



DEC 28 2009

Scott Jones
Inergy Propane, LLC
9224 Tupman Rd.
Tuman, CA 93276

Re: Notice of Preliminary Decision - Authority to Construct
Project Number: S-1094925

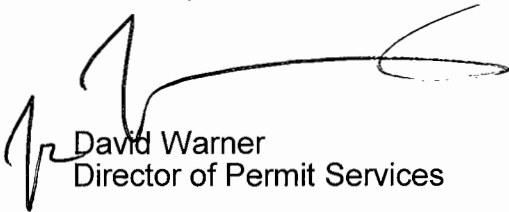
Dear Mr. Jones:

Enclosed for your review and comment is the District's analysis of Inergy Propane, LLC's application for an Authority to Construct for the installation of a diesel-fired emergency standby engine, at the North Coles Levee facility.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. Please submit your written comments on this project within the 30-day public comment period which begins on the date of publication of the public notice.

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact Mr. Kris Rickards of Permit Services at (661) 392-5611.

Sincerely,



David Warner
Director of Permit Services

DW:KTR/cm

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)
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Fresno, CA 93726-0244
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Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
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DEC 28 2009

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

Re: Notice of Preliminary Decision - Authority to Construct
Project Number: S-1094925

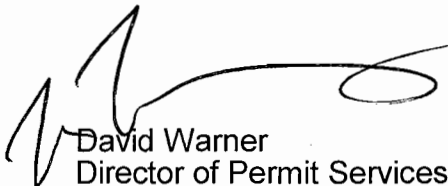
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Bakersfield Californian
Bakersfield Californian

**NOTICE OF PRELIMINARY DECISION
FOR THE PROPOSED ISSUANCE OF
AN AUTHORITY TO CONSTRUCT**


NOTICE IS HEREBY GIVEN that the San Joaquin Valley Unified Air Pollution Control District solicits public comment on the proposed issuance of Authority to Construct to Inergy Propane, LLC for the installation of a diesel-fired emergency standby engine, at the North Coles Levee facility.

The analysis of the regulatory basis for this proposed action, Project #S-1094925, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. Written comments on this project must be submitted within 30 days of the publication date of this notice to DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308.

**San Joaquin Valley Air Pollution Control District
Authority to Construct
Application Review
Diesel-Fired Emergency Standby IC Engine**

Facility Name: Inergy Propane, LLC
Mailing Address: 9224 Tupman Rd
Tupman, CA 93276
Contact Person: Nick Diercks
Telephone: 661-377-0073 x13
Application #: S-39-59-0
Project #: S-1094925
Complete: October 30, 2009

Date: December 17, 2009
Engineer: Kris Rickards
Lead Engineer: Steve Leonard

 12/21/09

I. Proposal

Inergy Propane, LLC is proposing to install a 3,058 bhp diesel-fired emergency standby internal combustion (IC) engine powering an electrical generator.

II. Applicable Rules

Rule 2201 New and Modified Stationary Source Review Rule (9/21/06)
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 13 California Code of Regulations (CCR), Section 2423 – Exhaust Emission Standards and Test Procedures, Off-Road Compression-Ignition Engines and Equipment
Title 17 CCR, Section 93115 - Airborne Toxic Control Measure (ATCM) for Stationary Compression-Ignition (CI) Engines
California Environmental Quality Act (CEQA)
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 equipment will be located at the North Coles Levee facility, within the NE/4 of Section 32, Township 30S, Range 25E. 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 an electrical generator that will be used to generate electricity should the cogeneration unit (S-39-56) fail. This generator will also energize a motor control center that powers vital equipment required to restart the cogeneration unit. Other than emergency standby operation, the engine may be operated up to 50 hours per year for maintenance and testing purposes.

V. Equipment Listing

S-39-59-0: 3,058 BHP MTU DETROIT DIESEL MODEL 16V 4000 TIER 2
CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE
POWERING AN ELECTRICAL GENERATOR

VI. Emission Control Technology Evaluation

The engine is equipped with:

- Turbocharger
- Intercooler/aftercooler
- Injection timing retard (or equivalent per District Policy SSP-1805, dated 8/14/1996)
- Positive Crankcase Ventilation (PCV) or 90% efficient control device
- This engine is required to be, and is UL certified
- Catalytic particulate filter
- Very Low (0.0015%) sulfur diesel

The emission control devices/technologies and their effect on diesel engine emissions detailed below are from *Non-catalytic NO_x Control of Stationary Diesel Engines*, by Don Koeberlein, CARB.

The turbocharger reduces the NO_x emission rate from the engine by approximately 10% by increasing the efficiency and promoting more complete burning of the fuel.

The use of very low-sulfur diesel fuel (0.0015% by weight sulfur maximum) reduces SO_x emissions by over 99% from standard diesel fuel.

