San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

JUL 17 2013

David Alderete
Kern Delta Weedpatch Ginning
7809 Bear Mountain Boulevard
Bakersfield, CA 93313

Re: Notice of Preliminary Decision – Emission Reduction Credits
Facility Number: S-699
Project Number: S-1122820

Dear Mr. Alderete:

Enclosed for your review and comment is the District's analysis of Kern Delta Weedpatch Ginning's application for Emission Reduction Credits (ERCs) resulting from the shutdown of a cotton gin, at 7809 Bear Mountain Boulevard, in Bakersfield. The quantity of ERCs proposed for banking is 366 metric tons CO2e/yr.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. After addressing all comments made during the 30-day public notice comment period, the District intends to the issue the ERCs. Please submit your written comments on this project within the 30-day public comment period, as specified in the enclosed public notice.

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact Mr. Steve Roeder of Permit Services at (661) 392- 5615.

Sincerely,

David Warner
Director of Permit Services

DW:SR/st

Enclosures

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

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
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Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
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www.valleyair.org www.healthyairliving.com

Bakersfield Californian

Newspaper notice for publication in Bakersfield Californian and for posting on valleyair.org

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NOTICE OF PRELIMINARY DECISION
FOR THE PROPOSED ISSUANCE OF
EMISSION REDUCTION CREDITS

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Unified Air Pollution Control District solicits public comment on the proposed issuance of Emission Reduction Credits to Kern Delta Weedpatch Ginning for the shutdown of a cotton gin, at 7809 Bear Mountain Boulevard, in Bakersfield. The quantity of ERCs proposed for banking is 366 metric tons CO2e/yr.

The analysis of the regulatory basis for this proposed action, Project #S-1122820, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and at any District office. For additional information, please contact the District at (661) 392-5500. Written comments on this project must be submitted by August 21, 2013 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
ERC Application Review - Greenhouse Gases
Cotton Gin Shutdown

Facility Name:	Kern Delta Weedpatch Ginning	Date:	July 5, 2013
Mailing Address:	7809 Bear Mountain Boulevard Bakersfield, CA 93313	Engineer: Lead Engineer:	Steve Roeder Leonard Scandura
Contact Person:	David Alderete		
Telephone:	(661) 978-0204		
Project #:	S-1122820		
Received:	July 18, 2012		
Deemed Complete:	April 1, 2013		
ERC #:	S-4070-24		

I. Summary

The primary business of this facility is cotton ginning. Kern Delta Weedpatch Ginning has surrendered the Permits to Operate (PTO) their cotton gin (S-699-1-6 and 4-0) following the permanent shutdown on 6/22/09 after the 2007 ginning season. The facility had submitted an application to bank the emission reduction credits (ERCs) for the actual emission reductions (AER) of the criteria pollutants on 6/22/09 (ERC Project S-1093655).

Subsequently, the facility has submitted this application to bank the Greenhouse Gas (GHG) AER that also resulted for the shutdown of their gin. See the surrendered (PTO) in Appendix A.

Selection of Geographical Boundary for Determining Permanence of the GHG Emission Reduction

Rule 2301 contains several eligibility criteria for emission reduction credit banking, including that the emission reduction must be permanent. When determining the geographical boundary in which the emission reduction is determined to be permanent, the applicant may consider how the GHG ERC may likely be used.

Please note that the while Rule 2301 allows facilities to receive ERCs for GHG emission reductions, the District does not have any requirements on the use of GHG ERCs. However, it is anticipated that the likely uses of such GHG ERCs would be their future retirement as GHG mitigation in the California Environmental Quality Act (CEQA) process.

Pursuant to CEQA, lead agencies must consider the environmental impact of GHG emissions from a project and may require that such GHG emissions be mitigated. In evaluating various mitigation techniques, including the retirement of GHG ERCs, the lead agency must determine if the proposed mitigation technique adequately mitigates the projects GHG emission increase.

When a lead agency determines if the retirement of a particular GHG ERC provides adequate GHG mitigation for a project, the lead agency may choose to consider the location where the GHG ERC was generated and the geographical boundary used to determine the permanence of the emission reduction. In making this determination, the lead agency may conclude that the retirement of a particular GHG ERC would provide adequate mitigation for projects within that same geographical boundary. Again, that determination will be made be the lead agency for any particular project.

