



AUG 19 2014

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

**Re: Proposed Authority to Construct/Certificate of Conformity (Minor Mod)
District Facility # S-377
Project # S-1143162**

Dear Mr. Lee:

Enclosed for your review is the District's analysis of an application for Authority to Construct for the facility identified above. You requested that a Certificate of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. Paramount Farms International, LLC (Paramount) is proposing install a 189 bhp natural gas-fired emergency standby internal combustion (IC) engine powering an electric generator.

After addressing all comments made during the 45-day EPA comment period, the District intends to issue the Authority to Construct 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.

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Executive Director/Air Pollution Control Officer

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Thank you for your cooperation in this matter.

Sincerely,


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
Natural Gas-Fired Emergency Standby IC Engine**

Facility Name: Paramount Farms International, LLC Date: 7/27/14
Mailing Address: 13646 Highway 33 Engineer/ William Jones
Lost Hills, CA 93249 Specialist:

Lead Engineer: ~~Rich Karrs~~ *AP SUR AQE*

Contact Person: Daniel Lee
Telephone: 661-767-6505
Application #: S-377-56-0
Project #: S-1143162
Complete: 7/24/14

AUG 05 2014

I. Proposal

Paramount Farms International, LLC (Paramount) is proposing to install/modify a 189 bhp natural gas-fired emergency standby internal combustion (IC) engine powering an electric generator

Paramount received their Title V Permit on 8/31/14. 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 Environmental Protection Agency (EPA) comment period will be satisfied prior to the issuance of the Authority to Construct. Paramount must apply to administratively amend their Title V Operating Permit to include the requirements of the ATC issued with this project.

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 4101 Visible Emissions (2/17/05)
Rule 4102 Nuisance (12/17/92)
Rule 4201 Particulate Matter Concentration (12/17/92)
Rule 4701 Stationary Internal Combustion Engines – Phase 1 (8/21/03)
Rule 4702 Stationary Internal Combustion Engines – Phase 2 (1/18/07)
Rule 4801 Sulfur Compounds (12/17/92)
CH&SC 41700 Health Risk Assessment
CH&SC 42301.6 School Notice

Title 17 CCR, Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines
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 project is located at 13646 Highway 33 in Lost Hills, CA. The District has verified that 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 emergency standby engine powers electric generator. Other than emergency operation, the engine may be operated up to 100 hours per year for maintenance and testing purposes.

V. Equipment Listing

S-377-56-0: 189 BHP OLYMPIAN MODEL G130LG2 NATURAL GAS-FIRED EMERGENCY STANDBY IC ENGINE WITH NON-SELECTIVE CATALYTIC REDUCTION (NSCR) POWERING AN ELECTRICAL GENERATOR

VI. Emission Control Technology Evaluation

The engine is equipped with:

- Positive Crankcase Ventilation (PCV) or 90% efficient control device
- Non-Selective Catalytic Reduction
- Air/Fuel Ratio or an O₂ Controller
- Lean Burn Technology

Non-Selective Catalytic Reduction (NSCR) decreases NO_x, CO and VOC emissions by using a catalyst to promote the chemical reduction of NO_x into N₂ and O₂, and the chemical oxidation of VOC and CO into H₂O and CO₂.

VII. General Calculations

A. Assumptions

Emergency operating schedule: 24 hours/day
Non-emergency operating schedule: 100 hours/year
EPA F-factor (adjusted to 60 °F): 8,578 dscf/MMBtu (40 CFR 60 Appendix B)

Fuel heating value: 1,000 Btu/dscf (District Policy APR-1720, dated 12/20/01)
 BHP to Btu/hr conversion: 2,542.5 Btu/bhp-hr
 Sulfur concentration: 2.85 lb-S/MMscf (District Policy APR-1720, dated 12/20/01)
 Thermal efficiency of engine: commonly \approx 35%
 Catalyst control efficiencies: 90% for NO_x, 80% for CO, and 50% for VOC
 (*Update On Emissions - Form 960*, Second Edition, Waukesha Engine Division, Dresser Industries, October, 1991)