VII. General Calculations

A. Assumptions

Emergency operating schedule: 24 hours/day
 Non-emergency operating schedule: 50 hours/year
 Density of diesel fuel: 7.1 lb/gal
 EPA F-factor (adjusted to 60 °F): 9,051 dscf/MMBtu
 Fuel heating value: 137,000 Btu/gal
 BHP to Btu/hr conversion: 2,542.5 Btu/bhp-hr
 Thermal efficiency of engine: commonly ≈ 35%
 PM₁₀ fraction of diesel exhaust: 0.96 (CARB, 1988)

- The applicant has only supplied an emissions factor for NO_x and VOC emissions combined. Therefore the District will use data from the EPA document "Exhaust and Crankcase Emission Factors for Nonroad Engine Modeling – Compressions Ignition", dated November 2002, as presented in the following table to estimate NO_x and VOC emissions (District assumption).

Tier 2 and Tier 3 Diesel-Fired IC Engines NO _x and VOC Estimated Emissions						
Horsepower Range (bhp)	Combined Standard, NO _x + VOC (g/bhp-hr)		Estimated NO _x Emissions (g/bhp-hr)		Estimated VOC Emissions (g/bhp-hr)	
	Tier 2	Tier 3	Tier 2	Tier 3	Tier 2	Tier 3
≥ 50 to < 100	5.6	3.5	5.2	3.3	0.4	0.2
≥ 100 to < 175	4.9	3.0	4.5	2.8	0.4	0.2
≥ 175 to < 300	4.9	3.0	4.5	2.8	0.4	0.2
≥ 300 to < 600	4.8	3.0	4.5	2.8	0.3	0.2
≥ 600 to < 750	4.8	3.0	4.5	2.8	0.3	0.2
≥ 750	4.8	N/A	4.5	N/A	0.3	N/A

For this application for a 3,058 bhp Tier 2 certified IC engine the applicant supplied NO_x + VOC emissions factor is 4.2 g/bhp-hr. Therefore, the NO_x and VOC emissions factors for this engine are calculated as follows:

$$\text{NO}_x \text{ (g/bhp-hr)} = \text{NO}_x + \text{VOC (g/bhp-hr)} \times (4.5 \text{ g/bhp-hr} \div 4.8 \text{ g/bhp-hr})$$

$$\text{NO}_x \text{ g/bhp-hr} = 4.2 \text{ g/bhp-hr} \times (4.5 \text{ g/bhp-hr} \div 4.8 \text{ g/bhp-hr})$$

NO_x = 3.94 g/bhp-hr

$$\text{VOC (g/bhp-hr)} = \text{NO}_x + \text{VOC (g/bhp-hr)} \times (0.3 \text{ g/bhp-hr} \div 4.8 \text{ g/bhp-hr})$$

$$\text{VOC g/bhp-hr} = 4.2 \text{ g/bhp-hr} \times (0.3 \text{ g/bhp-hr} \div 4.8 \text{ g/bhp-hr})$$

VOC = 0.26 g/bhp-hr

From PM₁₀ fraction assumption above:

$$PM_{10} \text{ (g/bhp-hr)} = PM_{\text{total}} \text{ (g/kW-hr)} \times 0.7457 \text{ (kW/bhp)} \times 0.96 \text{ (PM}_{10}\text{/PM}_{\text{total}})$$

$$PM_{10} \text{ g/bhp-hr} = 0.19 \text{ g/kW-hr} \times 0.7457 \text{ kW/bhp} \times 0.96 \text{ PM}_{10}\text{/PM}_{\text{total}}$$

$$PM_{10} = 0.14 \text{ g/bhp-hr}$$

B. Emission Factors

Emission Factors		
Pollutant	Emission Factor (g/bhp-hr)	Source
NO _x	3.94	Tier 2 Certification (Calculated Fraction)
SO _x	0.0051	Mass Balance Equation Below
PM ₁₀	0.14	Tier 2 Certification (Calculated Fraction)
CO	1.49	Tier 2 Certification
VOC	0.26	Tier 2 Certification (Calculated Fraction)

$$\frac{0.000015 \text{ lb-S}}{\text{lb-fuel}} \times \frac{7.1 \text{ lb-fuel}}{\text{gallon}} \times \frac{2 \text{ lb-SO}_2}{1 \text{ lb-S}} \times \frac{1 \text{ gal}}{137,000 \text{ Btu}} \times \frac{1 \text{ bhp input}}{0.35 \text{ bhp out}} \times \frac{2,542.5 \text{ Btu}}{\text{bhp-hr}} \times \frac{453.6 \text{ g}}{\text{lb}} = 0.0051 \frac{\text{g-SO}_x}{\text{bhp-hr}}$$

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	3.94	3,058	24	453.6	637.5
SO _x	0.0051	3,058	24	453.6	0.8
PM ₁₀	0.14	3,058	24	453.6	22.7
CO	1.49	3,058	24	453.6	241.1
VOC	0.26	3,058	24	453.6	42.1

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	3.94	3,058	50	453.6	1,328
SO _x	0.0051	3,058	50	453.6	2
PM ₁₀	0.14	3,058	50	453.6	47
CO	1.49	3,058	50	453.6	502
VOC	0.26	3,058	50	453.6	88

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.