For this application, the facility has selected California as the geographical boundary for which the emission reduction is permanent. Information has been provided to validate this geographical boundary selection. Using this geographical boundary, it was determined that the GHG emission reduction is permanent within California.

The following AER qualify for ERC banking.

GHG ERCs		
ERC Certificate	Pollutant	Amount
S-4070-24	CO_2e	366 metric tons/year

II. Applicable Rules

Rule 2301 Emission Reduction Credit Banking (1/19/12)

III. Location of Reduction

The equipment was located at 7809 Bear Mountain Boulevard in Bakersfield.

IV. Method of Generating Reductions

The emission reductions were generated by the shutdown of a permitted cotton ginning operation. The GHG were emitted from the cotton drying equipment which was fired on natural gas.

Equipment Description

S-699-1-6: COTTON GIN #5 CONSISTING OF TWO LUMMUS 158 SAW GIN STANDS AND FEEDERS, FOUR LINT CLEANERS, ONE SAW OVERFLOW, MOTES SYSTEM, BATTERY CONDENSER, SEED HANDLING AND TRASH SYSTEM, SIX HOT AIR CLEANERS WITH FOUR 6 MMBTU/HR DRYERS, TWO 3 MMBTU/HR DRYER, ONE HUMIDAIRE UNIT WITH A 1.5 MMBTU/HR BURNER, TRASH/ROBBER SYSTEM, UNLOADING AND MODULE FEEDER SYSTEMS SERVED BY THREE FILTER HOUSES EACH WITH ONE INTEGRAL 1D-3D CYCLONE COLLECTOR, ONE 1D-3D CYCLONE COLLECTOR FEEDING A CEA-CARTER DAY FILTRATION SYSTEM, FOUR 2D-2D CYCLONE COLLECTORS ALSO FEEDING TO THE THREE FILTER HOUSES, AND ONE HIGH EFFICIENCY CYCLONE

S-699-4-0: COTTON GIN #5 CONSISTING OF SIX LUMMUS ROLLER GIN STANDS, SIX HOT AIR CLEANERS WITH FOUR 6 MMBTU/HR DRYERS, TWO 3 MMBTU/HR DRYER, ONE ROLLER OVERFLOW, TWO LINT CLEANERS, ONE CONDENSER, ONE HUMIDAIRE UNIT, TRASH/ROBBER SYSTEM, UNLOADING AND MODULE FEEDER SYSTEMS SERVED BY THREE FILTER HOUSES EACH WITH ONE INTEGRAL 1D-3D CYCLONE COLLECTOR, AND ONE 1D-3D CYCLONE COLLECTOR FEEDING A CEA-CARTER DAY FILTRATION SYSTEM

V. Calculations

A. Assumptions and Emission Factors

Assumptions

- Units of GHG AER is metric tons of CO_2e per year, rounded to the nearest metric ton
- 1,000 kg = 1 metric ton
- 1 therm of Natural Gas = 100 scf
- The final CO_2e emission factor from the combustion of natural gas includes GHG emissions of CO_2, CH_4 and N_2O, where the total emission factor includes the summation of each of the compounds multiplied by their Global Warming Potential (GWP)
- The emission factors are from the District's Spreadsheet: *ARB GHG Emission Factors*

Emission Factors (EF)

The emission factors, global warming potential, and CO_2 equivalent emission factors for CO_2, CH_4, and N_2O are shown in the following table.

Natural Gas Emission Factors					
Pollutant	kg/MMBtu	0.1 MMBtu/therm	GWP	CO2e EF	
CO_2	52.87	0.1	1.00	5.287	kg-CO_2e /therm
CH_4	0.0009	0.1	21.00	0.0019	kg-CO_2e /therm
N2O	0.0001	0.1	310.0	0.0031	kg-CO_2e /therm
CO_2e				5.292	kg-CO_2e /therm

The CO_2e emission factor is converted into metric tons/therm as follows:

$$\frac{5.292\ kg \cdot CO_2e}{therm} x\ \frac{1\ metric\ ton}{1{,}000\ kg} = 0.00529 \frac{metric\ tons \cdot CO_2e}{therm}$$

B. Baseline Period Determination

Pursuant to Rule 2301, Section 3.6, the Baseline Period is the same as defined in Rule 2201, which is:

> *The two consecutive years of operation immediately prior to the submission date of the complete application; or at least two consecutive years within the five years immediately prior to the submission date of the complete application if determined by the APCO as more representative of normal source operation.*

The original ERC Banking Project S-699, 1093655 specified the baseline period as the operating years 2006-2007. Since the District has already established this as the correct baseline period for the criteria pollutant emission reductions that have already been evaluated and issued, the same baseline period is used for this evaluation.

