



OCT 31 2011

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

Re: **Proposed Authority to Construct / Certificate of Conformity (Minor Mod)**
District Facility # S-377
Project # S-1114075

Dear Mr. Rios:

Enclosed for your review is the District's engineering evaluation of an application for Authority to Construct for Paramount Farms Inc, located at approximately four miles north of Blackwell's Corner on Highway 33, which has been issued a Title V permit. Paramount Farms Inc is requesting that a Certificate of Conformity, with the procedural requirements of 40 CFR Part 70, be issued with this project. Paramount has requested an Authority to Construct (ATC) permit to install a pistachio shelling operation.

Enclosed is the engineering evaluation of this application, a copy of the current Title V permit, and proposed Authority to Construct # S-377-52-0 with Certificate of Conformity. After demonstrating compliance with the Authority to Construct, the conditions will be incorporated into the facility's Title V permit through an administrative amendment.

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

Thank you for your cooperation in this matter.

Sincerely,



David Warner
Director of Permit Services

Enclosures
cc: Steve Davidson, Permit Services

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
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OCT 31 2011

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

**Re: Proposed Authority to Construct / Certificate of Conformity (Minor Mod)
District Facility # S-377
Project # S-1114075**

Dear Mr. Lee:

Enclosed for your review is the District's analysis of your application for Authority to Construct for the facility identified above. You have requested that a Certificate of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. Paramount has requested an Authority to Construct (ATC) permit to install a pistachio shelling operation.

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

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

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

Enclosures
cc: Steve Davidson, Permit Services

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

Facility Name:	Paramount Farms Inc.	Date:	October 15, 2011
Mailing Address:	13646 Highway 33 Lost Hills, CA 93249	Engineer:	Steve Davidson
Contact Person:	Daniel lee	Lead Engineer:	Allan Phillips <i>AP SURE AQE</i>
Telephone:	661-797-6505		OCT 27 2011
Application #:	S-377-52-0		
Project #:	S-1114075		
Deemed Complete:	October 11, 2011		

I. Proposal

Paramount Farms Inc (Paramount) operates a pistachio processing facility. Paramount has requested an Authority to Construct (ATC) permit to the install a pistachio shelling operation. This equipment processes only cleaned nuts.

Paramount does not hold any other valid ATCs that would have any bearing on this project; therefore, permit coordination is not required.

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

II. Applicable Rules

Rule 2201	New and Modified Stationary Source Review Rule (4/21/11)
Rule 2520	Federally Mandated Operating Permits (6/21/01)
Rule 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

The facility is located on Highway 33 approximately four miles north of Blackwell's Corner, California. The facility is not within 1,000 feet of a K-12 school. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to this project.

IV. Process Description

Clean, processed pistachios are delivered to the shelling line by tote bins. The in-shell pistachios pass through a de-twigger, a sizer, a destoner, and a second sizer, prior to entering the soft and hard crackers for shelling. The shelled pistachios then feed through a gravity and a classification deck. Air legs served by existing cyclones are utilized to separate the kernels from the shell and other trash. Oversized nuts pass through an air leg, the soft crackers, and back to the inlet of the sizer. The clean, sorted kernels are then routed to the packaging lines. (See process flow diagram in Appendix A.)

V. Equipment Listing

Equipment Description:

S-377-52-0: PISTACHIO SHELLING OPERATION WITH A BIN DUMPER(S), DESTONER(S), DETWIGGER(S), SIZERS/SCALPERS, SOFT SHELL CRACKERS, HARD SHELL CRACKERS, CLOSED LOOP AIR HANDLING SYSTEMS DISCHARGING THROUGH CYCLONE ASSEMBLYS SERVING CLASSIFICATION DECKS, 83,000 CFM FABRIC COLLECTOR SERVING ASPIRATORS, AND ASSOCIATED ELEVATORS, AND AUGERS, AND CONVEYORS

VI. Emission Control Technology Evaluation

This process will handle clean hulled pistachios which are not a source of particulate emissions. Cyclones are used to collect comparatively large fragments of nut meats and skins that make it through the shelling process. These fragments would, if not collected and disposed of properly, present a fire hazard and provide a food source for rodents and insects. The cyclones are used to provide that control, and do not constitute air pollution control equipment when used in this role.