B. Emission Factors

Emission Factors		
Pollutant	Emission Factor (g/bhp-hr)*	Source
NO _x	0.05	Manufacture's specifications
SO _x	0.0094	Mass Balance Equation Below**
PM ₁₀ ***	0.063	AP-42 (7/00) Table 3.2-3
CO	0.92	Manufacture's specifications
VOC	0.06	Manufacture's specifications

**SO_x is calculated as follows:

$$0.00285 \frac{lb - SO_x}{MMBtu} \times \frac{1 MMBtu}{1,000,000 Btu} \times \frac{2,542.5 Btu}{bhp - hr} \times \frac{1 bhp input}{0.35 bhp out} \times \frac{453.6 g}{lb} = 0.0094 \frac{g - SO_x}{bhp - hr}$$

***PM₁₀ value includes both filterable (9.50x10⁻³ lb/MMBtu) and condensable (9.91x10⁻³ lb/MMBtu) emissions.

C. Calculations

1. Pre-Project Emissions (PE1)

Since this is a new emissions unit, PE1 = 0.

2. Post Project PE (PE2)

The daily and annual PE are calculated as follows:

Daily Post Project Emissions					
Pollutant	Emissions Factor (g/bhp-hr)	Rating (bhp)	Daily Hours of Operation (hrs/day)	Conversion (g/lb)	PE2 Total (lb/day)
NO _x	0.05	189	24	453.6	0.5

Daily Post Project Emissions					
Pollutant	Emissions Factor (g/bhp-hr)	Rating (bhp)	Daily Hours of Operation (hrs/day)	Conversion (g/lb)	PE2 Total (lb/day)
SO _x	0.0094	189	24	453.6	0.1
PM ₁₀	0.063	189	24	453.6	0.6
CO	0.92	189	24	453.6	9.2
VOC	0.06	189	24	453.6	0.6

Annual Post Project Emissions					
Pollutant	Emissions Factor (g/bhp-hr)	Rating (bhp)	Annual Hours of Operation (hrs/yr)	Conversion (g/lb)	PE2 Total (lb/yr)
NO _x	0.05	189	100	453.6	2
SO _x	0.0094	189	100	453.6	0
PM ₁₀	0.063	189	100	453.6	3
CO	0.92	189	100	453.6	38
VOC	0.06	189	100	453.6	3

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 ATCs or PTOs at the Stationary Source and the quantity of Emission Reduction Credits (ERCs) 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 SSPE1 is calculated in Appendix B and presented in the following table.

SSPE1 (lb./year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
SSPE1	94,666	3,730	17,704	38,376	11,976

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 ATCs or PTOs, except for emissions units proposed to be shut down as part of the Stationary Project, at the Stationary Source and the quantity of Emission Reduction Credits (ERCs) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

Since facility emissions are already above the Offset and Major Source Thresholds for NOx emissions, SSPE2 calculations are not necessary.

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."

This facility does not contain ERCs which have been banked at the source; therefore, no adjustment to SSPE2 is necessary.

Major Source Determination					
Pollutant	SSPE1 (lb/yr)	SSPE2 (lb/yr)	Major Source Threshold (lb/yr)	Existing Major Source?	Becoming a Major Source?
NO _x	94,666	94,668	20,000	Yes	No
SO _x	3,730	3,730	140,000	No	No
PM ₁₀	17,704	17,707	140,000	No	No
CO	38,376	38,414	200,000	No	No
VOC	11,976	11,979	20,000	No	No

6. Baseline Emissions (BE)

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 3.23

Since this is a new emissions unit, BE = PE1 = 0 for all criteria pollutants.

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."

For new emissions units, the increase in emissions is equal to the PE2 for each new unit included in this project. Since the calculated emission increases from the proposed new emission unit will result in an average daily increase of less than 0.5 lb./day, the emission increase for this unit are rounded to 0 for the purposes of triggering a SB 288 Major Modification (consistent with District Policy APR-1130 Increases in Maximum Daily Permitted Emissions Less Than or Equal to 0.5 lb./day).