Therefore the Baseline Period is the operating years of 2006-2007.

C. Baseline Data

The baseline natural gas-use is taken from the annual fuel-use records that have been supplied by the applicant, as evaluated in the original ERC project, and is posted in the following table.

Baseline Fuel Usage	
Year	Annual Fuel Use (Therms)
2006-07	69,128

D. Historical Actual Emissions (HAE)

The HAE from the fuel use is determined by multiplying the annual fuel-use by the emission factor presented above.

CO_2e HAE						
2006-07	0.00529	metric tons/therm x	69,128	therms/yr =	366	metric tons/yr

E. Post Project Potential to Emit (PE2)

As discussed above, the subject equipment has been permanently shut down and its PTO was surrendered. Therefore the PE2 is 0.

F. Emission Reductions Eligible for Banking

The emission reductions eligible for banking are the difference between the historical actual emissions and the potential to emit after the project.

ERCs eligible for banking = 366 metric ton/year – 0 ton/year
= 366 metric ton/year

VI. Compliance

Rule 2301 – Emission Reduction Credit Banking

Regarding GHG, the purpose of this Rule is to:

1.2.1 Provide an administrative mechanism for sources to bank voluntary greenhouse gas emission reductions for later use.
1.2.2 Provide an administrative mechanism for sources to transfer banked greenhouse gas emission reductions to others for any use.
1.2.3 Define eligibility standards, quantitative procedures and administrative practices to ensure that banked greenhouse gas emission reductions are real, permanent, quantifiable, surplus, and enforceable.

Section 4.5 specifies eligibility criteria for GHG emission reductions to qualify for banking. Below is a summary of each criteria and a description of how the emission reductions satisfy the criteria.

Section 4.5.1 requires that the emission reduction must have occurred after 1/1/05.

The emission reductions occurred when the PTO was surrendered on 6/22/09. As the emission reduction occurred after 1/1/05, this criteria has been satisfied.

Section 4.5.2 requires that the emissions must have occurred in the District.

The emissions occurred at 7809 Bear Mountain Boulevard, in Bakersfield. Since this location is within the District, this criteria has been satisfied.

Section 4.5.3 requires that the emission reductions must be real, surplus, permanent, quantifiable, and enforceable.

Real:

The GHG emission reductions were generated by the shutdown of a cotton gin. The real emissions were calculated from actual historic fuel-use data and recognized emission factors. The cotton gin has been removed. Therefore, the emission reductions are real.

Surplus:

The facility is not subject to the CARB cap and trade regulation, and the emission reductions occurred prior to 1/1/12. Therefore, the emission reductions satisfy the surplus requirement in Section 4.5.3.1.

There are no laws, rules, regulations, agreements, orders, or permits requiring any GHG emission reductions from cotton gins. Therefore, the emission reductions satisfy the surplus requirement in Section 4.5.3.2.

The emission reductions are not the result of an action taken by the permittee to comply with any requirement. The emission reductions are surplus and additional of all requirements. Therefore, the emission reductions satisfy the surplus requirement in section 4.5.3.4.

The Certificates will be identified according to Section 6.15.3 below.

Permanent:

The cotton gin has been shut down, removed, and the PTO has been surrendered.

When determining the geographical boundary in which the emission reduction is determined to be permanent the applicant may consider how the GHG ERC may likely be used.

