



**JUN 07 2013**

Dan Martin  
E & J Gallo Winery  
18000 W River Rd  
Livingston, CA 95334

**RE: Notice of Final Action - Authority to Construct**  
**Facility Number: N-1237**  
**Project Number: N-1123806**

Dear Mr. Martin:

The Air Pollution Control Officer has issued the Authority to Construct permit to E & J Gallo Winery for installation of a wastewater treatment anaerobic digester operation served by a biological sulfur scrubber, two activated carbon filters, and enclosed flare, at 18000 W River Rd, Livingston, CA. Enclosed are the Authority to Construct permit 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 the Authority to Construct permit was published on May 6, 2013. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on May 6, 2013. No comments were received following the District's preliminary decision on this project.

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.

**Seyed Sadredin**  
Executive Director/Air Pollution Control Officer

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

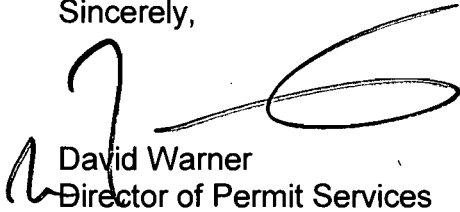
**Central Region (Main Office)**  
1990 E. Gettysburg Avenue  
Fresno, CA 93726-0244  
Tel: (559) 230-6000 FAX: (559) 230-6061

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

Mr. Dan Martin  
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Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-6000.

Sincerely,



David Warner  
Director of Permit Services

DW:st

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email  
cc: Gerardo C. Rios, EPA (w/enclosure) via email

Merced Sun-Star

Newspaper notice for publication in Merced Sun-Star and for posting on valleyair.org

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

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued the Authority to Construct permit to E & J Gallo Winery for installation of a wastewater treatment anaerobic digester operation served by a biological sulfur scrubber, two activated carbon filters, and enclosed flare, at 18000 W River Rd, Livingston, CA.

No comments were received following the District's preliminary decision on this project.

The application review for Project #1123806 is available for public inspection at [http://www.valleyair.org/notices/public\\_notices\\_idx.htm](http://www.valleyair.org/notices/public_notices_idx.htm), the SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG AVENUE, FRESNO, CA 93726, and at any other District office. For additional information, please contact the District at (559) 230-6000.



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** N-1237-661-0

**ISSUANCE DATE:** 06/06/2013

**LEGAL OWNER OR OPERATOR:** E & J GALLO WINERY  
**MAILING ADDRESS:** ATTN: EHS MANAGER  
18000 W RIVER RD  
LIVINGSTON, CA 95334

**LOCATION:** 18000 W RIVER RD  
LIVINGSTON, CA 95334

**EQUIPMENT DESCRIPTION:**

DIGESTER GAS OPERATION COMPOSED OF A WASTE WATER TREATMENT SYSTEM WITH AN EQUALIZATION TANK, HIGH RATE ANAEROBIC DIGESTER, TWO LOW RATE ANAEROBIC DIGESTERS, AND MEMBRANE BIOLOGICAL REACTOR SYSTEM CONSISTING OF AN ANOXIC TANK, A PRE-AERATION TANK, AND TWO MEMBRANE BIOLOGICAL REACTORS WITH BIOGAS SENT TO ONE BIOLOGICAL SCRUBBER, TWO ACTIVATED CARBON FILTERS, ONE 600 CFM OVIVO GWE ENCLOSED FLARE, AND/OR IC ENGINES LISTED ON PERMITS N-1237-605 AND '606

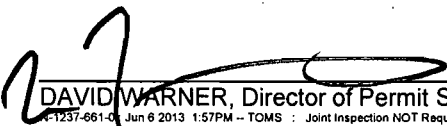
## CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOx emission reduction credits for the following quantity of emissions: 1st quarter - 816 lb, 2nd quarter - 816 lb, 3rd quarter - 817 lb, and fourth quarter - 817 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 04/21/11). [District Rule 2201] Federally Enforceable Through Title V Permit
3. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 36 lb, 2nd quarter - 37 lb, 3rd quarter - 37 lb, and fourth quarter - 37 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 04/21/11). [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

**YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 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  
N-1237-661-0 Jun 6 2013 1:57PM -- TOMS : Joint Inspection NOT Required