Since this is an existing facility, SSPE1 is equal to the PE_{1Total Pre-Project} from all units for all criteria pollutants.

SSPE1					
Source	NO _x (lb/yr)	SO _x (lb/yr)	PM ₁₀ (lb/yr)	CO (lb/yr)	VOC (lb/yr)
SSPE2 from project S-1093674 ¹	27,527	4,576	20,605	86,175	37,101
ERC S-2193-2	500	0	0	0	0
ERC S-3242-1	0	0	0	0	5,373
ERC S-3247-1	0	0	0	0	222
SSPE1 Total	28,027	4,576	20,605	86,175	42,696

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

¹ SSPE2 calculated in project S-1093674 minus ERCs that were calculated in that project that had been banked since September 19, 1991 that have occurred at the source, and which had not been used on-site (current ERCs are added separately in this project)

19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site.

Since this is a modification to an existing facility, SSPE2 is equal to the PE2_{Total Post Project} from all units for all criteria pollutants.

For this project the change in emissions for the facility is due to the installation of the new emergency standby IC engine, permit unit -59-0. Thus:

SSPE2					
Source	NO _x (lb/yr)	SO _x (lb/yr)	PM ₁₀ (lb/yr)	CO (lb/yr)	VOC (lb/yr)
SSPE 1	28,027	4,576	20,605	86,175	42,696
-59-0	1,328	2	47	502	88
SSPE2 Total	29,355	4,578	20,652	86,677	42,784

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 contains ERCs which have been banked at the source; therefore, SSPE2 has been adjusted as 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	28,027	28,855	50,000	No	No
SO _x	4,576	4,578	140,000	No	No
PM ₁₀	20,605	20,652	140,000	No	No
CO	86,175	86,677	200,000	No	No
VOC	42,696	37,189	50,000	No	No

As seen in the table above, the facility is not an existing Major Source and also is not becoming a Major Source as a result of this project.

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 3.22

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

7. Major Modification

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."*

As discussed in Section VII.C.5 previously, the facility is not a Major Source for any criteria pollutant; therefore, the project does not constitute a Major Modification.

8. Federal Major Modification

As shown in the previous section, this project does not constitute a Major Modification. Therefore, in accordance with District Rule 2201, Section 3.17, this project does not constitute a Federal Major Modification and no further discussion 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 D.

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 -59-0 (lb/day)	BACT Threshold (lb/day)	SSPE2 (lb/yr)	BACT Triggered?
NO _x	637.5	> 2.0	n/a	Yes
SO _x	0.8	> 2.0	n/a	No
PM ₁₀	22.7	> 2.0	n/a	Yes
CO	241.1	> 2.0 and SSPE2 ≥ 200,000 lb/yr	86,677	No
VOC	42.1	> 2.0	n/a	Yes

Thus BACT will be triggered for NO_x, PM₁₀, and VOC 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.

2. BACT Guideline

BACT Guideline 3.1.1, which appears in Appendix A of this report, covers diesel-fired emergency IC engines.

3. Top Down BACT Analysis

Per District Policy APR 1305, Section IX, "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 for source categories or classes covered in the BACT Clearinghouse, relevant information under each of the following steps may be simply cited from the Clearinghouse without further analysis."

Pursuant to the attached Top-Down BACT Analysis, which appears in Appendix A of this report, BACT is satisfied with:

- NO_x: Latest EPA Tier Certification level for applicable horsepower range
- PM₁₀: 0.15 g/hp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. (ATCM)
- VOC: Latest EPA Tier Certification level for applicable horsepower range

The following condition will be listed on the ATC to ensure compliance with the PM₁₀ BACT emissions limit:

- {3395} Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801 and 17 CCR 93115]
- {edited 3486} Emissions from this IC engine shall not exceed 0.14 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115]

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 SSIPE 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

The Daily PE for this new emissions unit is compared to the daily PE Public Notice Thresholds in the following table:

PE > 100 lb/day Public Notice Thresholds			
Pollutant	Daily PE for unit -59-0 (lb/day)	Public Notice Threshold (lb/day)	Public Notice Triggered?
NO _x	637.5	100	Yes
SO _x	0.8	100	No
PM ₁₀	22.7	100	No
CO	241.1	100	Yes
VOC	42.1	100	No

As detailed in the preceding table, the NO_x and CO 100 lb/day threshold was surpassed with this project. Therefore, public noticing is required for daily emissions greater than 100 lb/day for a new emissions unit.