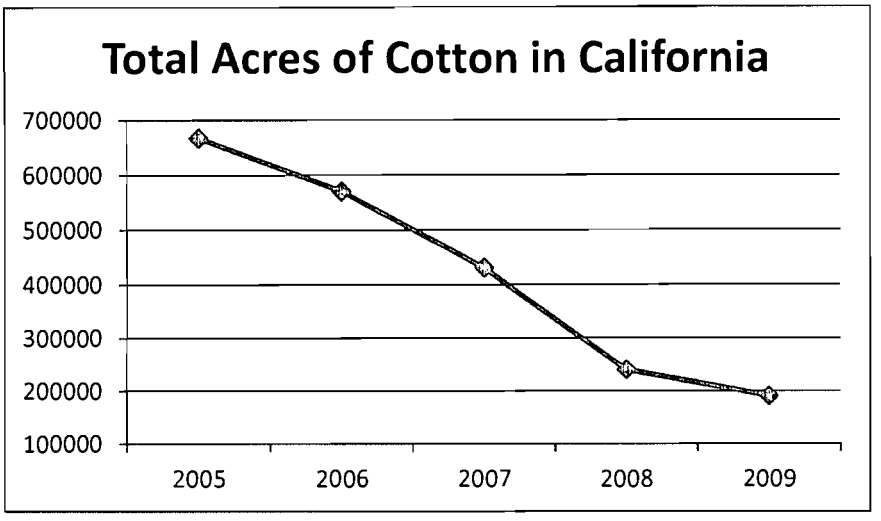
Please note that the while Rule 2301 allows facilities to receive ERCs for GHG emission reductions, the District does not have any requirements on the use of GHG ERCs. However, it is anticipated that the likely uses of such GHG ERCs would be their future retirement as GHG mitigation in the CEQA process.

Pursuant to CEQA, lead agencies must consider the environmental impact of GHG emissions from a project and may require that such GHG emissions be mitigated. In evaluating various mitigation techniques, including the retirement of GHG ERCs, the lead agency must determine if the proposed mitigation technique adequately mitigates the projects GHG emission increase.

When a lead agency determines if the retirement of a particular GHG ERC provides adequate GHG mitigation for a project, the lead agency may choose to consider the location where the GHG ERC was generated and the geographical boundary used to determine the permanence of the emission reduction. The in making this determination, the lead agency may conclude that the retirement of a particular GHG ERC would provide adequate mitigation for projects within that same geographical boundary. Again, that determination will be made be the lead agency for a particular project.

This facility has selected California as the geographical boundary for which the emission reduction is permanent. Information has been provided below to validate this geographical boundary selection.

As shown in the following chart, the total cotton acreage has been on a decline since January of 2005. Acreage has declined from 667,000 acres in 2005 down to 190,065 acres in 2009. The decline in acreage forced the closure of several cotton gins in California.



Because there has been a decrease in the amount of cotton being grown in the state of California, the need to gin cotton in California has decreased accordingly.

Based on this information, the geographical boundary for which the emission reduction is permanent within California.

The ERC will include the following identifier:

"Shutdown of cotton gin verified as permanent within the State of California"

Quantifiable:

The actual emissions were calculated from historic fuel-use records and accepted emission factors. Therefore, the emission reductions are quantifiable and have been quantified.

Enforceable:

The cotton gin has been shut down and the PTO has been surrendered to the District. Operation of the equipment without a valid permit would subject the permittee to enforcement action. Therefore, the emission reductions are enforceable.

Section 4.5.4 requires that GHG emission reductions be calculated as the difference between the historic annual average GHG emissions (as CO_2e) and the PE2 after the reduction is complete. The historical GHG emissions must be calculated using the consecutive 24 month period immediately prior to the date the emission reductions occurred (the shutdown of the cotton gin), or another consecutive 24 month period in the 60 months prior to the date the emission reduction occurred if determined by the APCO as being more representative of normal operations.

The GHG emission reductions were calculated according to the baseline period identified above. Since this is a permanent shutdown of the cotton gin, with none of the load being shifted to any other gin in California, there is no post-project potential to emit GHG.

Section 4.5.5.5 requires that GHG emission reductions proposed to be quantified using CARB-approved emission reduction project protocols shall be calculated in accordance with the applicable protocol.

Since the GHG emission reductions are not subject to an applicable CARB-approved emission reduction project protocol, this section is not applicable.

Section 4.5.6 requires that ERCs shall be made enforceable through permit conditions or legally binding contract.

The cotton gin held a legal District operating permit. That permit has been surrendered to the District. Since the operation of the cotton gin would require a new Authority to Construct, as discussed above the emission reduction is enforceable.

Section 5 identifies ERC Certificate application procedures.

Section 5.5.2 requires, for emission reductions occurring prior to 1/19/12, applications for ERCs must be submitted by 7/19/12.

The ERC application was submitted on 7/10/12, therefore the application is timely.

Section 6.15 specifies the registration requirements for GHG ERCs.

