defined as the period of time, not exceeding 12 hours, during which a unit is taken from operational to nonoperational status by allowing it to cool down from its operating temperature and pressure to an ambient temperature. [District Rule 4352] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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25. "Non-operational (shutdown) status" is defined as a period when no combustion is occurring, and thus no combustion emissions are being generated or emitted, even though there is residual heat in the boiler. During "shutdown" status the unit shall be considered "boiler off-line" and no emission limits shall apply. "Shutdown" status ends with a startup. [District Rule 2201 5.7.1 and 5.7.2] Federally Enforceable Through Title V Permit
26. The emission control system shall be in operation and emissions shall be minimized insofar as technologically feasible during start-up or shutdown. [District Rule 4352] Federally Enforceable Through Title V Permit
27. Particulate matter (PM-10) emission rate shall not exceed 4.21 lb/hr, 0.0111 lb/MMBtu and 0.007 grains/dscf. [District NSR Rule and 40 CFR 60.42 (a)(1)] Federally Enforceable Through Title V Permit
28. Except during periods of combustor start-up and shutdown, sulfur oxide emissions (as SO₂) shall not exceed 15.47 lb/hr and 0.0398 lb/MM Btu. [District Rule 2201 and 40 CFR 60.43 (a)(2)] Federally Enforceable Through Title V Permit
29. Except during periods of startup or shutdown, sulfur dioxide emissions shall not exceed 30% of the potential combustion concentration (70% reduction in potential emissions of sulfur dioxide based on sulfur analysis of "as-fired" fuel). [40CFR60 Subpart Da] Federally Enforceable Through Title V Permit
30. During periods of combustor start-up and shutdown, sulfur oxide emissions (as SO₂) shall not exceed 0.11 lb/MMBtu, calculated on a daily basis. [District Rule 2201] Federally Enforceable Through Title V Permit
31. Sulfur oxide emissions (as SO₂) shall not exceed the following quarterly amounts: 1st Qtr., 33,415 lb; 2nd Qtr., 33,786 lb; 3rd Qtr., 34,158 lb; and 4th Qtr., 34,158 lb. [District Rule 2201 and 40 CFR 60.43Da] Federally Enforceable Through Title V Permit
32. Except during periods of combustor start-up and shutdown, nitrogen oxides emissions (as NO₂) shall not exceed 38.90 lb/hr and 0.1000 lb/MMBtu, as calculated on a daily basis. [District Rule 2201 and 40 CFR 60.42 (a)(1), (2)] Federally Enforceable Through Title V Permit
33. During periods of combustor start-up and shutdown, nitrogen oxide emissions (as NO₂) shall not exceed 0.20 lb/MMBtu, calculated on a daily basis. [District Rule 2201] Federally Enforceable Through Title V Permit
34. Nitrogen oxide emissions (as NO₂) shall not exceed the following quarterly amounts: 1st Qtr., 84,024 lb; 2nd Qtr., 84,958 lb; 3rd Qtr., 85,891 lb; and 4th Qtr., 85,891 lb. [District Rule 2201] Federally Enforceable Through Title V Permit
35. Volatile organic compound (VOC) emission rate shall not exceed 6.03 lb/hr and 0.0155 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
36. Carbon monoxide (CO) emission rate shall not exceed 105.10 lb/hr (3-hour average) and 0.2701 lb/MMBtu. [District Rule 2201 & PSD SJ 85-07] Federally Enforceable Through Title V Permit
37. Performance testing shall be conducted annually for NO_x, SO_x, CO, VOCs, and PM(10) at steady-state steam production rate of at least ninety (90) percent of 305,000 pounds per hour using the following test methods; for NO_x EPA Methods 1-4 and 7 or ARB Method 100; for SO_x EPA Methods 1-4 and 8 or ARB Method 100; for CO EPA Method 1-4 and 10 or ARB Method 100; for VOCs EPA Method 25 or 18; and for PM(10) EPA Method 201A in combination with EPA Method 202 or any other test methods and procedures approved by the District. [District Rules 4352, 6.4 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
38. Performance testing shall be conducted annually for NO_x, SO_x, CO, VOCs, and PM(10) at the maximum operating capacity using following test methods; for NO_x EPA Methods 1-4 and 7 or ARB Method 100; for SO_x EPA Methods 1-4 and 8 or ARB Method 100; for CO EPA Method 1-4 and 10 or ARB Method 100; for VOCs EPA Method 25 or 18; and for PM(10) EPA Method 201A in combination with EPA Method 202. [PSD SJ 85-07] Federally Enforceable Through Title V Permit
39. The District and EPA must be notified 30 days prior to any performance testing and a test plan shall be submitted for District approval 15 days prior to such testing. [District Rule 1081, 7.1 & PSD SJ 85-07] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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40. Performance testing shall be witnessed or authorized District personnel and EPA. Test results must be submitted to the District within 60 day of performance testing. [District Rule 1081, 7.2, 7.3; 40 CFR 60.51Da (a) & PSD SJ 85-07] Federally Enforceable Through Title V Permit
41. Quarterly, start-up, and shutdown NOx and SOx emissions shall be measured by maintaining CEM, fuel use and fuel Btu content records, and such records shall be made available for District inspection upon request. [District Rule 1070, 4.0] Federally Enforceable Through Title V Permit
42. Permittee shall maintain an operating log containing type and quantity of fuel used and higher heating value of such fuels on daily basis. [District Rules 2201 and 4352, 6.2; PSD SJ 85-07] Federally Enforceable Through Title V Permit
43. All wells producing from strata steamed by this unit shall be connected to a District approved emissions control system, have District approved closed casing vents, or be District approved uncontrolled cyclic wells. [District Rule 2201] Federally Enforceable Through Title V Permit
44. Sulfur fuel of the each type of fuel shall be measured and recorded on monthly basis using current ASTM Methods or shall be certified by supplier for each shipment. [District Rule 2520, 9.3.2; 40 CFR 60.51Da (a) & PSD SJ 85-07] Federally Enforceable Through Title V Permit