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

SB 288 Major Modification Thresholds			
Pollutant	Project PE2 (lb./year)	Threshold (lb./year)	SB 288 Major Modification Calculation Required?
NO _x	0	50,000	No
SO _x	0	80,000	No
PM ₁₀	0	30,000	No
VOC	0	50,000	No

Since none of the SB 288 Major Modification Thresholds are surpassed with this project, 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.

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

Step 1

For new emissions units, the increase in emissions is equal to the PE2 for each new unit included in this project. Since the calculated emission increases from the proposed new emission unit will result in an increase of 0.5 lb. NO_x /day, the emission increase for this unit are rounded to 0 for the purposes of triggering a Federal Major Modification (consistent with District Policy APR-1130 Increases in Maximum Daily Permitted Emissions Less Than or Equal to 0.5 lb./day).

The project's combined total emission increases are compared to the Federal Major Modification Thresholds in the following table.

Federal Major Modification Thresholds for Emission Increases			
Pollutant	Total Emissions Increases (lb./yr.)	Thresholds (lb./yr.)	Federal Major Modification?
NO _x *	0	0	No
VOC*	0	0	No
PM ₁₀	0	30,000	No
PM _{2.5}	0	20,000	No
SO _x	0	80,000	No

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

Since there is no increase emissions, this project does not constitutes a Federal Major Modification, and no further analysis is required.

9. Quarterly Net Emissions Change (QNEC)

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

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 for the following*:

- 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 a Major Modification.

*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

Since this engine is a new emissions unit, the daily emissions are compared to the BACT thresholds in the following table:

New Emissions Unit BACT Applicability				
Pollutant	Daily Emissions for unit -56-0 (lb/day)	BACT Threshold (lb/day)	SSPE2 (lb/yr)	BACT Triggered?
NO _x	0.5	> 2.0	n/a	No
SO _x	0.1	> 2.0	n/a	No
PM ₁₀	0.6	> 2.0	n/a	No
CO	9.2	> 2.0 and SSPE2 ≥ 200,000 lb/yr	38,414	No
VOC	0.6	> 2.0	n/a	No

Thus BACT will not be triggered for emissions from the engine for this project.

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

As discussed previously in Section I, this engine is not being relocated from one stationary source to another as a result of this project. Therefore, BACT is not triggered for the relocation of emissions units with a PE > 2 lb/day.

c. Modification of emissions units – Adjusted Increase in Permitted Emissions (AIPE) > 2 lb/day

As discussed previously in Section I, this engine is not being modified as a result of this project. Therefore, BACT is not triggered for the modification of emissions units with an AIPE > 2 lb/day.

d. Major Modification

As discussed previously in Section VII.C.7, this project does not constitute a Major Modification. Therefore BACT is not triggered for a Major Modification.

B. Offsets

Since emergency IC engines are exempt from the offset requirements of Rule 2201, per Section 4.6.2, offsets are not required for this engine, and no offset calculations are required.

C. Public Notification

1. Applicability

Public noticing is required for:

- a. New Major Sources, which is a new facility that is also a Major Source,
- b. Major Modifications,
- c. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- d. Any project which results in the offset thresholds being surpassed, and/or
- e. Any project with an SSPE of greater than 20,000 lb/year for any pollutant.

a. New Major Source

A New Major Source is a new facility, which is also a major source. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.

b. Major Modification

As demonstrated previously in Section VII.C.7, this project does not constitute a Major Modification; therefore, public noticing for Major Modification purposes is not required.

c. PE > 100 lb/day

As discussed previously in Section I, for this project there is no installation of a new emissions unit with a PE > 100 lb/day for any criteria pollutant; therefore public noticing for new emissions unit with a Potential to Emit greater than 100 lb/day for any one pollutant is not required.