This emission reductions are surplus and additional of all requirements pursuant to Section 4.5.3.4. Therefore the ERC certificate shall include the following notation:

"This emission reduction is surplus and additional to all applicable regulatory requirements."

Compliance with Rule 2301 has been demonstrated and no adjustments are required under this Rule.

VII. Recommendation

Issue the ERC Certificate in the amount posted in the table below and on the Draft ERC Certificate in Appendix B.

GHG ERCs		
ERC Certificate	Pollutant	Amount
S-4070-24	CO_2e	366 metric tons/year

List of Appendixes

A. Surrendered PTO
B. Draft Emission Reduction Credit Certificate

Appendix A
Surrendered PTO

San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: S-699-1-6 **EXPIRATION DATE:** 12/31/2006

SECTION: 28 **TOWNSHIP:** 31S **RANGE:** 27E

EQUIPMENT DESCRIPTION:
COTTON GIN #5 (SAW-GIN) CONSISTING OF TWO LUMMUS 158 SAW GIN STANDS AND FEEDERS, FOUR LINT CLEANERS, ONE SAW OVERFLOW, MOTES SYSTEM, BATTERY CONDENSER, SEED HANDLING SYSTEM AND TRASH SYSTEM, SIX HOT AIR CLEANERS WITH FOUR 6 MMBTU/HR DRYERS, TWO 3 MMBTU/HR DRYER, AND ONE HUMIDAIRE UNIT WITH A 1.5 MMBTU/HR BURNER, TRASH/ROBBER SYSTEM AND UNLOADING AND MODULE FEEDERS ALL SYSTEMS SERVED BY THREE FILTER HOUSES EACH WITH ONE INTEGRAL 1D-3D CYCLONE COLLECTOR, ONE 1D-3D CYCLONE COLLECTOR FEEDING A CEA-CARTER DAY FILTRATION SYSTEM, FOUR EACH 2D-2D CYCLONE COLLECTORS ALSO FEEDING TO THE THREE FILTER HOUSES, AND ONE HIGH EFFICIENCY CYCLONE

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. 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]
3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
4. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule]
5. Daily ginning rate of the saw gin shall not exceed 172.5 tons of baled cotton per day (690 bales per day, corrected to 500-pound bales). [District Rule 2201]
6. Total PM10 emissions from the saw gin operation shall not exceed 3.38 pounds per ton of baled cotton (0.845 pounds per bale, corrected to 500-pound bales). [District Rule 2201]
7. Annual total PM10 emissions combined from the roller and saw gin operations shall not exceed 139,000 pounds in any year. [District Rule 2201]
8. Annual total PM10 emissions combined from the roller and saw gin operations shall be calculated as follows: Annual PM10 Emissions = [(0.845 x Annual Throughput (saw bales per year)) + (0.905 x Annual Throughput (roller bales per year))]. [District Rule 2201]
9. The maximum amount of natural gas combusted from the roller and saw gin combined shall not exceed 96,480,000 scf per year. [District Rule 2201]
10. Emissions from the natrural gas-fired burners serving the hot air drying and cleaning system shall not exceed any of the following limits: 0.1 lb-NOx/MMBtu, 0.02 lb-CO/MMBtu, 0.006 lb-VOC/ MMBtu or 0.003 lb-SOx/MMBtu. [District Rule 2201]
11. Four tube wagon suction process and three section module feeder common to both ginning systems with two unloading separators and two centrifugal fans (shared between wagon suction and module feeder) served by filterhouse #1. [District Rule 2201]
12. #1 hot air drying and cleaning process common to both ginning systems shall include parallel flows (lines A & B): two centrifugal fans, two 6 MMBTU/hr natural gas fired burners, two tower dryers, two cleaners with centrifugal fans served by filterhouse #1. [District Rule 2201]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