4. ERC Certificate Numbers N-2-2, N-1010-2, N-1011-2, N-1012-2, N-1061-2, S-4025-1, S-3805-1, S-3807-1, S-3808-1 (or a certificate split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
6. Visible emissions from the flare serving the anaerobic digesters shall not equal or exceed Ringelmann 1/4 or 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit
7. 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]
8. The anaerobic digester system and its associated piping shall be maintained leak free. [District Rule 2201] Federally Enforceable Through Title V Permit
9. This flare shall only be fired on biogas collected from the anaerobic digester system. [District Rule 2201] Federally Enforceable Through Title V Permit
10. The flare heat input shall not exceed any of the following: 777.6 MMBtu/day or 54,432 MMBtu/year. [District Rules 2201 and 4102] Federally Enforceable Through Title V Permit
11. Emissions from the flare shall not exceed any of the following limits: 0.06 lb-NO<sub>x</sub>/MMBtu (as NO<sub>2</sub>); 0.008 lb-PM<sub>10</sub>/MMBtu; 0.3 lb-CO/MMBtu; or 0.0027 lb-VOC/MMBtu. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
12. The sulfur content of the biogas being incinerated by the flare shall not exceed 40 ppmv (as H<sub>2</sub>S). [District Rule 2201] Federally Enforceable Through Title V Permit
13. Source testing to measure NO<sub>x</sub>, CO and VOC emissions from the digester-fired flare shall be conducted within 60 days of initial start-up and at least once every twelve (12) months thereafter. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
14. For source test purposes, NO<sub>x</sub> emissions from the flare shall be determined using EPA Method 19 on a heat input basis, or EPA Method 3A, EPA Method 7E, or ARB Method 100 on a ppmv basis. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
15. For source test purposes, CO emissions from the flare shall be determined using EPA Method 10 or 10B, ARB Methods 1 through 5 with 10, or ARB Method 100. [District Rule 2201] Federally Enforceable Through Title V Permit
16. For source test purposes, VOC emissions from the flare shall be determined using EPA Method 18 or 25 or 25a. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
17. Stack gas oxygen (O<sub>2</sub>) shall be determined using EPA Method 3A, EPA Method 7E, or ARB Method 100. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
18. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rules 1081 and 4311] Federally Enforceable Through Title V Permit
19. The results of each source test shall be submitted to the District within 45 days thereafter. [District Rules 1081 and 4311] Federally Enforceable Through Title V Permit
20. Operator shall determine digester gas fuel higher heating value annually by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Sampling ports for biogas testing shall be provided in accordance with District requirements. [District Rule 1081] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

