



DEC - 9 2009

Rance Danell
Danell Brothers, Inc dba DB2 Dairy
8265 Hanford-Armona Rd
Hanford, CA 93230-9344

**RE: Notice of Final Action - Authority to Construct
Project Number: C-1092921**

Dear Mr. Danell:

The Air Pollution Control Officer has issued Authority to Construct permits to Danell Brothers, Inc dba DB2 Dairy for construction of a 3,000 milk cows (6,840 total head) dairy operation, at 19765 13th Avenue near Hanford, CA (Mt. Diablo Meridian T 20S, R 21E, Sec 15 in Kings County). This project authorized reissuance of the previously issued ATC permits for the dairy at this site, which were issued under Project C-1050519. The current project will reduce the previously approved herd size from 4,800 milk cow (10,944 total head) to 3,000 milk cows (6,840 total head) and will result in a reduced herd size and reduced emissions in comparison to the previous approval. Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue this Authority to Construct was published on September 25, 2009. The District's analysis of the proposal was also sent to CARB on September 22, 2009. All comments received following the District's preliminary decision on this project were considered. Responses to the specific comments received have been attached.

Also enclosed is an invoice for the engineering evaluation fees pursuant to District Rule 3010. Please remit the amount owed, along with a copy of the attached invoice, within 60 days.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-5900.

Sincerely,



David Warner
Director of Permit Services

DW:rn

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585



DEC - 9 2009

Mike Tollstrup, Chief
Project Assessment Branch
Stationary Source Division
California Air Resources Board
PO Box 2815
Sacramento, CA 95812-2815

RE: Notice of Final Action - Authority to Construct
Project Number: C-1092921

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to Danell Brothers, Inc dba DB2 Dairy for construction of a 3,000 milk cows (6,840 total head) dairy operation, at 19765 13th Avenue near Hanford, CA (Mt. Diablo Meridian T 20S, R 21E, Sec 15 in Kings County). This project authorized reissuance of the previously issued ATC permits for the dairy at this site, which were issued under Project C-1050519. The current project will reduce the previously approved herd size from 4,800 milk cow (10,944 total head) to 3,000 milk cows (6,840 total head) and will result in a reduced herd size and reduced emissions in comparison to the previous approval. Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue this Authority to Construct was published on September 25, 2009. The District's analysis of the proposal was also sent to CARB on September 22, 2009. All comments received following the District's preliminary decision on this project were considered. Responses to the specific comments received have been attached.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-5900.

Sincerely,



David Warner
Director of Permit Services

DW:rn

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

Hanford Sentinel

**NOTICE OF FINAL ACTION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS**

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued Authority to Construct permits to Danell Brothers, Inc dba DB2 Dairy for construction of a 3,000 milk cows (6,840 total head) dairy operation, at 19765 13th Avenue near Hanford, CA (Mt. Diablo Meridian T 20S, R 21E, Sec 15 in Kings County). This project authorized reissuance of the previously issued ATC permits for the dairy at this site, which were issued under Project C-1050519. The current project will reduce the previously approved herd size from 4,800 milk cow (10,944 total head) to 3,000 milk cows (6,840 total head) and will result in a reduced herd size and reduced emissions in comparison to the previous approval.

All comments received following the District's preliminary decision on this project were considered.

The application review for Project #C-1092921 is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the **SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG AVENUE, FRESNO, CA 93726.**

San Joaquin Valley Air Pollution Control District Responses to Comments on Preliminary Decisions to Issue Authority to Construct (ATC) Permits to: Danell Brothers DB2 Dairy (Project C-1092921)

On October 21, 2009, the San Joaquin Valley Air Pollution Control District (District) received a comment letter from Lauren Richter, staff assistant for the Center on Race, Poverty and the Environment (CRPE) and the Association of Irrigated Residents (AIR) regarding the District's preliminary decision to issue ATC permits for the above referenced project. The project is for reissuance of the previously issued ATC permits for a new dairy at the site with a reduced herd size and will result in reduced emissions in comparison to the previous approval. Below is a summary of the comments received and the District's responses.