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	28,027	29,355	20,000	No
SO _x	4,576	4,578	54,750	No
PM ₁₀	20,605	20,652	29,200	No
CO	86,175	86,677	200,000	No
VOC	42,696	42,784	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	29,355	28,027	1,328	20,000	No
SO _x	4,578	4,576	2	20,000	No
PM ₁₀	20,652	20,605	47	20,000	No
CO	86,677	86,175	502	20,000	No
VOC	42,784	42,696	88	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.

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 conditions (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

- {edited 3485} Emissions from this IC engine shall not exceed any of the following limits: 3.94 g-NO_x/bhp-hr, 1.49 g-CO/bhp-hr, or 0.26 g-VOC/bhp-hr. [District Rule 2201 and 13 CCR 2423 and 17 CCR 93115]
- {edited 3486} Emissions from this IC engine shall not exceed 0.14 g-PM₁₀/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115]

In addition, the DEL for SO_x is established by the sulfur content of the fuel being combusted in the engine. Therefore, the following condition will be listed on the ATC to ensure compliance:

- {3395} Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801 and 17 CCR 93115]

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

Since this facility's potential to emit does not exceed any major source thresholds of Rule 2201, this facility is not a major source, and Rule 2520 does not apply.

Rule 4001 New Source Performance Standards (NSPS)

40 CFR 60 Subpart III – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines

§60.4200 - Applicability

This subpart is applicable to owners and operators of stationary compression ignited internal combustion engines that commence construction after July 11, 2005, where the engines are:

- 1) Manufactured after April 1, 2006, if not a fire pump engine.
- 2) Manufactured as a National Fire Protection Association (NFPA) fire pump engine after July 1, 2006.

Since the proposed engine will be installed after July 11, 2005 and will be manufactured after April 1, 2006, this subpart applies.

All of the applicable standards of this subpart are less restrictive than current District requirements. This engine will comply with all current District standards so no further discussion is required.

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 B):

HRA Results				
Unit	Acute Hazard Index	Chronic Hazard Index	Cancer Risk	T-BACT Required?
S-39-59-0	N/A	N/A	0.48 in a million	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 B of this report, the emissions increases for this project was determined to be less than significant.

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

- {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap, roof overhang, or any other obstruction. [District Rule 4102]
- {3481} This engine shall be operated only for maintenance, testing, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year. [District Rule 4702 and 17 CCR 93115]
- {edited 3486} Emissions from this IC engine shall not exceed 0.14 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115]

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:

$$0.14 \frac{g - PM_{10}}{bhp - hr} \times \frac{1g - PM}{0.96g - PM_{10}} \times \frac{1bhp - hr}{2,542.5 Btu} \times \frac{10^6 Btu}{9,051 dscf} \times \frac{0.35 Btu_{out}}{1 Btu_{in}} \times \frac{15.43 grain}{g} = 0.0342 \frac{grain - PM}{dscf}$$

Since 0.0342 grain-PM/dscf is \leq to 0.1 grain per dscf, compliance with Rule 4201 is expected.

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

- {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 7.5.2.3 of District Rule 4702, as of June 1, 2006 District Rule 4701 is no longer applicable to diesel-fired emergency standby or emergency IC engines. Therefore, this diesel-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]
- {3403} This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702 and 17 CCR 93115]
- {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]
- {3810} 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 50 hours per calendar year. [District Rule 4702 and 17 CCR 93115]

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 conditions will be listed on the ATC to ensure compliance:

- Modified {3479} The permittee shall maintain records of daily 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]
- {3476} 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. For units at unstaffed sites or operated remotely, records may be maintained and retained at a District-approved off-site location. [District Rule 4702 and 17 CCR 93115]

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:

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

$$n = \text{moles SO}_2$$

$$T (\text{standard temperature}) = 60 \text{ }^\circ\text{F or } 520 \text{ }^\circ\text{R}$$

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

$$\frac{0.000015 \text{ lb-S}}{\text{lb-fuel}} \times \frac{7.1 \text{ lb}}{\text{gal}} \times \frac{64 \text{ lb-SO}_2}{32 \text{ lb-S}} \times \frac{1 \text{ MMBtu}}{9,051 \text{ scf}} \times \frac{1 \text{ gal}}{0.137 \text{ MMBtu}} \times \frac{\text{lb-mol}}{64 \text{ lb-SO}_2} \times \frac{10.73 \text{ psi} \cdot \text{ft}^3}{\text{lb-mol} \cdot \text{ }^\circ\text{R}} \times \frac{520 \text{ }^\circ\text{R}}{14.7 \text{ psi}} \times 1,000,000 = 1.0 \text{ ppmv}$$

Since 1.0 ppmv is ≤ 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:

- {3395} Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801 and 17 CCR 93115]

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 13 California Code of Regulations (CCR), Section 2423 – Exhaust Emission Standards and Test Procedures, Off-Road Compression-Ignition Engines and Equipment (Required by Title 17 CCR, Section 93115 for New Emergency Standby Diesel IC Engines)

Particulate Matter and VOC + NO_x, and CO Exhaust Emissions Standards:

This regulation stipulates that off-road compression-ignition engines shall not exceed the following applicable emissions standards.