45. Operator shall install, operate, and maintain in calibration a system which continuously measures and records control system operating parameters; elapsed time of operation; and exhaust gas opacity, NOx, SO2, and O2 (or CO) concentrations. [District Rules 2201 and 1080; 40 CFR 60.49Da(b); & PSD SJ 85-07] Federally Enforceable Through Title V Permit
46. The continuous emissions monitoring system shall meet the performance specification requirements in 40 CFR 60, Appendix B; 40 CFR 60, Apper dix F; and 40 CFR 51, Appendix P, or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rule 1080, 6.5; and PSD SJ 85-07] Federally Enforceable Through Title V Permit
47. Operator shall install, operate, and maintain in calibration a system which continuously measures and records stack gas volumetric flow rates meeting the performance specifications of 40 CFR Part 52, Appendix E. [PSD SJ 85-07] Federally Enforceable Through Title V Permit
48. Results of continuous emissions monitoring must be reduced according to the procedure established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. [District Rule 1080, 7.2] Federally Enforceable Through Title V Permit
49. Records shall be maintained and shall contain: the occurrence and duration of any start-up, shutdown or malfunction, performance testing, evaluations, calibrations, checks, adjustments, maintenance of any CEMs that have been installed pursuant to District Rule 1080, and emission measurements. [District Rule 1080, 7.3; 40 CFR 60.52Da and PSD SJ 85-07] Federally Enforceable Through Title V Permit
50. The permittee shall maintain hourly, daily, and 30-day rolling average records of NOx and SOx emissions and of the percentage SOx reduction. [40 CFR 60.48Da (f), (g), 60.43Da (a), 60.51Da (b)] Federally Enforceable Through Title V Permit
51. The permittee shall obtain emission data from the CEMS for at least 22 out of 30 successive boiler operating days for compliance determination. If this minimum data requirement can not be met with the CEMS, the permittee shall supplement the emission data with other monitoring systems approved by the APCO or with the reference methods and procedures described in 40 CFR 50.49(h). [40 CFR 60.49Da(f)] Federally Enforceable Through Title V Permit
52. Permittee shall submit a CEMs written report for each calendar quarter to the District and to EPA. The report is due on the 30th day following the end of the calendar quarter. [District Rule 1080, 8.0; 40 CFR 60.51Da (a); and PSD SJ 85-07] Federally Enforceable Through Title V Permit

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53. Quarterly report shall include: time intervals, data and magnitude of excess emissions, nature and cause of excess (if known), corrective actions taken and preventive measures adopted; averaging period used for data reporting corresponding to the averaging period specified in the emission test period used to determine compliance with an emission standard; applicable time and date of each period during which the CEM was inoperative (except for zero and span checks) and the nature of system repairs and adjustments; and a negative declaration when no excess emissions occurred. [District Rule 2520, 9.5.1; Rule 1080, 8.0 and PSD SJ 85-07] Federally Enforceable Through Title V Permit
54. Any violation of emission standards, as indicated by the CEM, shall be reported by the operator to the APCO within 96 hours. Excess emissions shall be defined as any three-hour period during which emissions of SO_x or NO_x as measured by CEM system exceeds the SO_x and NO_x maximum emission limits set forth for each the pollutants in this permit. [District Rule 1080, 9.0; and PSD SJ 85-07] Federally Enforceable Through Title V Permit
55. Operator shall notify the District no later than one hour after the detection of a breakdown of the CEM unless the owner or operator demonstrates to the APCO's satisfaction that a longer noticing period was necessary. The operator shall inform the District of the intent to shut down the CEM at least 24 hours prior to the event. [District Rules 1080 and 1100 and 40 CFR 64] Federally Enforceable Through Title V Permit
56. Permittee shall not discharge or cause the discharge into the atmosphere SO₂ in excess of the more stringent of 14.0 lb/hr or 20 ppm at 3% O₂ (3-hour average) from stack venting from the combustion unit except during periods of startup and shutdown. [PSD SJ 85-07] Federally Enforceable Through Title V Permit
57. Permittee shall not discharge or cause the discharge into the atmosphere NO_x in excess of the more stringent of 38.9 lb/hr or 78 ppm at 3% O₂ (3-hour average) from stack venting from the combustion unit except during periods of startup and shutdown. [PSD SJ 85-07] Federally Enforceable Through Title V Permit
58. During startup or shutdown, permittee shall not discharge or cause the discharge into the atmosphere SO₂ in excess of 0.11 lb/MMBtu averaged over a 24-hour period. [PSD ATC SJ 85-07] Federally Enforceable Through Title V Permit
59. During startup and shutdown, permittee shall not discharge or cause the discharge into the atmosphere NO_x in excess of 0.20 lb/MMBtu averaged over a 24-hour period. [PSD ATC SJ 85-07] Federally Enforceable Through Title V Permit
60. Fabric collection system shall be completely inspected annually while in operation for evidence of particulate matter breakthrough and shall be repaired as needed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
61. Fabric collector filters shall be completely inspected annually while not in operation for tears, scuffs, abrasives or holes which might interfere with PM collection efficiency and shall be replaced as needed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
62. Records of fabric collector filter maintenance, inspection, and repairs shall be maintained. The records shall include identification of equipment, date of inspection, corrective action taken, and identification of individual performing inspection. [District Rule 2520, 9.4.1] Federally Enforceable Through Title V Permit