CRPE/AIR COMMENT #1:

"District Rule 2201 Requires these Dairies Obtain VOC Offsets"

"The current SIP-approved version of Rule 2201 requires a new or modified stationary source of air pollution or emissions unit to purchase offsets for VOC when emissions exceed 10 tons per year..."

"The U.S. Environmental Protection Agency has proposed to correct a purported "mistake" in EPA's approval of the December 19, 2002 version of Rule 2201, but has not finalized that rule. See 73 Fed. Reg. 9260 (Feb. 20, 2008). Unless and until the SIP is amended, the District must comply with Federal law."

DISTRICT RESPONSE #1:

The District does not agree that offsets are required for the proposed project under District Rule 2201. Section 4.6.9 of District Rule 2201 (amended 9/21/06) exempts agricultural operations from providing or generating offsets in accordance with CA Health and Safety Code, section 42301.18(c), and EPA has recently proposed approval of this rule into the State Implementation Plan (SIP). Additionally, EPA has proposed to clarify the SIP approval of the previous versions of District Rules 2020 and 2201 to remove the erroneous misconceptions that these rules were intended to, or even could, grant the District broader permitting authority over agricultural sources than that granted by California State Law under SB 700. In fact, although the rules were submitted to EPA in time for earlier approval, EPA could not and did not approve these rules until after the passage of SB 700 since it was clearly understood that the rules were subject to the constraints of state law. SB 700 and District Rule 2201 prohibit the District from requiring offsets for agricultural sources unless those sources are allowed to generate emission reduction credits. Since there are currently no criteria or protocol for verifying emission reductions are permanent or surplus, the District does not allow such sources to generate emission reduction credits at this time. Therefore, under State law and

District regulation, the District is prohibited from requiring offsets for increases in emissions at dairies until such time as the District develops a protocol for banking voluntary emissions reduction credits at dairies. Work on such a protocol is proceeding. The first public meeting regarding the banking of emission reduction credits at dairies has already been held. After the protocol for banking dairy emissions reductions has been workshopped through the public process and approved by the District's board and oversight agencies, the District will begin requiring offsets for such increases, as allowed by state law.

The commenter states that until EPA amends the SIP, Federal law requires agricultural sources to obtain offsets. The District does not agree that EPA's proposed actions amount to an amendment of the SIP. Rather, as stated above, the proposed actions are meant to clarify and make explicit the fact that the previous SIP approvals were always intended to be and have always been understood to be consistent with state law limits on the permitting requirements applicable to minor agricultural sources. The District believes that the record regarding the previous SIP approvals demonstrates this fact unequivocally.

CRPE/AIR COMMENT #2:

"Danell Brothers DB2 Dairy Exceeds the Threshold to Trigger Offsets."

"Based on the Authority to Construct Application Review for Danell Brothers DB2 Dairy, the dairy would sufficiently increase emissions of VOC so as to trigger the duty to obtain offsets pursuant to section 4.5 of District Rule 2201..."

DISTRICT RESPONSE #2:

The District agrees that VOC emissions from this dairy exceeds the offset threshold; however, this dairy is currently exempt from providing offsets. (See District Response to CRPE/AIR Comment #1)

CRPE/AIR COMMENT #3:

"Danell Brothers DB2 Dairy is a Major Source of Methanol and thus the District Must Require MACT."

"The Danell Brothers DB2 Dairy emits methanol (also known as wood alcohol) from cows' enteric emissions, freshly excreted manure, and decomposing feed stored at the dairy. Methanol is on the Clean Air Act § 112(b) list of hazardous air pollutants ("HAP"). The U.S. Environmental Protection Agency ("EPA") has cited numerous potential human health risks from methanol exposure.... Methanol is also a volatile organic compound ("VOC") which forms low-level ozone..."