Title 13 CCR, Section 2423 lists a diesel particulate emission standard of 0.15 g/bhp-hr (with 1.341 bhp/kW, equivalent to 0.20 g/kW-hr) for 2006 and later model year engines with maximum power ratings of ≥ 751.1 bhp (equivalent to ≥ 560 kW). Therefore, the PM standards given in Title 13 CCR, Section 2423 are less stringent than ATCM, and thus the ATCM standards are the required standards and will be discussed in the following section.

Title 17 CCR, Section 93115, (e)(2)(A)(3)(b) stipulates that new stationary emergency standby diesel-fueled CI engines (> 50 bhp) must meet the VOC + NO_x, and CO standards for off-road engines of the same model year and maximum rated power as specified in the Off-Road Compression-Ignition Engine Standards (Title 13 CCR, Section 2423) or the Tier 1 standards for an off-road engine if no standards have been established for an off-road engine of the same model year and maximum rated power.

The engine involved with this project is a certified 2007 model engine. The following table compares the requirements of Title 13 CCR, Section 2423 to the emissions factors for the 3,058 bhp MTU Detroit Diesel model #16V 4000 diesel-fired emergency standby IC engine as given by the manufacturer (for NO_x + VOC and PM emissions) and CARB/EPA certification.

Requirements of Title 13 CCR, Section 2423							
Source	Maximum Rated Power	Model Year	NO _x	VOC	NO _x + VOC	CO	PM
Title 13 CCR, §2423	≥ 751.0 bhp (≥ 560 kW)	2000-2005 (Tier 1)	6.9 g/bhp-hr (9.2 g/kW-hr)	1.0 g/bhp-hr (1.3 g/kW-hr)	--	8.5 g/bhp-hr (11.4 g/kW-hr)	0.40 g/bhp-hr (0.54 g/kW-hr)
Title 13 CCR, §2423	≥ 751.0 bhp (≥ 560 kW)	2006 and later (Tier 2)	--	--	4.8 g/bhp-hr (6.4 g/kW-hr)	2.6 g/bhp-hr (3.5 g/kW-hr)	0.15 g/bhp-hr (0.20 g/kW-hr)
MTU Detroit Diesel, Model #16V 4000	3,058 bhp	2007	N/A	N/A	4.2 g/bhp-hr (5.6 g/kW-hr)	1.5 g/bhp-hr (2.0 g/kW-hr)	0.14 g/bhp-hr (0.19 g/kW-hr)
Meets Standard?			N/A	N/A	Yes	Yes	Yes

As presented in the table above, the proposed engine will satisfy the requirements of this section and compliance is expected.

The engine manufacturer's data and/or CARB/EPA engine certification for this engine lists a NO_x + VOC emission factor of 4.2 g/bhp-hr, a CO emission factor of 1.5 g/bhp-hr, and a PM₁₀ emissions factor of 0.14 g/bhp-hr, all of which satisfy the requirements of 13 CCR, Section 2423. Therefore, the following conditions (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

- {edited 3485} Emissions from this IC engine shall not exceed any of the following limits: 3.94 g-NO_x/bhp-hr, 1.49 g-CO/bhp-hr, or 0.26 g-VOC/bhp-hr. [District Rule 2201 and 13 CCR 2423 and 17 CCR 93115]
- {edited 3486} Emissions from this IC engine shall not exceed 0.14 g-PM₁₀/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115]

Right of the District to Establish More Stringent Standards:

This regulation also stipulates that the District:

1. May establish more stringent diesel PM, NO_x + VOC, VOC, NO_x, and CO emission rate standards; and
2. May establish more stringent limits on hours of maintenance and testing on a site-specific basis; and
3. Shall determine an appropriate limit on the number of hours of operation for demonstrating compliance with other District rules and initial start-up testing

The District has not established more stringent standards at this time. Therefore, the standards previously established in this Section will be utilized.

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

Emergency Operating Requirements:

This regulation stipulates that no owner or operator shall operate any new or in-use stationary diesel-fueled compression ignition (CI) emergency standby engine, in response to the notification of an impending rotating outage, unless specific criteria are met.

This section applies to emergency standby IC engines that are permitted to operate during non-emergency conditions for the purpose of providing electrical power. However, District Rule 4702 states that emergency standby IC engines may only be operated during non-emergency conditions for the purposes of maintenance and testing. Therefore, this section does not apply and no further discussion is required.

Fuel and Fuel Additive Requirements:

This regulation also stipulates that as of January 1, 2006 an owner or operator of a new or in-use stationary diesel-fueled CI emergency standby engine shall fuel the engine with CARB Diesel Fuel.