d. Offset Threshold

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

Offset Threshold				
Pollutant	SSPE1 (lb/yr)	SSPE2 (lb/yr)	Offset Threshold (lb/yr)	Public Notice Required?
NO _x	94,666	94,668	20,000	No
SO _x	3,730	3,730	54,750	No
PM ₁₀	17,704	17,707	29,200	No
CO	38,376	38,414	200,000	No
VOC	11,976	11,979	20,000	No

As detailed in the preceding table, there were no offset thresholds surpassed with this project. Therefore, public noticing is not required for this project for surpassing the SSPE2 offset thresholds.

e. 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:

SSIPE Public Notice Threshold					
Pollutant	SSPE2 (lb/yr)	SSPE1 (lb/yr)	SSIPE (lb/yr)	SSIPE Threshold (lb/yr)	Public Notice Required?
NO _x	94,668	94,666	2	20,000	No
SO _x	3,730	3,730	0	20,000	No
PM ₁₀	17,707	17,704	3	20,000	No
CO	38,414	38,376	38	20,000	No
VOC	11,979	11,976	3	20,000	No

As detailed in the preceding table, there were no SSIPE thresholds surpassed with this project. Therefore, public noticing is not required for exceeding the SSIPE thresholds.

2. Public Notice Action

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

In addition, this facility is a Title V facility and has requested that the ATC issued as a result of this project be issued with a COC (as discussed previously in Section I). Therefore, COC notice documents will be submitted to the Environmental Protection Agency (EPA) prior to the issuance of the ATC for this equipment.

D. Daily Emissions Limits

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. For this emergency standby IC engine, the DELs are stated in the form of emission factors, the maximum engine horsepower rating, and the maximum operational time of 24 hours per day. Therefore, the following condition (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

- {edited 3501} Emissions from this IC engine shall not exceed any of the following limits: 0.05g-NO_x/bhp-hr, 0.063 g-PM₁₀/bhp-hr, 0.92 g-CO/bhp-hr, or 0.06 g-VOC/bhp-hr. [District Rule 2201]
- {3491} This IC engine shall be fired on Public Utility Commission (PUC) regulated natural gas only. [District Rules 2201 and 4801]

In addition, the DELs for NO_x, SO_x, PM₁₀, CO, and VOC emissions are established by having a three-way catalyst installed on the engine, an oxidation catalyst installed on the engine, and the type or types of fuel being combusted in the engine. Therefore, the following conditions will be listed on the ATC to ensure compliance:

- {3493} This IC engine shall be equipped with a three-way catalyst and shall be fired on natural gas fuel only. [District Rule 2201]

E. Compliance Assurance

1. Source Testing

Pursuant to District Policy APR 1705, source testing is not required for emergency standby IC engines to demonstrate compliance with Rule 2201.

2. Monitoring

No monitoring is required to demonstrate compliance with Rule 2201.

3. Recordkeeping

Recordkeeping is required to demonstrate compliance with the offset, public notification, and daily emission limit requirements of Rule 2201. As required by District Rule 4702, *Stationary Internal Combustion Engines - Phase 2*, this IC engine is subject to recordkeeping requirements. Recordkeeping requirements, in accordance with District Rule 4702, will be discussed in Section VIII, *District Rule 4702*, of this evaluation.

4. Reporting

No reporting is required to ensure 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. As discussed previously in the proposal section, the facility has applied for a Certificate of Conformity (COC). Therefore, the following conditions will be listed on the ATC:

- {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 NSR Rule]
- {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]

In addition, 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.

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 reciprocating natural gas-fired IC engines.

Rule 4101 Visible Emissions

Rule 4101 states that no air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. Therefore, the following condition will be listed on the ATC to ensure compliance:

- {15} No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]

Rule 4102 Nuisance

Rule 4102 states that no air contaminant shall be released into the atmosphere which causes a public nuisance. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, the following condition will be listed on the ATC to ensure compliance:

- {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 - Risk Management Policy for Permitting New and Modified Sources (dated 3/2/01) 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.