"Only considering the enteric emissions of lactating and dry cows, based on Dr. Mitloehner's 2006 research for the Air Resources Board, the dairy has methanol emissions of 5.95 tons per year. ..."

DISTRICT RESPONSE #3:

The District does not agree that the referenced dairy is a major source of hazardous air pollutants (HAPs) subject to the MACT requirements of the Federal Clean Air Act, Section 112(g) (administered locally through SJVAPCD Rule 2550, *Federally Mandated Preconstruction Review for Major Sources of Air Toxics*). Under Rule 2550, newly constructed facilities or reconstructed units or sources¹ at existing facilities would be subject to the preconstruction review requirements if they have the potential to emit hazardous air pollutants (air toxics) in "major" amounts (10 tons or more of an individual pollutant or 25 tons or more of a combination of pollutants) and the new units are not already subject to a standard promulgated under Section 112(d), 112(j), or 112(h) of the Clean Air Act."

As discussed in Section VIII – Compliance, Rule 2550 of the application evaluation, based on the current dairy emission factors, emissions of each individual HAP from the dairy are expected to be below 10 tons per year and total HAP emissions from the dairy are also expected to be below 25 tons per year. Therefore, this facility will not be a major air toxics source and the provisions of Rule 2550 do not apply. Although the District does not agree that the proposed project is subject to the MACT requirements of District Rule 2550, the project will be subject to the BACT requirements of District Rule 2201. Because BACT will be applied to reduce VOC emissions and the majority of HAPs emitted from dairies are also VOCs, significant HAP reductions are expected and BACT for VOC emissions would satisfy the MACT requirements if they were applicable.

There are several recently completed and ongoing research studies that will be considered in future revisions of the current emission factors for dairies, including the study conducted by Dr. Mitloehner of UC Davis, which was referenced in the comment letter. These studies have not been fully vetted or reviewed in the context of establishing standardized emission factors. For example, although the cited study measured a high methanol emissions rate from fresh manure, in the study report Dr. Mitloehner also indicates that the flushing of manure may significantly reduce alcohol emissions, including methanol. Additionally, there have been other studies that have measured significantly lower methanol emissions using similar experimental conditions but different analytical methods. For instance, Dr. Mitloehner's earlier environmental chamber study using Proton-Transfer-Reaction Mass Spectrometry (PTRMS)² measured significantly lower methanol emissions than the later environmental chamber study using the INNOVA photo-acoustic analyzer. This was true although the

¹ "Reconstruction" is defined as a change that costs 50 percent of the cost of constructing a new unit or source similar to the one being rebuilt.

² Shaw, S.L., F.M. Mitloehner, W.A. Jackson, E. DePeters, R. Holzinger, J. Fadel, P. Robinson, and A.H. Goldstein. 2007. Volatile organic compound emissions from dairy cows and their waste as measured by proton transfer reaction - mass spectrometry. *Env. Sci. Technol.* 41:1310-1316.

experimental conditions were largely identical. Last year, Dr Mitloehner began conducting a detailed validation study of the emission measurement instruments to resolve this discrepancy. Although the INNOVA analyzer is an EPA and ARB-approved device for measuring alcohol emissions, Dr. Mitloehner's study found that there are significant interferences with ammonia when measuring alcohols when the INNOVA analyzer does not include an ammonia filter. Because the INNOVA analyzer in Dr. Mitloehner's earlier study did not include an ammonia filter, ammonia emissions measured in the chamber were incorrectly identified as alcohol emissions. Therefore, the alcohol measurements from this study cannot be considered reliable. Dr Mitloehner is continuing his research into this issue and will likely amend the published study with his new results when he is done.

Future review of the latest studies may indeed result in a change in the current emission factors and/or control efficiencies for various practices and controls, but until that scientific review process is complete and the District has had opportunity to consider public comments on any proposed changes, the premature, and therefore potentially flawed, use of such emissions data would be inconsistent with good governance and good science.