Since the engine involved with this project is a new or in-use stationary diesel-fueled CI emergency standby engine, these fuel requirements are applicable. Therefore, the following condition (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

- {3395} Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801 and 17 CCR 93115]

At-School and Near-School Provisions:

This regulation stipulates that no owner or operator shall operate a new stationary emergency standby diesel-fueled CI engine, with a PM₁₀ emissions factor > than 0.01 g/bhp-hr, for non-emergency use, including maintenance and testing, during the following periods:

1. Whenever there is a school sponsored activity, if the engine is located on school grounds, and
2. Between 7:30 a.m. and 3:30 p.m. on days when school is in session, if the engine is located within 500 feet of school grounds.

The District has verified that the engine is not located within 500 feet of a K-12 school. Therefore, conditions prohibiting non-emergency usage of the engine during school hours will not be placed on the permit.

Recordkeeping Requirements:

This regulation stipulates that as of January 1, 2005, each owner or operator of an emergency standby diesel-fueled CI engine shall keep a monthly log of usage that shall list and document the nature of use for each of the following:

- a. Emergency use hours of operation;
- b. Maintenance and testing hours of operation;
- c. Hours of operation for emission testing;
- d. Initial start-up hours; and
- e. If applicable, hours of operation to comply with the testing requirements of National Fire Protection Association (NFPA) 25 — "Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems," 1998 edition;
- f. Hours of operation for all uses other than those specified in sections 'a' through 'd' above; and
- g. For in-use emergency standby diesel-fueled engines, the fuel used. The owner or operator shall document fuel use through the retention of fuel purchase records that account for all fuel used in the engine and all fuel purchased for use in the engine, and, at a minimum, contain the following information for each individual fuel purchase transaction:
 - I. Identification of the fuel purchased as either CARB Diesel, or an alternative diesel fuel that meets the requirements of the Verification Procedure, or an alternative fuel, or CARB Diesel fuel used with additives that meet the requirements of the Verification Procedure, or any combination of the above;
 - II. Amount of fuel purchased;
 - III. Date when the fuel was purchased;
 - IV. Signature of owner or operator or representative of owner or operator who received the fuel; and
 - V. Signature of fuel provider indicating fuel was delivered.

The engine associated with this project is a new emergency standby engine powering an electrical generator. Therefore, the following conditions (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

- {3479} 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]

- {3476} 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. For units at unstaffed sites or operated remotely, records may be maintained and retained at a District-approved off-site location. [District Rule 4702 and 17 CCR 93115]

PM Emissions and Hours of Operation Requirements for New Diesel Engines:

This regulation stipulates that as of January 1, 2005, no person shall operate any new stationary emergency standby diesel-fueled CI engine that has a rated brake horsepower greater than 50, unless it meets all of the following applicable emission standards and operating requirements.

1. Emits diesel PM at a rate greater than 0.01 g/bhp-hr or less than or equal to 0.15 g/bhp-hr; or
2. Meets the current model year diesel PM standard specified in the Off-Road Compression Ignition Engine Standards for off-road engines with the same maximum rated power (Title 13 CCR, Section 2423), whichever is more stringent; and
3. Does not operate more than 50 hours per year for maintenance and testing purposes. Engine operation is not limited during emergency use and during emissions source testing to show compliance with the ATCM.

Therefore, the following conditions (previously proposed in this engineering evaluation) will be listed on the ATC to ensure compliance:

- {edited 3486} Emissions from this IC engine shall not exceed 0.14 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115]
- {3810} 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 50 hours per calendar year. [District Rule 4702 and 17 CCR 93115]

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.

The District performed an Engineering Evaluation (this document) for the proposed project and determined that the project qualifies for ministerial approval under the District's Guideline for Expedited Application Review (GEAR). Section 21080 of the Public Resources Code exempts from the application of CEQA those projects over which a public agency exercises only ministerial approval. Therefore, the District finds that this project is exempt from the provisions of CEQA.

IX. Recommendation

Pending a successful NSR Public Noticing period, issue Authority to Construct S-39-59-0 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-39-59-0	3020-10-F	3,058 bhp IC engine	\$749.00

Appendices

- A. BACT Guideline and BACT Analysis
- B. HRA Summary
- C. QNEC Calculations
- D. Draft ATC

Appendix A

BACT Guideline and BACT Analysis

San Joaquin Valley Unified Air Pollution Control District

Best Available Control Technology (BACT) Guideline 3.1.1 Last Update: 7/10/2009 Emergency Diesel IC Engine

Pollutant	Achieved in Practice or in the SIP	Technologically Feasible	Alternate Basic Equipment
CO	Latest EPA Tier Certification level for applicable horsepower range		
NOX	Latest EPA Tier Certification level for applicable horsepower range		
PM10	0.15 g/hp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. (ATCM)		
SOX	Very low sulfur diesel fuel (15 ppmw sulfur or less)		
VOC	Latest EPA Tier Certification level for applicable horsepower range		

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.