Therefore pursuant to the policy, a risk management review has been performed for this project to analyze the impact of toxic emissions. For projects where the increase in cancer risk is greater than one per million, Toxic Best Available Control Technology (T-BACT) is required.

The HRA results for this project are shown below (see the HRA Summary in Appendix A):

HRA Results				
Unit	Acute Hazard Index	Chronic Hazard Index	Cancer Risk	T-BACT Required?
S-377-56-0	0.02	0.00	0.01(10 ⁶)	No

As demonstrated previously, T-BACT is not required for this project because the HRA indicates that the risk is not above the District's thresholds for triggering T-BACT requirements; therefore, compliance with the District's Risk Management Policy is expected.

District policy APR 1905 also specifies that the increase in emissions associated with a proposed new source or modification not have acute or chronic indices, or a cancer risk greater than the District's significance levels (i.e. acute and/or chronic indices greater than 1 and a cancer risk greater than 10 in a million). As outlined by the HRA Summary in Appendix A of this report, the emissions increases for this project was determined to be less than significant.

Unit # 56-0

1. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
2. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed **100** hours per calendar year. [District Rule 4702]

Rule 4201 Particulate Matter Concentration

Particulate matter emissions from the engine will be less than or equal to the rule limit of 0.1 grain per cubic foot of gas at dry standard conditions as shown by the following:

$$0.1 \frac{g - PM_{10}}{bhp - hr} \times \frac{1g - PM}{0.96g - PM_{10}} \times \frac{1bhp - hr}{2,542.5 Btu} \times \frac{10^6 Btu}{8,578 dscf} \times \frac{0.35 Btu_{out}}{1 Btu_{in}} \times \frac{15.43 grain}{g} = 0.0258 \frac{grain - PM}{dscf}$$

Since 0.0258 grain-PM/dscf is \leq to 0.1 grain per dscf, compliance with Rule 4201 is expected.

- {14} Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

Rule 4701 Internal Combustion Engines – Phase 1

Pursuant to Section 7.6.3.3 of District Rule 4702, as of June 1, 2006 District Rule 4701 is no longer applicable to natural gas-fired emergency standby or emergency IC engines. Therefore, this natural gas-fired emergency IC engine will comply with the requirements of District Rule 4702 and no further discussion is required.

Rule 4702 Internal Combustion Engines – Phase 2

The purpose of this rule is to limit the emissions of nitrogen oxides (NO_x), carbon monoxide (CO), and volatile organic compounds (VOC) from internal combustion engines.

This rule applies to any internal combustion engine with a rated brake horsepower greater than 50 horsepower.

Pursuant to Section 4.2, except for the requirements of Sections 5.7 and 6.2.3, the requirements of this rule shall not apply to an internal combustion engine that meets the following condition:

- 1) An emergency standby engine as defined in Section 3.0 of this rule, and provided that it is operated with a nonresettable elapsed operating time meter. In lieu of a nonresettable time meter, the owner of an emergency engine may use an alternative device, method, or technique, in determining operating time provided that the alternative is approved by the APCO. The owner of the engine shall properly maintain and operate the time meter or alternative device in accordance with the manufacturer's instructions.

Section 3.15 defines an "Emergency Standby Engine" as an internal combustion engine which operates as a temporary replacement for primary mechanical or electrical power during an unscheduled outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the

operator. An engine shall be considered to be an emergency standby engine if it is used only for the following purposes: (1) periodic maintenance, periodic readiness testing, or readiness testing during and after repair work; (2) unscheduled outages, or to supply power while maintenance is performed or repairs are made to the primary power supply; and (3) if it is limited to operate 100 hours or less per calendar year for non-emergency purposes. An engine shall not be considered to be an emergency standby engine if it is used: (1) to reduce the demand for electrical power when normal electrical power line service has not failed, or (2) to produce power for the utility electrical distribution system, or (3) in conjunction with a voluntary utility demand reduction program or interruptible power contract.