AUTHORITY TO CONSTRUCT

PERMIT NO: C-6817-1-1

ISSUANCE DATE: 12/07/2009

LEGAL OWNER OR OPERATOR: DANELL BROTHERS, INC DBA DB 2 DAIRY
MAILING ADDRESS: 8265 HANFORD-ARMONA RD
HANFORD, CA 93230-9344

LOCATION: SE+SW CORNER OF LAUREL AVENUE AND 13TH AVE
HANFORD, CA

EQUIPMENT DESCRIPTION:
3,000 COW MILKING OPERATION INCLUDING ONE DOUBLE-52 (104 STALL) PARALLEL MILKING PARLOR

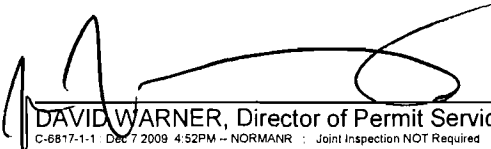
CONDITIONS

1. ATC C-6817-1-0 will be canceled upon issuance of this ATC. [District Rule 2201]
2. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 1070]
3. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 1070]
4. If a licensed veterinarian, a certified nutritionist, the California Department of Food and Agriculture (CDFA), or the United States Department of Agriculture (USDA) determines that any VOC mitigation measure (with a Rule 4570 reference) is detrimental to animal health and needs to be suspended, the Permittee must notify the District in writing within forty-eight (48) hours of the determination including the duration and the specific health condition requiring the mitigation measure to be suspended. If the situation is expected to exist longer than a thirty-day (30) period, the owner/operator shall submit a new emission mitigation plan designating a mitigation measure to be implemented in lieu of the suspended mitigation measure. [District Rule 2201 and Rule 4570]
5. The milking parlor shall be flushed or sprayed down immediately after, or during the milking of each group of cows. [District Rules 2201 and 4570]
6. Permittee shall provide verification that milking parlors are flushed or hosed down immediately after, or during each milking. [District Rules 2201 and 4570]

CONDITIONS CONTINUE ON NEXT PAGE

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

Seyed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
C-6817-1-1 Dec 7 2009 4:52PM - NORMANR : Joint Inspection NOT Required

7. All records shall be kept and maintained for a minimum of five (5) years and shall be made available to the APCO, ARB and EPA upon request. [District Rules 1070 and 4570]
8. This permit does not authorize the violation of any conditions established for this facility (e.g. maximum number of animals or animal units, construction requirements, etc.) in the Conditional Use Permit (CUP), Special Use Permit (SUP), Site Approval, Site Plan Review (SPR), or other approval documents issued by a local, state, or federal agency. [District Rules 2070 and 2080]



AUTHORITY TO CONSTRUCT

PERMIT NO: C-6817-2-1

ISSUANCE DATE: 12/07/2009

LEGAL OWNER OR OPERATOR: DANELL BROTHERS, INC DBA DB 2 DAIRY

MAILING ADDRESS: 8265 HANFORD-ARMONA RD
HANFORD, CA 93230-9344

LOCATION: SE+SW CORNER OF LAUREL AVENUE AND 13TH AVE
HANFORD, CA

EQUIPMENT DESCRIPTION:

3,000 MILK COWS AND 600 DRY COWS HOUSED IN 10 FREESTALL BARNS WITH A FLUSH SYSTEM, 1,350 LARGE HEIFERS (15-24 MONTHS), 1,080 MEDIUM HEIFERS (7-14 MONTHS), 540 SMALL HEIFERS (3-6 MONTHS) HOUSED IN OPEN CORRALS WITH SHADE STRUCTURES AND A FLUSH SYSTEM; AND 270 CALVES (UNDER 3 MONTHS) HOUSED IN CALF HUTCHES WITH A FLUSH SYSTEM, INCLUDING SPECIAL NEEDS HOUSING