Top Down BACT Analysis for the Emergency IC Engine

1. BACT Analysis for NO_x Emissions:

a. Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse guideline 3.1.1 identifies achieved in practice BACT for NO_x emissions from emergency diesel IC engines as follows:

- 1) Latest EPA Tier Certification level for applicable horsepower range

No technologically feasible alternatives or control alternatives identified as alternate basic equipment for this class and category of source are listed.

b. Step 2 - Eliminate technologically infeasible options

There are no technologically infeasible options to eliminate from Step 1.

c. Step 3 - Rank remaining options by control effectiveness

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

d. Step 4 - Cost Effectiveness Analysis

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

e. Step 5 - Select BACT

BACT for NO_x emissions from this emergency standby diesel IC engine is the latest EPA Tier Certification level for the applicable horsepower range. The applicant has proposed to install a Tier 2 certified 3,058 bhp emergency standby diesel IC engine, which is the latest Tier Certification for an engine this size as shown in the attached Tier Certification table at the end of this Appendix; therefore BACT for NO_x emissions is satisfied.

2. BACT Analysis for PM₁₀ Emissions:

a. Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse guideline 3.1.1 identifies achieved in practice BACT for PM₁₀ emissions from emergency diesel IC engines as follows:

- 1) 0.15 g/hp-hr or the Latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. (ATCM)

No technologically feasible alternatives or control alternatives identified as alternate basic equipment for this class and category of source are listed.

b. Step 2 - Eliminate technologically infeasible options

There are no technologically infeasible options to eliminate from Step 1.

c. Step 3 - Rank remaining options by control effectiveness

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

d. Step 4 - Cost Effectiveness Analysis

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

e. Step 5 - Select BACT

BACT for PM₁₀ emissions from this emergency standby diesel IC engine is having PM₁₀ emissions of 0.15 g/hp-hr, or the latest EPA Tier Certification level for applicable horsepower range, whichever is more stringent. The applicant has proposed to install a Tier 2 certified 3,058 bhp emergency standby diesel IC engine, which is the latest Tier Certification for an engine this size as shown in the attached Tier Certification table at the end of this Appendix; therefore BACT for PM₁₀ emissions is satisfied.

3. BACT Analysis for VOC Emissions:

a. Step 1 - Identify all control technologies

The SJVUAPCD BACT Clearinghouse guideline 3.1.1 identifies achieved in practice BACT for VOC emissions from emergency diesel IC engines as follows:

- 1) EPA Tier Certification level for applicable horsepower range

No technologically feasible alternatives or control alternatives identified as alternate basic equipment for this class and category of source are listed.

b. Step 2 - Eliminate technologically infeasible options

There are no technologically infeasible options to eliminate from Step 1.

c. Step 3 - Rank remaining options by control effectiveness

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

d. Step 4 - Cost Effectiveness Analysis

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

e. Step 5 - Select BACT

BACT for VOC emissions from this emergency standby diesel IC engine is the latest EPA Tier Certification level for the applicable horsepower range. The applicant has proposed to install a Tier 2 certified 3,058 bhp emergency standby diesel IC engine which is the latest Tier Certification for an engine this size as shown in the attached Tier Certification table at the end of this Appendix; therefore BACT for VOC emissions is satisfied.

Title 13 CCR 2423
(December 2005)
Tier Certification & Exhaust Emission Standards
(grams per brake horsepower-hour)

Power Rating (hp)	Tier	Model Year	NO _x	HC	NMHC +NO _x	CO	PM
50 ≤ hp < 75	1	1998 – 2003	6.9	-	-	3.7	-
	2	2004 - 2007	-		5.6		0.3
	3	2008 - 2011			3.5		
	4*	2008 – 2012 (Interim)			3.5		0.22
75 ≤ hp < 100	1	1998 – 2003	6.9	-	-	3.7	-
	2	2004 – 2007	-		5.6		0.3
	3	2008 – 2011			3.5		
100 ≤ hp < 175	1	1997 – 2002	6.9	-	-	3.7	-
	2	2003 – 2006	-		4.9		0.22
	3	2007 – 2011			3.0		
175 ≤ hp < 300	1	1996 – 2002	6.9	1.0	-	8.5	0.4
	2	2003 – 2005	-	-	4.9	2.6	0.15
	3	2006 - 2010			3.0		
300 ≤ hp < 600	1	1996 – 2000	6.9	1.0	-	8.5	0.4
	2	2001 – 2005	-	-	4.8	2.6	0.15
	3	2006 – 2010			3.0		
600 ≤ hp ≤ 750	1	1996 – 2001	6.9	1.0	-	8.5	0.4
	2	2002 – 2005	-	-	4.8	2.6	0.15
	3	2006 – 2010			3.0		
> 750	1	2000 – 2005	6.9	1.0	-	8.5	0.4
	2	2006 – 2010	-	-	4.8	2.6	0.15

* Manufacturers may optionally certify engine families to the interim Tier 4 for this power category through 2012.