Therefore, the emergency standby IC engine involved with this project will only have to meet the requirements of Sections 5.7 and 6.2.3 of this Rule.

Section 5.7 of this Rule requires that the owner of an emergency standby engine shall comply with the requirements specified in Section 5.7.2 through Section 5.7.5 below:

- 1) Properly operate and maintain each engine as recommended by the engine manufacturer or emission control system supplier.
- 2) Monitor the operational characteristics of each engine as recommended by the engine manufacturer or emission control system supplier.
- 3) Install and operate a nonresettable elapsed operating time meter. In lieu of installing a nonresettable time meter, the owner of an engine may use an alternative device, method, or technique, in determining operating time provided that the alternative is approved by the APCO and is allowed by Permit-to-Operate or Stationary Equipment Registration condition. The owner of the engine shall properly maintain and operate the time meter or alternative device in accordance with the manufacturer's instructions.

Therefore, the following conditions will be listed on the ATC to ensure compliance:

- {3405} This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702]
- {3478} During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702]

- {3404} This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702]
- {3807} An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702]
- {3808} This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702]
- {3806} This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 100 hours per calendar year. [District Rule 4702]

Section 6.2.3 requires that an owner claiming an exemption under Section 4.2 or Section 4.3 shall maintain annual operating records. This information shall be retained for at least five years, shall be readily available, and submitted to the APCO upon request and at the end of each calendar year in a manner and form approved by the APCO. Therefore, the following condition (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

- {3496} The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702]
- {3497} All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 4702]

Rule 4801 Sulfur Compounds

Rule 4801 requires that sulfur compound emissions (as SO₂) shall not exceed 0.2% by volume. Using the ideal gas equation, the sulfur compound emissions are calculated as follows:

$$\text{Volume SO}_2 = (n \times R \times T) \div P$$

n = moles SO₂

T (standard temperature) = 60 °F or 520 °R

R (universal gas constant) = $\frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb} \cdot \text{mol} \cdot ^\circ\text{R}}$

$$2.85 \quad \frac{\text{lb} - S}{\text{MMscf} - \text{gas}} \times \frac{1 \text{ scf} - \text{gas}}{1,000 \text{ Btu}} \times \frac{1 \text{ MMBtu}}{8,578 \text{ scf}} \times \frac{1 \text{ lb} - \text{mol}}{64 \text{ lb} - S} \times \frac{10.73 \text{ psi} - \text{ft}^3}{\text{lb} - \text{mol} - ^\circ\text{R}} \times \frac{520^\circ\text{R}}{14.7 \text{ psi}} \times 1,000,000 = 1.97 \quad \text{ppmv}$$

Since 1.97 ppmv is \leq 2,000 ppmv, this engine is expected to comply with Rule 4801. Therefore, the following condition (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

- {3491} This IC engine shall be fired on Public Utility Commission (PUC) regulated natural gas only. [District Rules 2201 and 4801]

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.

Title 17 California Code of Regulations (CCR), Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines

This regulation applies to any new or in-use stationary diesel-fueled compression ignition (CI) emergency standby engine. The engine involved with this project is fired on natural gas and is not compression ignited. Therefore, this regulation is not applicable to the engine involved with this project.

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.

- 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.

Consistent with California Environmental Quality Act (CEQA) and CEQA Guidelines requirements, the San Joaquin Valley Air Pollution Control District (District) has adopted procedures and guidelines for implementing CEQA. The District's Environmental Review Guidelines (ERG) establishes procedures for avoiding unnecessary delay during the District's permitting process while ensuring that significant environmental impacts are thoroughly and consistently addressed. The ERG includes policies and procedures to be followed when processing permits for projects that are exempt under CEQA.

The State Legislature granted a number of exemptions from CEQA, including projects that require only ministerial approval. Based upon analysis of its own laws and consideration of CEQA provisions, the District has identified a limited number of District permitting activities considered to be ministerial approvals. As set forth in §4.2.1 of the ERG, projects permitted consistent with the District's *Guidelines for Expedited Application Review* (GEAR) are standard application reviews in which little or no discretion is used in issuing Authority to Construct (ATC) documents.