CONDITIONS

1. ATC C-6817-2-0 will be canceled upon issuance of this ATC. [District Rule 2201]
2. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 1070]
3. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 1070]
4. If a licensed veterinarian, a certified nutritionist, the California Department of Food and Agriculture (CDFA), or the United States Department of Agriculture (USDA) determines that any VOC mitigation measure (with a Rule 4570 reference) is detrimental to animal health and needs to be suspended, the Permittee must notify the District in writing within forty-eight (48) hours of the determination including the duration and the specific health condition requiring the mitigation measure to be suspended. If the situation is expected to exist longer than a thirty-day (30) period, the owner/operator shall submit a new emission mitigation plan designating a mitigation measure to be implemented in lieu of the suspended mitigation measure. [District Rule 2201 and Rule 4570]

CONDITIONS CONTINUE ON NEXT PAGE

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

Seyed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
C-6817-2-1; Dec 7 2009 4:52PM - NORMANR : Joint Inspection NOT Required

5. The total number of cattle housed at this dairy at any one time shall not exceed any of the following: 3,000 Holstein milk cows; 600 dry cows; 1,350 heifers (15-24 months); 1,080 heifers (7-14 months); 540 heifers (3-6 months); and 270 calves (under 3 months). [District Rule 2201]
6. Milk cows and dry cows shall be housed in freestall barns. [District Rule 2201]
7. The freestall and corral feed lanes and walkways at this dairy shall be constructed of concrete. [District Rule 2201]
8. The feed lanes and walkways for milk cows and dry cows at this dairy shall be flushed at least four times per day. The feed lanes and walkways for the remaining animals at this dairy shall be flushed at least two times per day. [District Rules 2201 and 4570]
9. Permittee shall maintain an operating plan that requires the feed lanes and walkways for the milk cows and dry cows to be flushed at least four times per day and the feed lanes and walkways for the remaining animals to be flushed at least two times per day. [District Rules 2201 and 4570]
10. All animals at this dairy shall be fed in accordance with the National Research Council (NRC) guidelines utilizing routine dairy nutritionist analyses of rations. [District Rule 2201]
11. Permittee shall maintain records of feed content, formulation, and quantity of feed additive utilized, to demonstrate compliance with National Research Council (NRC) guidelines. Records such as feed company guaranteed analyses (feed tags), ration sheets, or feed purchase records may be used to meet this requirement. [District Rules 2201 and 4570]
12. At least one of the feedings of the heifers at this dairy shall be near (within one hour of) dusk. [District Rule 2201]
13. Uneaten feed shall be re-fed to animals or removed from the area where animals stand to eat feed on a daily basis to prevent decomposition. Uneaten feed shall be properly disposed after removal. [District Rules 2201 and 4570]
14. Permittee shall maintain records sufficient to demonstrate that uneaten feed was removed from the feed lanes and properly disposed each day. [District Rules 2201 and 4570]
15. Permittee shall slope the surface of the pens at least 3% where the available space for each animal is 400 square feet or less and shall slope the surface of the pens at least 1.5% where the available space for each animal is more than 400 square feet per animal. [District Rules 2201 and 4570]
16. Permittee shall maintain records to demonstrate that the surface of the pens are sloped properly. [District Rule 2201 and 4570]
17. Open corrals at this dairy shall be equipped with shade structures. [District Rule 2201]
18. Permittee shall install all shade structures uphill of any slope in the corral. [District Rules 2201 and 4570]
19. Open corrals and exercise pens shall be scraped weekly using a pull-type scraper in the morning hours, except when this is prevented by wet conditions. Pens/open corrals shall be sufficiently groomed to maintain a dry surface, except during periods of rainy weather. [District Rules 2201 and 4570]
20. Inspection for potholes or other sources of emissions shall be performed on a monthly basis. [District Rule 2201]
21. Permittee shall maintain records of the frequency of scraping and manure removal from open corrals and a log of pothole inspections performed at the dairy. [District Rules 2201 and 4570]
22. Firm, stable, and not easily eroded soils shall be used for the exercise pens. [District Rule 2201]
23. A supply of fill soil shall be kept on site in order to fill areas where erosion and gouging occurs. This will help fill areas where puddles may form. This fill soil shall be covered with a tarp. [District Rule 2201]
24. Clean rainfall runoff shall be diverted around exercise pens to reduce the amount of water that is potentially detained on the corral surface. [District Rule 2201]
25. Permittee shall manage corrals such that the animal waste depth in the corral does not exceed twelve (12) inches at any time or point, except for in-corral mounding. [District Rules 2201 and 4570]
26. Permittee shall measure and document the depth of manure in the corrals at least once every ninety (90) days. [District Rules 2201 and 4570]