Appendix B HRA Summary



San Joaquin Valley Air Pollution Control District Risk Management Review

To: Kris Rickards, AQE – Permit Services
 From: Ester Davila, SAQS – Technical Services
 Date: October 29, 2009
 Facility Name: Inergy Propane, LLC
 Location: NW/4 – S32 – T30S – R25E
 Application #(s): S-39-59-0
 Project #: S-1094925

A. RMR SUMMARY

RMR Summary			
Categories	Diesel-Fired IC Engine (Unit 59-0)	Project Totals	Facility Totals
Prioritization Score	N/A ¹	N/A ¹	>1
Acute Hazard Index	N/A ²	N/A ²	0.0
Chronic Hazard Index	N/A ²	N/A ²	0.0
Maximum Individual Cancer Risk (10 ⁻⁶)	0.48	0.48	0.53
T-BACT Required?	Yes		
Special Permit Conditions?	Yes		

- 1 Prioritization for this unit was not conducted since it has been determined that all diesel-fired IC engines will result in a prioritization score greater than 1.0.
- 2 Acute and Chronic Hazard Indices were not calculated since there is no risk factor, or the risk factor is so low that the risk has been determined to be insignificant for this type of unit.

Proposed Permit Conditions

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

Unit # 59-0

1. Emissions from this IC engine shall not exceed **0.13 g-PM10/bhp-hr** based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115] N
2. {1898} The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap, roof overhang, or any other obstruction. [District Rule 4102] N
3. {3481} This engine shall be operated only for maintenance, testing, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed **50 hours per calendar year**. [District Rule 4702 and 17 CCR 93115] N

B. RMR REPORT

I. Project Description

Technical Services received a request on October 27, 2009 to perform a Risk Management Review for a proposed installation of a 3058 hp diesel-fired emergency IC engine powering an electrical generator.

II. Analysis

Technical Services performed a screening level health risk assessment using the District developed 'Diesel ICE Screen Tool'.

The following parameters were used for the review:

Analysis Parameters Unit 59-0			
Source Type	Point	PM₁₀ g/hp-hr	0.13
BHP	3058	Max Hours per Year	50
Closest Receptor (m)	305	Type of Receptor	Residential
Quad	2	District	SJVUAPCD
Met Site	Bakersfield	Location Type	Rural
Year	2008		

III. Conclusion

The cancer risk associated with the operation of the proposed diesel IC engine 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.

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	1,328	332
SO _x	2	1
PM ₁₀	47	12
CO	502	126
VOC	88	22

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

QNEC			
Pollutant	Quarterly PE2 (lb/qtr)	Quarterly BE (lb/qtr)	QNEC (lb/qtr)
NO _x	332	0	332
SO _x	1	0	1
PM ₁₀	12	0	12
CO	126	0	126
VOC	22	0	22

Appendix D

Draft ATC

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

DRAFT
ISSUANCE DATE: DRAFT

PERMIT NO: S-39-59-0

LEGAL OWNER OR OPERATOR: INERGY PROPANE LLC
MAILING ADDRESS: 9224 TUPMAN RD
TUPMAN, CA 93276

LOCATION: NORTH COLES LEVEE GAS PLANT
9224 TUPMAN RD
TUPMAN, CA 93276

EQUIPMENT DESCRIPTION:

3,058 BHP MTU DETROIT DIESEL MODEL 16V 4000 TIER 2 CERTIFIED DIESEL-FIRED EMERGENCY STANDBY IC ENGINE POWERING AN ELECTRICAL GENERATOR

CONDITIONS

1. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. {14} Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
3. {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]
4. {3395} Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801 and 17 CCR 93115]
5. {3403} This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702 and 17 CCR 93115]
6. Emissions from this IC engine shall not exceed any of the following limits: 3.94 g-NOx/bhp-hr, 1.49 g-CO/bhp-hr, or 0.26 g-VOC/bhp-hr. [District Rule 2201 and 13 CCR 2423 and 17 CCR 93115]
7. Emissions from this IC engine shall not exceed 0.14 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423 and 17 CCR 93115]
8. {3810} 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 50 hours per calendar year. [District Rule 4702 and 17 CCR 93115]

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

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DAVID WARNER, Director of Permit Services

S-39-59-0 : Dec 17 2009 2:11PM - RICKARDK : Joint Inspection NOT Required

9. {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]
10. {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]
11. {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]
12. {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]
13. {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]
14. {3479} 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]
15. {3476} 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. For units at unstaffed sites or operated remotely, records may be maintained and retained at a District-approved off-site location. [District Rule 4702 and 17 CCR 93115]

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