For the proposed project, the District performed an Engineering Evaluation (this document) and determined that the project qualifies for processing under the procedures set forth in the District's Permit Services Procedures Manual in the Guidelines for Expedited Application Review (GEAR). Thus, as discussed above, this issuance of such ATC(s) is a ministerial approval for the District and is not subject to CEQA provisions.

IX. Recommendation

Pending a successful EPA 45-day COC comment period, issue Authority to Construct S-377-56-0 subject to the permit conditions on the attached draft Authority to Construct in Appendix D.

X. Billing Information

Billing Schedule			
Permit Number	Fee Schedule	Fee Description	Fee Amount
S-377-56-0	3020-10-B	189 bhp IC engine	\$117.00

List of Appendixes

- A. HRA Summary
- B. SSPE1 Calculations
- C. QNEC Calculations
- D. Draft ATC and Emissions Profile

Appendix A
HRA Summary

San Joaquin Valley Air Pollution Control District Risk Management Review

To: William Jones – Permit Services
 From: Yu Vu – Technical Services
 Date: July 28, 2014
 Facility Name: Paramount Farms
 Location: 13646 Highway 33, Lost Hills, CA 93249
 Application #(s): S-377-56-0
 Project #: S-1143162

A. RMR SUMMARY

RMR Summary			
Categories	NG-Fired IC Engine (Unit 56-0)	Project Totals	Facility Totals
Prioritization Score	0.15	0.15	>1.0
Acute Hazard Index	0.02	0.02	0.18
Chronic Hazard Index	0.00	0.00	0.57
Maximum Individual Cancer Risk (10^{-6})	0.01	0.01	0.51
T-BACT Required?	No		
Special Permit Conditions?	Yes		

Proposed Permit Conditions

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

Unit # 56-0

3. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
4. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed **100** hours per calendar year. [District Rule 4702]

B. RMR REPORT

I. Project Description

Technical Services received a request on July 24, 2014, to perform a Risk Management Review for a proposed installation of a 189 hp natural gas-fired emergency IC engine powering an electrical generator.

II. Analysis

Technical Services performed a prioritization using the District's HEARTs database. Since the total facility prioritization score was greater than one, a refined health risk assessment was required. Emissions calculated using Ventura County emission factors for internal combustion of natural gas (4 stroke rich burn and uncontrolled) were input into the HEARTs database. The AERMOD model was used, with the parameters outlined below and meteorological data for 2005-2009 from Bakersfield to determine the dispersion factors (i.e., the predicted concentration or X divided by the normalized source strength or Q) for a receptor grid. These dispersion factors were input into the Hot Spots Analysis and Reporting Program (HARP) risk assessment module to calculate the chronic and acute hazard indices and the carcinogenic risk for the project.

The following parameters were used for the review:

Analysis Parameters Unit 56-0			
Source Type	Point	Location Type	Rural
Stack Height (m)	3.658	Closest Receptor (m)	~1860
Stack Diameter. (m)	0.064	Type of Receptor	Business
Stack Exit Velocity (m/s)	179.723	Max Hours per Year	8760
Stack Exit Temp. (°K)	949.817	Fuel Type	NG
Engine Rating (bhp)	189		

III. Conclusion

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

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

These conclusions are based on the data provided by the applicant and the project engineer. Therefore, this analysis is valid only as long as the proposed data and parameters do not change.