Due to the size of the proposed shelling operation Paramount is proposing to install a 83,000 cfm fabric collector to serve the shelling operations aspirators.

VII. General Calculations

A. Assumptions

- The only pollutant of concern with this operation is PM₁₀.

- Aspirators and cyclone assemblies solely for vector control/food safety issues and the exhaust air will be returned to the process. Therefore, no PM₁₀ emissions are associated with the aspirators and cyclones.
- Equipment may operate 24 hours/day, 365 days/year (worst-case)
- Fabric collector is for vector control/food safety issues; however, it may generate some PM₁₀ emissions.

B. Emission Factors

- Fabric collector EF = 0.0009 gr PM₁₀/dscf (applicant proposed based on almond shelling operation S-4017-3).

C. Calculations

1. Pre-Project Potential to Emit (PE1)

Since this is a new emissions unit, PE1 = 0 lb PM₁₀

2. Post Project Potential to Emit (PE2)

Daily PE2

PE 2 = (83,000 CFM)x(0.0009 gr PM₁₀/cfm)x(1 lb PM₁₀/7000 gr PM₁₀)x(1440 min/ 1 day)

PE 2 = 15.4 lb PM₁₀/day

Annual PE2

PE 2 = (Daily PE2) x (365 days/year)

PE 2 = (15.4 lb PM₁₀/1 day) x (365 days/year)

PE 2 = 5621 lb PM₁₀/year

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

Pursuant to Section 4.9 of District Rule 2201, the Pre-Project Stationary Source Potential to Emit (SSPE1) is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

The facility has no ERCs.

Pre-Project Stationary Source Potential to Emit [SSPE1] (lb/year)					
Permit Unit	NO_x	SO_x	PM₁₀	CO	VOC
S-377-3-25	25,376	869	1569	6045	1159
S-377-9-6	0	0	0	0	402
S-377-19-27	37,440	1283	6026	18,090	1710
S-377-21-15	13,728	470	413	3465	627
S-377-34-6	1472	524	920	6807	515
S-377-35-4	328	0	1	270	2
S-377-37-4	1800	18	24	604	54
S-377-38-5	304	8	11	154	15
S-377-39-5	499	17	30	126	35
S-377-40-9	1777	135	332	866	268
S-377-41-3	0	0	0	0	0
S-377-42-2	0	0	0	0	14,235
S-377-43-2	0	0	0	0	1278
S-377-44-2	0	0	0	0	1278
S-377-45-2	0	0	0	0	1278
S-377-46-2	0	0	0	0	1278
S-377-47-3	3328	114	112	840	152
S-377-49-2	0	0	376	0	1539
S-377-50-0	13,728	470	1951	3465	627
Pre-Project SSPE (SSPE1)¹	99,780	3,908	11,765	40,732	26,452

¹See SSPE calculations in Appendix D

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

Pursuant to Section 4.10 of District Rule 2201, the Post Project Stationary Source Potential to Emit (SSPE2) is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

Post Project Stationary Source Potential to Emit [SSPE2] (lb/year)					
Permit Unit	NO _x	SO _x	PM ₁₀	CO	VOC
S-377-3-25	25,376	869	1569	6045	1159
S-377-9-6	0	0	0	0	402
S-377-19-27	37,440	1283	6026	18,090	1710
S-377-21-15	13,728	470	413	3465	627
S-377-34-6	1472	524	920	6807	515
S-377-35-4	328	0	1	270	2
S-377-37-4	1800	18	24	604	54
S-377-38-5	304	8	11	154	15
S-377-39-5	499	17	30	126	35
S-377-40-9	1777	135	332	866	268
S-377-41-3	0	0	0	0	0
S-377-42-2	0	0	0	0	14,235
S-377-43-2	0	0	0	0	1278
S-377-44-2	0	0	0	0	1278
S-377-45-2	0	0	0	0	1278
S-377-46-2	0	0	0	0	1278
S-377-47-3	3328	114	112	840	152
S-377-49-2	0	0	376	0	1539
S-377-50-0	13,728	470	1951	3465	627
S-377-52-0	0	0	5621	0	0
Post Project SSPE (SSPE2)	99,780	3,908	17,386	40,732	26,452

5. Major Source Determination

Pursuant to Section 3.24 of District Rule 2201, a Major Source is a stationary source with post-project emissions or a Post Project Stationary Source Potential to Emit (SSPE2), equal to or exceeding one or more of the following threshold values. However, Section 3.24.2 states, "for the purposes of determining major source status, the SSPE2 shall not include the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site."