CONDITIONS CONTINUE ON NEXT PAGE

27. Permittee shall maintain water systems such as overflow water, misters, and any water distribution area. Permittee shall inspect water pipes and troughs and repair leaks at least once every fourteen (14) days. [District Rules 2201 and 4570]
28. Permittee shall record the date that water pipes and troughs are inspected and leaks are repaired. [District Rules 2201 and 4570]
29. Permittee shall maintain daily records of the number of milk cows and dry cows at this dairy and shall maintain weekly records of the number of cows at the dairy in each of the following categories: large heifers (15 to 24 months of age); medium heifers (7 to 14 months of age); small heifers (3 to 6 months); baby calves (under 3 months); and mature bulls. [District Rule 2201]
30. Permittee shall maintain a record of the number of animals of each production group at the Facility and shall maintain quarterly records of any changes to this information. Such records may include DHIA monthly records, milk production invoices, ration sheets or periodic inventory records. [District Rule 4570]
31. All records shall be kept and maintained for a minimum of five (5) years and shall be made available to the APCO, ARB and EPA upon request. [District Rules 1070 & 4570]
32. This permit does not authorize the violation of any conditions established for this facility (e.g. maximum number of animals or animal units, construction requirements, etc.) in the Conditional Use Permit (CUP), Special Use Permit (SUP), Site Approval, Site Plan Review (SPR), or other approval documents issued by a local, state, or federal agency. [District Rules 2070 and 2080]



AUTHORITY TO CONSTRUCT

PERMIT NO: C-6817-3-1

ISSUANCE DATE: 12/07/2009

LEGAL OWNER OR OPERATOR: DANELL BROTHERS, INC DBA DB 2 DAIRY

MAILING ADDRESS: 8265 HANFORD-ARMONA RD
HANFORD, CA 93230-9344

LOCATION: SE+SW CORNER OF LAUREL AVENUE AND 13TH AVE
HANFORD, CA

EQUIPMENT DESCRIPTION:

LIQUID MANURE HANDLING SYSTEM CONSISTING OF ONE MECHANICAL SEPARATOR, ONE 41' X 24' X 20' LIFT STATION FLUSH WATER RECYCLING SUMP, AND ONE 2,263' X 242' X 16' SINGLE-CELL ANAEROBIC TREATMENT LAGOON; MANURE IS LAND APPLIED THROUGH FLOOD IRRIGATION AND FURROW IRRIGATION

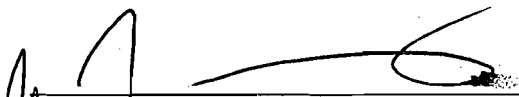
CONDITIONS

1. ATC C-6817-3-0 will be canceled upon issuance of this ATC. [District Rule 2201]
2. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to enter the permittee's premises where a permitted source is located or emissions related activity is conducted, or where records must be kept under condition of the permit. [District Rule 1070]
3. Upon presentation of appropriate credentials, a permittee shall allow an authorized representative of the District to have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit. [District Rule 1070]
4. If a licensed veterinarian, a certified nutritionist, the California Department of Food and Agriculture (CDFA), or the United States Department of Agriculture (USDA) determines that any VOC mitigation measure (with a Rule 4570 reference) is detrimental to animal health and needs to be suspended, the Permittee must notify the District in writing within forty-eight (48) hours of the determination including the duration and the specific health condition requiring the mitigation measure to be suspended. If the situation is expected to exist longer than a thirty-day (30) period, the owner/operator shall submit a new emission mitigation plan designating a mitigation measure to be implemented in lieu of the suspended mitigation measure. [District Rule 2201 and Rule 4570]