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

Appendix B
SSPE1 Calculations

Detailed SSPE Report

Region	Facility	Unit	Mod	NOx	SOx	PM10	CO	VOC	Number of Outstanding ATCs
S	377	0	3						0
S	377	3	25	25376	869	1569	6405	1159	0
S	377	9	6	0	0	0	0	402	0
S	377	19	28	32448	1112	5650	15501	1482	1
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	39	5	499	17	30	126	35	0
S	377	40	13	4273	221	416	1496	376	1
S	377	41	3	0	0	0	0	0	1
S	377	43	2	0	0	0	0	1278	1
S	377	44	2	0	0	0	0	1278	1
S	377	45	2	0	0	0	0	1278	1
S	377	46	2	0	0	0	0	1278	1
S	377	47	6	832	29	28	210	39	0
S	377	49	3	0	0	376	0	1539	0
S	377	50	3	13728	470	2652	3465	627	0
S	377	52	0	0	0	5621	0	0	0
S	377	54	1	182	0	4	27	7	0
SSPE (lbs)				94666	3730	17704	38376	11976	

Sunday, July 27, 2014

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 C
QNEC Calculations

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:

$QNEC = PE2 - BE$, where:

- QNEC = Quarterly Net Emissions Change for each emissions unit, lb/qtr.
- PE2 = Post Project Potential to Emit for each emissions unit, lb/qtr.
- BE = Baseline Emissions (per Rule 2201) for each emissions unit, lb/qtr.

Using the values in Sections VII.C.2 and VII.C.6 in the evaluation above, $PE2_{quarterly}$ and $BE_{quarterly}$ can be calculated as follows:

Quarterly Post Project Emissions		
Pollutant	PE2 Total (lb/yr)	Quarterly PE2 (lb/qtr)
NO _x	2	0.5
SO _x	0	0.0
PM ₁₀	3	0.8
CO	38	9.5
VOC	3	0.8

$$\begin{aligned} BE_{quarterly} &= BE_{annual} \div 4 \text{ quarters/year} \\ &= 0 \text{ lb/year} \div 4 \text{ qtr/year} \\ &= 0 \text{ lb/qtr (for all criteria pollutants)} \end{aligned}$$

Appendix D
Draft ATC and Emissions Profile

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT

PERMIT NO: S-377-56-0

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:

189 BHP (INTERMITTENT) OLYMPIAN MODEL G130LG RICH-BURN NATURAL GAS-FIRED EMERGENCY STANDBY IC ENGINE WITH NON-SELECTIVE CATALYTIC REDUCTION (NSCR) POWERING AN ELECTRICAL GENERATOR

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. {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
4. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 100 hours per calendar year. [District Rule 4702] Federally Enforceable Through Title V Permit
5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
6. Emissions from this IC engine shall not exceed any of the following limits: 0.05 g-NOx/bhp-hr, 0.022 g-PM10/bhp-hr, 0.92g-CO/bhp-hr, or 0.06 g-VOC/bhp-hr. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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

Arnaud Marjollet, Director of Permit Services

S-377-56-0 : Aug 15 2014 1:23PM -- JONESW : Joint Inspection NOT Required

8. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
9. This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702] Federally Enforceable Through Title V Permit
10. An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702] Federally Enforceable Through Title V Permit
11. This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702] Federally Enforceable Through Title V Permit
12. {3493} This IC engine shall be equipped with a three-way catalyst and shall be fired on natural gas fuel only. [District Rule 2201]
13. This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702] Federally Enforceable Through Title V Permit
14. During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702] Federally Enforceable Through Title V Permit
15. The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702 and 17 CCR 93115] Federally Enforceable Through Title V Permit
16. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 4702] Federally Enforceable Through Title V Permit

DRAFT

Permit #: S-377-56-0	Last Updated
Facility: PARAMOUNT FARMS	07/27/2014 JONESW

Equipment Pre-Baselined: NO

	<u>NOX</u>	<u>SOX</u>	<u>PM10</u>	<u>CO</u>	<u>VOC</u>
Potential to Emit (lb/Yr):	2.0	3.0	1.0	38.0	3.0
Daily Emis. Limit (lb/Day)	0.5	0.6	0.2	9.2	0.6
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	1.0	1.0	0.0	10.0	1.0
Q2:	1.0	1.0	0.0	10.0	1.0
Q3:	1.0	1.0	0.0	10.0	1.0
Q4:	1.0	1.0	0.0	10.0	1.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					