Major Source Determination (lb/year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
Pre-Project SSPE (SSPE1)	99,780	3,908	11,765	40,732	26,452
Post Project SSPE (SSPE2)	99,780	3,908	17,386	40,732	26,452
Major Source Threshold	20,000	140,000	140,000	200,000	20,000
Major Source?	Yes	No	No	No	Yes

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

6. Baseline Emissions (BE)

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

Pursuant to Section 3.7 of District Rule 2201, BE = Pre-project Potential to Emit for:

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

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to Section 3.22 of District Rule 2201.

This is a new emissions unit; therefore BE = 0 lb PM₁₀ for this unit.

Therefore Baseline Emissions (BE) are equal to the Pre-Project Potential to Emit (PE1).

7. SB 288 Major Modification

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

Since this facility is not a major source for PM₁₀; therefore, this project does not constitute an SB288 major modification.

8. Federal Major Modification

District Rule 2201, Section 3.17 states that Federal Major Modifications are the same as "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

Since this facility is not a Major Source for PM₁₀, this project does not constitute a Federal Major Modification. Additionally, since the facility is not a major source for PM₁₀ (140,000 lb/year), it is not a major source for PM_{2.5} (200,000 lb/year).

9. Quarterly Net Emissions Change (QNEC)

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

VIII. Compliance

Rule 2201 New and Modified Stationary Source Review Rule

A. Best Available Control Technology (BACT)

1. BACT Applicability

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

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

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

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

As seen in Section VII.C.2 of this evaluation, the applicant is proposing to install a pistachio shelling operation with a PE greater than 2 lb/day for PM₁₀. BACT is triggered PM₁₀, since the PE is greater than 2 lbs/day

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

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

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

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

d. SB 288/Federal Major Modification

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

2. BACT Guideline

There is no BACT determination for pistachio shelling operations; however, this is similar to almond hulling operations. Therefore, BACT Guideline 5.2.2, Almond Processing – Sizing Operation applies to the pistachio shelling operation (See **Appendix F**).

3. Top-Down BACT Analysis

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

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

PM₁₀: Fabric Filter baghouse

B. Offsets

1. Offset Applicability

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

The following table compares the post-project facility-wide annual PM₁₀ emissions to the PM₁₀ offset threshold in order to determine if offsets will be required for this project.

PM₁₀ Offset Determination (lb/year)	
	PM ₁₀
Post Project SSPE (SSPE2)	17,386
Offset Threshold	29,200
Offsets triggered?	No

2. Quantity of Offsets Required

As seen above, the SSPE2 is not greater than the offset thresholds for PM₁₀; therefore offset calculations are not necessary and 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 SB288 Major Modifications,

- b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- c. Any project which results in the offset thresholds being surpassed, and/or
- d. Any project with an SSIPE of greater than 20,000 lb/year for any pollutant.

a. New Major Sources, Federal Major Modifications, and SB288 Major Modifications

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

As demonstrated in VII.C.7, this project does not constitute a 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 Potential to Emit greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. As seen in Section VII.C.2 above, this project does not include a new emissions unit which has daily emissions greater than 100 lb/day for any pollutant, therefore public noticing for PE > 100 lb/day purposes is not required.

c. Offset Threshold

The following table compares the SSPE1 with the SSPE2 in order to determine if any offset thresholds have been surpassed with this project.

Offset Threshold				
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	Offset Threshold	Public Notice Required?
NO _x	99,780	99,780	20,000 lb/year	No
SO _x	33,908	33,908	54,750 lb/year	No
PM ₁₀	11,765	17,386	29,200 lb/year	No
CO	40,732	40,732	200,000 lb/year	No
VOC	26,452	26,452	20,000 lb/year	No

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

d. SSIPE > 20,000 lb/year

Public notification is required for any permitting action that results in a Stationary Source Increase in Permitted Emissions (SSIPE) of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE is calculated as the Post Project Stationary Source Potential to Emit (SSPE2) minus the Pre-Project