13. #2 hot air drying and cleaning process common to both ginning systems shall include parallel flows (lines A & B): two centrifugal fans, two 6 MMBTU/hr natural gas fired burners, two tower dryers, two stick machines with centrifugal fans, and two cleaners with centrifugal fans served by filterhouse #1. [District Rule 2201]
14. #3 hot air drying and cleaning process common to both ginning systems shall include parallel flows (lines A & B): two centrifugal fans, two 3 MMBTU/hr natural gas fired burners, two tower dryers, two Trash Master cleaners operating in parallel with separated trash auger, two cleaners with centrifugal fans all served by filterhouse #2. [District Rule 2201]
15. Saw gin overflow process shall include one cotton distribution auger with automatic overflow cotton pick-up, one centrifugal fan (shared with feeders), and one overflow separator served by filterhouse #2. [District Rule 2201]
16. Gin stand feeder and gin stand process (saw gin) shall include two feeders and two Lummus 158 gin stands served by a trash conveyor and a centrifugal fan exhausting to filterhouse #2. [District Rule 2201]
17. Saw gin lint cleaner process shall include 2 Super-jet lint cleaners, a mechanical trash conveyor, a pneumatic trash conveyor all served by filterhouse #2. [District Rule 2201]
18. Four saw gin Lummus Model 108 combing lint cleaners shall be served by four 50-inch 2D-2D cyclones exhausting to filterhouse #3 and 2 axial fans exhausting to filterhouse #3. [District Rule 2201]
19. Saw gin battery condenser shall include one vane axial fan exhausting to filterhouse #3. [District Rule 2201]
20. Saw gin motes process shall include motes cleaner (consisting of one impact cleaner and one incline cleaner), motes bale press all served by a motes cleaner fan exhausting to filterhouse #3. [District Rule 2201]
21. Saw gin seed handling system shall include two seed blowers, one 30-inch high efficiency cyclone and one seed auger. [District Rule 2201]
22. Saw gin bale press process shall include one Lummus Dor-Les bale press and one Samuel Jackson humidifier with one 1.5 MMBTU/hr natural gas fired burner. [District Rule 2201]
23. Filterhouse #1 shall include two perforated cylinder precleaners, three rotating drum fabric filters, and an oscillating vacuum nozzle cleaning system including one 30-inch 1D-3D cyclone and blower fan exhausting to filterhouse #1 precleaner. [District Rule 2201]
24. Filterhouse #2 shall include two perforated cylinder precleaners, three rotating drum fabric filters, and an oscillating vacuum nozzle cleaning system including one 30-inch 1D-3D cyclone and blower fan exhausting to filterhouse #2 precleaner. [District Rule 2201]
25. Filterhouse #3 shall include three rotating drum fabric filters and an oscillating vacuum nozzle cleaning system including one 30-inch 1D-3D cyclone and blower fan exhausting to filterhouse #3 precleaner. [District Rule 2201]
26. Trash system shall include three trash augers from filterhouses, one blower, 1,000 feet of pneumatic conveying duct, and one 26-inch 1D-3D cyclone collector served by CEA Carter-Day #16DFB8 fabric collector. [District Rule 2201]
27. Cleaning frequency and duration of fabric filters used in filterhouses #1, #2, and #3 shall be adjusted to optimize the control efficiency. Fabric filters shall be repaired immediately if holes develop, and cleaned or replaced at least on an annual basis and as required to minimize emissions of air contaminants into the atmosphere. [District Rule 2201]
28. Each filterhouse shall be equipped with an operational pressure differential gauge, which shall be located in an easily accessible location. [District Rule 2201]
29. Each rotating drum fabric filter shall be equipped with an operational pressure differential gauge, which shall be located in an easily accessible location. [District Rule 2201]
30. CEA Carter-Day #16DFB8 trash system fabric collector shall be equipped with sixteen filter bags, reverse air cleaning mechanism, and operational pressure differential gauge, which shall be located in an easily accessible location. [District Rule 2201]
31. The trash auger of the trash piling system shall have both sides equipped with wind barriers that extend, as measured vertically prior to trash pile build-up, one foot above and three feet below the auger. [District Rule 4204]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

32. After the trash pile has built up to the height of the trash auger, removing material from the pile shall be performed in such a way as to prevent free-falling trash from the stockpiling system. [District Rule 4204]

33. If the trash stockpile is removed to prevent the build-up of heat in the pile, the operator shall record the date of the removal. [District Rule 4204]

34. Permittee shall conduct daily visual inspections of the material handling systems for leaks, breaks, or other visible signs of equipment malfunctions. [District Rule 4204]

35. Permittee shall maintain a record of the daily inspections of the material handling systems, including any equipment malfunctions discovered and corrective action taken to repair the malfunction, and any source test results. [District Rule 4204]