CONDITIONS CONTINUE ON NEXT PAGE

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

Seyed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
C-6817-3-1 : Dec 7 2009 4:52PM - NORMANR : Joint Inspection NOT Required

5. The lagoon system shall handle flush manure from no more than 3,000 Holstein milk cows; 600 dry cows; 1,350 heifers (15-24 months); 1,080 heifers (7-14 months); 540 heifers (3-6 months); and 270 calves (under 3 months). [District Rule 2201]
6. Permittee shall remove solids from the waste system with a solid separator system, prior to the waste entering the lagoon(s). [District Rules 2201 and 4570]
7. The lagoon system shall be configured and operated as an anaerobic treatment lagoon in accordance with National Resource Conservation Service (NRCS) California Field Office Technical Guide Code 359 - Waste Treatment Lagoon. [District Rule 2201]
8. Permittee shall maintain records of design specifications and calculations, including Minimum Treatment Volume (MTV) and Hydraulic Retention Time (HRT), for the Anaerobic Treatment Lagoon system in order to demonstrate that the system has been designed and is operating in accordance with the applicable National Resource Conservation Service (NRCS) technical guide. [District Rules 1070 and 2201]
9. To maintain the required minimum treatment volume, the minimum liquid depth in the anaerobic treatment lagoon shall be at least 6 ft at maximum drawdown, unless a different minimum depth is approved in writing by the District and NRCS. Markers shall be installed in the treatment lagoon to indicate the maximum operating level and the maximum drawdown level. [District Rule 2201]
10. Liquid manure used for irrigation of cropland shall only be taken from the anaerobic treatment lagoon. [District Rule 2201]
11. Permittee shall maintain records that only liquid animal waste treated with an anaerobic treatment lagoon is applied to fields. [District Rules 1070 and 2201]
12. Liquid manure from the storage pond shall be mixed with irrigation water at a ratio in compliance with the facility nutrient management plan and applied to cropland at agronomic rates in accordance with the requirements of Regional Water Quality Control Board. [District Rule 2201]
13. Permittee shall not allow liquid animal waste to stand in the fields for more than twenty-four (24) hours after irrigation. [District Rules 2201 and 4570]
14. Permittee shall maintain records to demonstrate liquid animal waste will does not stand in the fields for more than twenty-four (24) hours after irrigation. [District Rules 2201 and 4570]
15. All records shall be kept and maintained for a minimum of five (5) years and shall be made available to the APCO, ARB and EPA upon request. [District Rules 1070 & 4570]
16. Installation of an anaerobic digester may be required for this operation contingent upon the final Dairy BACT Guideline. If the final Dairy BACT Guideline requires the installation of an an anaerobic digester for this operation, the permittee shall install the system in accordance with the timeframes and procedures established by the APCO. [District Rule 2201]
17. This permit does not authorize the violation of any conditions established for this facility (e.g. maximum number of animals or animal units, construction requirements, etc.) in the Conditional Use Permit (CUP), Special Use Permit (SUP), Site Approval, Site Plan Review (SPR), or other approval documents issued by a local, state, or federal agency. [District Rules 2070 and 2080]



San Joaquin Valley
Unified Air Pollution
Control District

Due Date
2/5/2010

Amount Due
\$ 3,879.60

Amount Enclosed

ATCFEE C1092921
6817 C153017 12/7/2009

RETURN THIS TOP PORTION ONLY, WITH REMITTANCE TO:

DANELL BROTHERS, INC DBA DB 2 DAIRY
8265 HANFORD-ARMONA RD
HANFORD, CA 93230-9344

SJVAPCD
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244

Thank You!