Stationary Source Potential to Emit (SSPE1), i.e. SSIPE = SSPE2 – SSPE1. The values for SSPE2 and SSPE1 are calculated according to Rule 2201, Sections 4.9 and 4.10, respectively. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table:

Stationary Source Increase in Permitted Emissions [SSIPE] – Public Notice					
Pollutant	SSPE2 (lb/year)	SSPE1 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?
NO _x	99,780	99,780	0	20,000 lb/year	No
SO _x	33,908	33,908	0	20,000 lb/year	No
PM ₁₀	17,386	11,765	5621	20,000 lb/year	No
CO	40,732	40,732	0	20,000 lb/year	No
VOC	26,452	26,452	0	20,000 lb/year	No

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

2. Public Notice Action

As discussed above, 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)

Daily Emissions Limitations (DELs) and other enforceable conditions are required by Section 3.15 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. Per Sections 3.15.1 and 3.15.2, the DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT.

The following DEL conditions will be placed on the permit to ensure compliance:

- PM₁₀ emissions shall not exceed 15.4 lb/day. [District Rule 2201] Y
- Particulate matter emissions shall not exceed 0.0009 grains/dscf in concentration. [District Rules 2201] Y

E. Compliance Assurance

1. Source Testing

Per District Policy APR 1705, Source Test Frequency, non-combustion equipment served by a baghouse with expected PM10 emissions of 30 pounds per day or greater must be tested upon initial start-up. Units with PM10 emissions in excess of 70 pounds per day should also be tested on annual basis.

The baghouse in this project is expected to emit less than 30 pounds per day; therefore, source testing is not required.

2. Monitoring

Per FYI – 125, Permit Conditions for Monitoring Differential Pressure for Baghouses, Dust Collectors, and Bin Vent Filters, the permittee is required to monitor and record the differential pressure gauge each day the baghouse operates. Therefore, the following conditions will be placed on the permit:

- {10} The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District Rule 2201]
- The differential pressure gauge reading range shall be established per manufacturer's recommendation at time of start up inspection. [District Rule 2201]
- Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201]

3. Recordkeeping

Recordkeeping is required to demonstrate compliance with the offset, public notification and daily emission limit requirements of Rule 2201. Per FYI – 125, Permit Conditions for Monitoring Differential Pressure for Baghouses, Dust Collectors, and Bin Vent Filters, the following existing condition will appear on the permit to operate:

- Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201]
- Records shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rule 2201]

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

Rule 2520 Federally Mandated Operating Permits

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

In accordance with Rule 2520, 3.20, these modifications:

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;

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

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

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 pistachio shelling operations.

Rule 4101 Visible Emissions

Per Section 5.0, no person shall discharge into the atmosphere emissions of any air contaminant aggregating more than 3 minutes in any hour which is as dark as or darker than Ringelmann 1 (or 20% opacity). The unit is currently compliant with this rule. An increase in visible emissions is not expected; therefore, continued compliance is expected.

Rule 4102 Nuisance

Section 4.0 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, compliance with this rule is expected.

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 – Risk Management Policy for Permitting New and Modified Sources specifies that for an increase in emissions associated with a proposed new source or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

Since the pistachios entering the sheller have been cleaned and hulled and pistachios are not toxic, no health risk assessment is required.

Rule 4201 Particulate Matter Concentration

This rule prohibits the release into the atmosphere of particulate matter in excess of specified limits based on the process weight of material involved in the operation. The pistachio nut meats have been thoroughly washed, so when the processing operation is running properly it will not have any particulate matter emissions. Compliance with this rule is expected, and no further discussion is required.

Rule 4202 Particulate Matter Emission Rate

The applicant proposes includes installation of equipment handling clean processed nuts and the equipment is expected to have minimal PM₁₀ emissions; therefore, continued compliance with the requirements of Rule 4202 is expected.

California Health & Safety Code 42301.6 (School Notice)

The District has verified that this site is not located within 1,000 feet of a school. Therefore, pursuant to California Health and Safety Code 42301.6, a school notice is not required.

California Environmental Quality Act (CEQA)

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

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities;
- Identify the ways that environmental damage can be avoided or significantly reduced;

- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible; and
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Greenhouse Gas (GHG) Significance Determination

It is determined that no other agency has or will prepare an environmental review document for the project. Thus the District is the Lead Agency for this project.