36. Permittee shall maintain daily and annual records of number and weight of bales produced, corrected to 500 pound bales, and combined saw- and roller-gin annual PM10 emissions generated. [District Rule 2201]

37. All records shall be retained on site for five years and made available to the District upon request. [District Rules 1070 and 4204]

San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: S-699-4-0 **EXPIRATION DATE:** 12/31/2006

EQUIPMENT DESCRIPTION:
COTTON GIN #5 (ROLLER-GIN) CONSISTING OF SIX LUMMUS ROLLER GIN STANDS, SIX HOT AIR CLEANERS WITH FOUR 6 MMBTU/HR DRYERS, TWO 3 MMBTU/HR DRYER, ONE ROLLER OVERFLOW, TWO LINT CLEANERS, ONE CONDENSER, ONE HUMIDAIRE UNIT, TRASH/ROBBER SYSTEM AND UNLOADING AND MODULE FEEDERS ALL SYSTEMS SERVED BY THREE FILTER HOUSES EACH WITH ONE INTEGRAL 1D-3D CYCLONE COLLECTOR, AND ONE 1D-3D CYCLONE COLLECTOR FEEDING A CEA-CARTER DAY FILTRATION SYSTEM

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. 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]
3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
4. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule]
5. Daily ginning rate of the roller gin shall not exceed 172.5 tons of baled cotton per day (690 bales per day, corrected to 500-pound bales). [District Rule 2201]
6. Total PM10 emissions from the roller gin operation shall not exceed 3.62 pounds per ton of baled cotton (0.905 pounds per bale, corrected to 500-pound bales). [District Rule 2201]
7. Annual total PM10 emissions combined from the roller and saw gin operations shall not exceed 139,000 pounds in any year. [District Rule 2201]
8. Annual total PM10 emissions combined from the roller and saw gin operations shall be calculated as follows: Annual PM10 Emissions = [(0.845 x Annual Throughput (saw bales per year)) + (0.905 x Annual Throughput (roller bales per year))]. [District Rule 2201]
9. The maximum amount of natural gas combusted from the roller and saw gin combined shall not exceed 96,480,000 scf per year. [District Rule 2201]
10. Emissions from the natural gas-fired burners serving the hot air drying and cleaning system shall not exceed any of the following limits: 0.1 lb-NOx/MMBtu, 0.02 lb-CO/MMBtu, 0.006 lb-VOC/ MMBtu or 0.003 lb-SOx/MMBtu. [District Rule 2201]
11. Four tube wagon suction process and three section module feeder common to both ginning systems with two unloading separators and two centrifugal fans (shared between wagon suction and module feeder) served by filterhouse #1. [District Rule 2201]
12. #1 hot air drying and cleaning process common to both ginning systems shall include parallel flows (lines A & B): two centrifugal fans, two 6 MMBTU/hr natural gas fired burners, two tower dryers, two cleaners with centrifugal fans served by filterhouse #1. [District Rule 2201]
13. #2 hot air drying and cleaning process common to both ginning systems shall include parallel flows (lines A & B): two centrifugal fans, two 6 MMBTU/hr natural gas fired burners, two tower dryers, two stick machines with centrifugal fans, and two cleaners with centrifugal fans served by filterhouse #1. [District Rule 2201]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