San Joaquin Valley
Unified Air Pollution
Control District

Facility ID
C6817

Invoice Date
12/7/2009

Invoice Number
C153017

SJVAPCD Tax ID: 77-0262563

Invoice Type
Project: C1092921

DANELL BROTHERS, INC DBA DB 2 DAIRY
SE+SW CORNER OF LAUREL AVENUE AND 13TH AVE
HANFORD, CA

PROJECT NUMBER: 1092921

APPLICATION FILING FEES	\$ 195.00
ENGINEERING TIME FEES	\$ 3,879.60
TOTAL FEES	\$ 4,074.60
LESS PREVIOUSLY PAID PROJECT FEES APPLIED TO THIS INVOICE	(\$ 195.00)
PROJECT FEES DUE (Enclosed is a detailed statement outlining the fees for each item.)	\$ 3,879.60

Late Payment (see Rule 3010, Section 11.0 Late Fees)	
Postmarked	Total Due
After 2/5/2010 through 2/15/2010	\$ 4,267.56
After 2/15/2010	\$ 5,819.40
After 3/7/2010	Permits To Operate MAY BE SUSPENDED

San Joaquin Valley Air Pollution Control District
1990 E. Gettysburg Avenue, Fresno, CA 93726-0244, (559) 230-6020, Fax (559) 230-6063

Invoice Detail

Facility ID: C6817

DANELL BROTHERS, INC DBA DB 2 DAIRY
 SE+SW CORNER OF LAUREL AVENUE AND 13TH AVE
 HANFORD, CA

Invoice Nbr: C153017
 Invoice Date: 12/7/2009
 Page: 1

Application Filing Fees

Project Nbr	Permit Number	Description	Application Fee
C1092921	C-6817-1-1	3,000 COW MILKING OPERATION INCLUDING ONE DOUBLE-52 (104 STALL) PARALLEL MILKING PARLOR	\$ 65.00
C1092921	C-6817-2-1	3,000 MILK COWS AND 600 DRY COWS HOUSED IN 10 FREESTALL BARNs WITH A FLUSH SYSTEM, 1,350 LARGE HEIFERS (15-24 MONTHS), 1,080 MEDIUM HEIFERS (7-14 MONTHS), 540 SMALL HEIFERS (3-6 MONTHS) HOUSED IN OPEN CORRALS WITH SHADE STRUCTURES AND A FLUSH SYSTEM; AND 270 CALVES (UNDER 3 MONTHS) HOUSED IN CALF HUTCHES WITH A FLUSH SYSTEM, INCLUDING SPECIAL NEEDS HOUSING	\$ 65.00
C1092921	C-6817-3-1	LIQUID MANURE HANDLING SYSTEM CONSISTING OF ONE MECHANICAL SEPARATOR, ONE 41' X 24' X 20' LIFT STATION FLUSH WATER RECYCLING SUMP, AND ONE 2,263' X 242' X 16' SINGLE-CELL ANAEROBIC TREATMENT LAGOON; MANURE IS LAND APPLIED THROUGH FLOOD IRRIGATION AND FURROW IRRIGATION	\$ 65.00
Total Application Filing Fees:			\$ 195.00

Engineering Time Fees

Project Nbr	Quantity	Rate	Description	Fee
C1092921	15.8 hours	\$ 132.00 /h	After-Hours Engineering Time(OverTime)	\$ 2,085.60
			Less Credit For Application Filing Fees	(\$ 195.00)
			After-Hours Engineering Time(OverTime) SubTotal	\$ 1,890.60
C1092921	22.1 hours	\$ 90.00 /h	Standard Engineering Time	\$ 1,989.00
Total Engineering Time Fees:				\$ 3,879.60