The District's engineering evaluation (this document) demonstrates that the project would not result in an increase in project specific greenhouse gas emissions. The District therefore concludes that the project would have a less than cumulatively significant impact on global climate change.

District CEQA Findings

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

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Issue Authority to Construct S-377-52-0 subject to the permit conditions on the attached draft Authority to Construct in Appendix G.

X. Billing Information

Annual Permit Fees			
Permit Number	Fee Schedule	Fee Description	Annual Fee
S-377-52-0	3020-01-D	960 electrical HP	\$815

APPENDIX A

Process Flow Diagram

APPENDIX B
Quarterly Net Emissions Change

Quarterly Net Emissions Change (QNEC)

The Quarterly Net Emissions Change is used to complete the emission profile screen for the District's PAS database. The QNEC shall be calculated as follows:

QNEC = PE2 - PE1, where:

- QNEC = Quarterly Net Emissions Change for each emissions unit, lb/qtr.
- PE2 = Post Project Potential to Emit for each emissions unit, lb/qtr.
- PE1 = Pre-Project Potential to Emit for each emissions unit, lb/qtr.

Using the values in Sections VII.C.2 and VII.C.6 in the evaluation above, quarterly PE2 and quarterly PE1 can be calculated as follows (for PM10):

$$\begin{aligned} \text{PE2}_{\text{quarterly}} &= \text{PE2}_{\text{annual}} \div 4 \text{ quarters/year} \\ &= 6862 \text{ lb PM10/year} \div 4 \text{ qtr/year} \\ &= 1716 \text{ lb PM10/qtr} \end{aligned}$$

$$\begin{aligned} \text{PE1}_{\text{quarterly}} &= \text{PE1}_{\text{annual}} \div 4 \text{ quarters/year} \\ &= 0 \text{ lb PM10/year} \div 4 \text{ qtr/year} \\ &= 0 \text{ lb PM10/qtr} \end{aligned}$$

Quarterly NEC [QNEC]			
	PE2 (lb/qtr)	PE1 (lb/qtr)	QNEC (lb/qtr)
NO _x	0	0	0
SO _x	0	0	0
PM ₁₀	1716	0	1716
CO	0	0	0
VOC	0	0	0

APPENDIX C

Emissions Profile

Permit #: S-377-52-0	Last Updated
Facility: PARAMOUNT FARMS	10/26/2011 DAVIDSOS

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	0.0	0.0	5621.0	0.0	0.0
Daily Emis. Limit (lb/Day)	0.0	0.0	15.4	0.0	0.0
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	1405.0	0.0	0.0
Q2:	0.0	0.0	1405.0	0.0	0.0
Q3:	0.0	0.0	1405.0	0.0	0.0
Q4:	0.0	0.0	1405.0	0.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

APPENDIX D
SSPE Calculations

Detailed SSPE Report

Region	Facility	Unit	Mod	NOx	SOx	PM10	CO	VOC	Number of Outstanding ATCs
S	377	0	3	25,376	869	1569	6045	1159	0
S	377	3	24	20384	698	4074	6445	931	2
S	377	9	6	0	0	0	0	402	0
S	377	19	27	37440	1283	6026	18090	1710	1
S	377	20	21	10400	350	1130	2626	476	0
S	377	21	15	13728	470	413	3465	627	0
S	377	34	6	1472	524	920	6807	515	0
S	377	35	4	328	0	1	270	2	0
S	377	37	4	1800	18	24	604	54	0
S	377	38	5	304	8	11	154	15	0
S	377	39	5	499	17	30	126	35	0
S	377	40	9	1777	135	332	866	268	0
S	377	41	3	0	0	0	0	0	0
S	377	42	2	0	0	0	0	14235	0
S	377	43	2	0	0	0	0	1278	0
S	377	44	2	0	0	0	0	1278	0
S	377	45	2	0	0	0	0	1278	0
S	377	46	2	0	0	0	0	1278	0
S	377	47	23	6656	228	925	1000	304	0
S	377	49	2	0	0	390	376	1534	1
SSPE (lbs)				94788	3737	11284	39832	26219	
S	377	50	0	13728	470	1951	3465	627	

-5 HAS BEEN IMPLEMENTED

CANCELED BY ATC S-377-50-U

-3 MUST BE IMPLEMENTED PRIOR SEE-50

-2 HAS BEEN IMPLEMENTED

APPLICANT SAY ATC WILL BE IMPLEMENTED PRIOR (SEE APPLICANT SUBMITTER SSPE CALCS.