14. #3 hot air drying and cleaning process common to both ginning systems shall include parallel flows (lines A & B): two centrifugal fans, two 3 MMBTU/hr natural gas fired burners, two tower dryers, two Trash Master cleaners operating in parallel with separated trash auger, two cleaners with centrifugal fans all served by filterhouse #2. [District Rule 2201]
15. Roller gin overflow process shall include one cotton distribution auger with automatic overflow cotton pick-up, one centrifugal fan (shared with feeders), and one overflow separator served by filterhouse #3. [District Rule 2201]
16. Gin stand feeder and gin stand process (roller gin) shall include one 2 MMBtu/hr natural gas fired burner, six feeders and six Lummus gin stands served by a trash conveyor and a centrifugal fan exhausting to filterhouse #2. [District Rule 2201]
17. Lint cleaner #1 process shall include 30-inch diameter lint condenser, two 8-foot incline cleaner, one Super-jet lint cleaner, a condenser fan all served by filterhouse #3. [District Rule 2201]
18. Lint cleaner #2 process shall include Guardian lint cleaner, Guardian condenser fan all served by filterhouse #3. [District Rule 2201]
19. Lint cleaner trash process shall include one lint trash fan served by filterhouse #3. [District Rule 2201]
20. Roller gin battery condenser shall include one 72-inch battery condenser, one Samuel Jackson humidifier and condenser pull fan exhausting to filterhouse #3. [District Rule 2201]
21. Roller gin seed handling system shall include one seed blower and one seed auger. [District Rule 2201]
22. Filterhouse #1 shall include two perforated cylinder precleaners, three rotating drum fabric filters, and an oscillating vacuum nozzle cleaning system including one 30-inch 1D-3D cyclone and blower fan exhausting to filterhouse #1 precleaner. [District Rule 2201]
23. Filterhouse #2 shall include two perforated cylinder precleaners, three rotating drum fabric filters, and an oscillating vacuum nozzle cleaning system including one 30-inch 1D-3D cyclone and blower fan exhausting to filterhouse #2 precleaner. [District Rule 2201]
24. Filterhouse #3 shall include three rotating drum fabric filters and an oscillating vacuum nozzle cleaning system including one 30-inch 1D-3D cyclone and blower fan exhausting to filterhouse #3 precleaner. [District Rule 2201]
25. Trash system shall include three trash augers from filterhouses, one blower, 1,000 feet of pneumatic conveying duct, and one 26-inch 1D-3D cyclone collector served by CEA Carter-Day #16DFB8 fabric collector. [District Rule 2201]
26. Cleaning frequency and duration of fabric filters used in filterhouses #1, #2, and #3 shall be adjusted to optimize the control efficiency. Fabric filters shall be repaired immediately if holes develop, and cleaned or replaced at least on an annual basis and as required to minimize emissions of air contaminants into the atmosphere. [District Rule 2201]
27. Each filterhouse shall be equipped with an operational pressure differential gauge, which shall be located in an easily accessible location. [District Rule 2201]
28. Each rotating drum fabric filter shall be equipped with an operational pressure differential gauge, which shall be located in an easily accessible location. [District Rule 2201]
29. CEA Carter-Day #16DFB8 trash system fabric collector shall be equipped with sixteen filter bags, reverse air cleaning mechanism, and operational pressure differential gauge, which shall be located in an easily accessible location. [District Rule 2201]
30. The trash auger of the trash piling system shall have both sides equipped with wind barriers that extend, as measured vertically prior to trash pile build-up, one foot above and three feet below the auger. [District Rule 4204]
31. After the trash pile has built up to the height of the trash auger, removing material from the pile shall be performed in such a way as to prevent free-falling trash from the stockpiling system. [District Rule 4204]
32. If the trash stockpile is removed to prevent the build-up of heat in the pile, the operator shall record the date of the removal. [District Rule 4204]
33. Permittee shall conduct daily visual inspections of the material handling systems for leaks, breaks, or other visible signs of equipment malfunctions. [District Rule 4204]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

34. Permittee shall maintain a record of the daily inspections of the material handling systems, including any equipment malfunctions discovered and corrective action taken to repair the malfunction, and any source test results. [District Rule 4204]

35. Permittee shall maintain daily and annual records of number and weight of bales produced, corrected to 500 pound bales, and combined saw- and roller-gin annual PM10 emissions generated. [District Rule 2201]

36. All records shall be retained on site for five years and made available to the District upon request. [District Rules 1070 and 4204]

Appendix B
Draft ERC Certificate

San Joaquin Valley
Air Pollution Control District

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308

Emission Reduction Credit Certificate S-4070-24

DRAFT

ISSUED TO: KERN DELTA WEEDPATCH GINNING

ISSUED DATE: <DRAFT>

LOCATION OF REDUCTION: BEAR MOUNTAIN BLVD & GOSFORD RD BAKERSFIELD, CA

For CO2E Reduction In The Amount Of:

366 metric tons / year

[ ] Conditions Attached

Method Of Reduction

[X] Shutdown of Entire Stationary Source
[ ] Shutdown of Emissions Units
[ ] Other

Shutdown of cotton gin verified as permanent within the State of California

Emission Reduction Qualification Criteria

This emission reduction is surplus and additional to all applicable regulatory requirements.

Seyed Sadredin, Executive Director / APCO

DRAFT

David Warner, Director of Permit Services

Jul 5 2013 9:12AM – ROEDERS