22. The sulfur content of the digester gas combusted in this flare shall be monitored and recorded weekly. After eight (8) consecutive weekly tests show compliance, the digester gas sulfur content monitoring frequency may be reduced to once every calendar quarter. If quarterly monitoring shows a violation of the digester gas sulfur content limit of this permit, then weekly monitoring shall resume and continue until eight consecutive weeks of monitoring show compliance with the gas sulfur content limit. Once compliance with the gas sulfur content limit is shown for eight consecutive weeks, then the monitoring frequency may return to quarterly. Monitoring of the sulfur content of the digester gas shall not be required if the flare does not operate during that period. Records of the results of monitoring of the digester gas sulfur content shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Monitoring of the digester gas sulfur content shall be performed using a Testo 350 XL portable emission monitor; District-approved in-line H<sub>2</sub>S monitors; gas detection tubes calibrated for H<sub>2</sub>S; District-approved source test methods, including EPA Method 11 or EPA Method 15, ASTM Method D1072, D4084, and D5504; or an alternative method approved by the District. Prior to utilization of in-line monitors to demonstrate compliance with the digester gas sulfur content limit of this permit, the permittee shall submit details of the proposed monitoring system, including the make, model, and detection limits, to the District and obtain District approval for the proposed monitor(s). [District Rule 2201] Federally Enforceable Through Title V Permit
24. Biogas sampling shall be conducted using the methods and procedures approved by the District. The District shall be notified each time the biogas sampling frequency changes. [District Rule 1081] Federally Enforceable Through Title V Permit
25. A flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311] Federally Enforceable Through Title V Permit
26. Flare outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311] Federally Enforceable Through Title V Permit
27. Flare shall be equipped with a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device capable of continuously detecting at least one pilot flame or the flare flame is present. The flame detection device shall be kept operational at all times except during flare maintenance when the flare is isolated from gas flow. During essential planned power outages when the flare is operating, the pilot monitor is allowed to be non-functional if the flare flame is clearly visible to onsite operators. All pilot monitor downtime shall be reported annually pursuant to Rule 4311, Section 6.2.3.6. [District Rule 4311] Federally Enforceable Through Title V Permit
28. If the flare uses a flow-sensing automatic ignition system and does not use a continuous flame pilot, the flare shall use purge gas for purging. [District Rule 4311] Federally Enforceable Through Title V Permit
29. Flaring is prohibited unless it is consistent with an approved flare minimization plan (FMP), pursuant to Section 6.5, and all commitments listed in that plan have been met. This standard does not apply if the APCO determines that the flaring is caused by an emergency as defined by Section 3.7 and is necessary to prevent an accident, hazard or release of vent gas directly to the atmosphere. [District Rule 4311] Federally Enforceable Through Title V Permit
30. The operator shall monitor and record the vent gas flow to the flare with a flow measuring device or other parameters as specified in the Permit to Operate. [District Rule 4311] Federally Enforceable Through Title V Permit
31. The operator of a flare subject to flare minimization plans pursuant to Section 5.8 of this rule shall notify the APCO of an unplanned flaring event within 24 hours after the start of the next business day or within 24 hours of their discovery, which ever occurs first. The notification shall include the flare source identification, the start date and time, and the end date and time. [District Rule 4311] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. The operator of a flare subject to flare minimization plans pursuant to Section 5.8 shall submit an annual report to the APCO that summarizes all Reportable Flaring Events as defined in Section 3.0 that occurred during the previous 12 month period. The report shall be submitted within 30 days following the end of the twelve month period of the previous year. The report shall include, but is not limited to all of the following: the results of an investigation to determine the primary cause and contributing factors of the flaring event; any prevention measures considered or implemented to prevent recurrence together with a justification for rejecting any measures that were considered but not implemented; if appropriate, an explanation of why the flaring was an emergency and necessary to prevent accident, hazard or release of vent gas to the atmosphere, or where, due to a regulatory mandate to vent a flare, it cannot be recovered, treated and used as a fuel gas at the facility; and the date, time, and duration of the flaring event. [District Rule 4311] Federally Enforceable Through Title V Permit
33. The operator of a flare subject to flare monitoring requirements pursuant to Section 5.10 shall submit an annual report to the APCO within 30 days following the end of each 12 month period. The report shall include the following: the total volumetric flow of vent gas in standard cubic feet for each day; a flow verification report which shall include flow verification testing pursuant to Section 6.3.5. [District Rule 4311] Federally Enforceable Through Title V Permit
34. For purposes of the flow verification report required by Section 6.2.3.8, vent gas flow shall be determined using one or more of the following methods, or by any alternative method approved by the APCO, ARB, and EPA: EPA Methods 1 and 2; a verification method recommended by the manufacturer of the flow monitoring equipment installed pursuant to Section 5.10; tracer gas dilution or velocity; other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter. [District Rule 4311] Federally Enforceable Through Title V Permit
35. The operator shall submit a flare minimization plan to the District for approval that includes all of the data required under Section 6.5 of Rule 4311 prior to installing the equipment authorized by this Authority to Construct. [District Rule 4311] Federally Enforceable Through Title V Permit
36. Every five years after the initial FMP submittal, the operator shall submit an updated FMP for each flare to the APCO for approval. The current FMP shall remain in effect until the updated FMP is approved by the APCO. If the operator fails to submit an updated FMP as required by this section, the existing FMP shall no longer be considered an approved plan. [District Rule 4311] Federally Enforceable Through Title V Permit
37. An updated FMP shall be submitted by the operator pursuant to Section 6.5 addressing new or modified equipment, prior to installing the equipment. Updated FMP submittals are only required if: (1) The equipment change would require an authority to construct (ATC) and would impact the emissions from the flare, and (2) The ATC is deemed complete after June 18, 2009, and (3) The modification is not solely the removal or decommissioning of equipment that is listed in the FMP, and has no associated increase in flare emissions. [District Rule 4311] Federally Enforceable Through Title V Permit
38. The anaerobic digester system and its associated piping shall be inspected for leaks at least annually. Any leak detected on the basis of sight, smell, or sound, shall be recorded and a corrective action shall be taken to eliminate the leak. [District Rule 2201] Federally Enforceable Through Title V Permit
39. Records of leak inspections shall contain at least an identification of a person performing an inspection, date and time of the inspection, leak location, and corrective action taken to eliminate leaks. The records shall be maintained, kept, and made available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
40. The permittee shall maintain records of: (1) the name of the sampler, and the date and time of biogas sampling for H<sub>2</sub>S, (2) the name of the tester, and the date and time of biogas testing for H<sub>2</sub>S, (3) test results showing the biogas concentration (in ppmv) of H<sub>2</sub>S. [District Rule 1081] Federally Enforceable Through Title V Permit
41. Permittee shall maintain daily and annual records of quantity of digester gas combusted in the flare, annual test results of higher heating value of digester gas, and daily and annual heat input for the flare. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
42. Permittee shall maintain the following records: a copy of the source testing result conducted pursuant to Section 6.4.2; a copy of the approved flare minimization plan pursuant to Section 6.5; a copy of annual reports submitted to the APCO pursuant to Section 6.2. [District Rule 4311] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

43. Permittee shall maintain records of the following when the flare is used during an emergency: duration of flare operation, amount of gas burned, and the nature of the emergency situation. [District Rule 4311] Federally Enforceable Through Title V Permit
44. All records shall be retained for a minimum of five years, and shall be made available for District inspection upon request. [District Rules 1070 and 4311] Federally Enforceable Through Title V Permit