Saturday, October 15, 2011

Page 1 of 1

Notes:

Blank values for a particular permit unit do not necessarily reflect zero emissions. For units with blank values, the PE must still be determined based on physical PE or as limited by permit condition.

For permits that show outstanding ATCs, consult PAS ATC Emission Profile records to determine what the highest PE is for each pollutant.

ATCs for new units (e.g. S-XXXX-X-0) must be added in separately.

ERC's for onsite reductions must be added in separately per Rule 2201 as well.

APPENDIX E
BACT Guideline

San Joaquin Valley
Unified Air Pollution Control District

Best Available Control Technology (BACT) Guideline 5.2.2*

Last Update 8/23/2001

Almond Processing - Sizing Operation

Pollutant	Achieved in Practice or contained in the SIP	Technologically Feasible	Alternate Basic Equipment
PM10	99% control (Fabric filter baghouse, or equal)		

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

***This is a Summary Page for this Class of Source**

APPENDIX F
Top-Down BACT Analysis

BACT Analysis for PM₁₀ Emissions:

a. Step 1 - Identify all control technologies

BACT Guideline 5.2.1 identifies only the following option:

- *99% Control (Fabric filter baghouse, or equal)*

b. Step 2 - Eliminate technologically infeasible options

The control option listed in Step 1 is technologically infeasible.

c. Step 3 - Rank remaining options by control effectiveness

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

d. Step 4 - Cost Effectiveness Analysis

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

e. Step 5 - Select BACT

BACT for PM₁₀ is • 99% Control (Fabric filter baghouse, or equal). The applicant is proposing a fabric filter baghouse. Therefore, BACT will be satisfied.

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT
DRAFT

PERMIT NO: S-377-52-0

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

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

EQUIPMENT DESCRIPTION:

PISTACHIO SHELLING OPERATION WITH A BIN DUMPER(S), DESTONER(S), DETWIGGER(S), SIZERS/SCALPERS, SOFT SHELL CRACKERS, HARD SHELL CRACKERS, CLOSED LOOP AIR HANDLING SYSTEMS DISCHARGING THROUGH CYCLONE ASSEMBLYS SERVING CLASSIFICATION DECKS, 83,000 CFM FABRIC COLLECTOR SERVING ASPIRATORS, AND ASSOCIATED ELEVATORS, AND AUGERS, AND CONVEYORS

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102] Federally Enforceable Through Title V Permit
4. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The differential pressure gauge reading range shall be established per manufacturer's recommendation at time of start up inspection. [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

DRAFT
DAVID WARNER, Director of Permit Services

S-377-52-0 Oct 26 2011 10 24AM - DAVIDSOS Joint Inspection NOT Required

6. Visible emissions from baghouse shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule] Federally Enforceable Through Title V Permit
7. The baghouse shall be maintained and operated according to manufacturer's specifications. [District Rule 2201] Federally Enforceable Through Title V Permit
8. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Replacement bags numbering at least 10% of the total number of bags in the baghouse shall be maintained on the premises. [District Rule] Federally Enforceable Through Title V Permit
10. Material removed from the dust collector(s) shall be disposed of in a manner preventing entrainment into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
11. PM10 emissions shall not exceed 15.4 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Particulate matter emissions shall not exceed 0.0009 grains/dscf in concentration. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Differential operating pressure shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Daily and annual records of pistachio nuts processed shall be maintained, retained on-site for a period of at least five years and made available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
16. ATC S-377-50-0 shall be implemented prior to or concurrent to this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit

DRAFT

APPENDIX G
Certification of Compliance

**San Joaquin Valley
Unified Air Pollution Control District**

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

I. TYPE OF PERMIT ACTION (Check appropriate box)

- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE
 MINOR PERMIT MODIFICATION AMENDMENT

COMPANY NAME: Paramount Farms, Inc.	FACILITY ID: S - 377
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name:	
3. Agent to the Owner:	

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

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

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



Signature of Responsible Official

9/21/11

Date

Dave Szefflin
Name of Responsible Official (please print)

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

Pistachio shelling operation in building 24.