



OCT 16 2014

Daniel Lee Paramount Farms Inc. 13646 Highway 33 Lost Hills, CA 93249

RE: Final - Authority to Construct / Certificate of Conformity (Significant

Modification)

Facility Number: \$-377 Project Number: S-1142949

Dear Mr. Lee:

The Air Pollution Control Officer has issued the Authority to Construct permit to Paramount Farms Inc. for the installation of two flavoring lines each with a 4.4 MMBtu/hr natural gas-fired dryer vented to a fabric collector along with conveyors, elevators, and storage bins, at Highway 33 approximately four miles north of Blackwell's Corner, California. 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 8/28/14. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on 8/25/14. All comments received following the District's preliminary decision on this project were considered.

Comments received by the District during the public notice period resulted in a decrease in emissons. These changes were minor and did not trigger additional public notification requirements, nor did they have any impact upon the Best Available Control Technology determination or increase the amount of offsets required for project approval.

> Seyed Sadredin Executive Director/Air Pollution Control Officer

Mr. Lee Page 2

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura at (661) 392-5500.

Sincerely,

Arnaud Marjollet

Director of Permit Services

AM:DBT/st

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email

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

San Joaquin Valley Air Pollution Control District Authority to Construct Application Review

Facility Name: Paramount Farms Inc.

Mailing Address: 13646 Highway 33

13646 Highway 33 Engineer: David Torii
Lost Hills, CA 93249 Lead Engineer: Allan Phillin

Lead Engineer: Allan Phillips Asur Aug

Contact Person: Daniel Lee

Telephone: (661) 797-6505

OCT 1-0 2014

Application #(s): S-377-40-14

Project #: 1142949

Deemed Complete: 7/3/14

During the Preliminary Decision's public noticing period the applicant requested that the heat input rating for the proposed burners be lowered from 6.0 MMBtu/hr to 4.4 MMBtu/hr. The applicant also requested that one of the permit's blanching lines be removed. Therefore, this Application Review has been revised to reflect the above requests.

I. Proposal

Paramount Farms Inc. (PFI) has requested an Authority to Construct (ATC) permit for the installation of two flavoring lines each with a three-stage 4.4 MMBtu/hr natural gas-fired dryer vented to a fabric collector along with conveyors, elevators, and storage bins. PFI has also requested that one of the blanching lines be removed.

PFI received their Title V Permit on 8/31/01. This modification can be classified as a Title V significant modification pursuant to Rule 2520, and can be processed with a Certificate of Conformity (COC). Since the facility has specifically requested that this project be processed in that manner, the 45-day EPA comment period will be satisfied prior to the issuance of the Authority to Construct. PFI must apply to administratively amend their Title V permit.

II. Applicable Rules

CH&SC 42301.6

Rule 2201	New and Modified Stationary Source Review Rule (4/21/11)
Rule 2410	Prevention of Significant Deterioration (6/16/11)
Rule 2520	Federally Mandated Operating Permits (6/21/01)
Rule 4101	Visible Emissions (2/17/05)
Rule 4102	Nuisance (12/17/92)
Rule 4201	Particulate Matter Concentration (12/17/92)
Rule 4301	Fuel Burning Equipment (12/17/92) does not apply to dryers which utilize direct heat transfer (products of combustion contact material being dried)
Rule 4309 ,	Dryers, Dehydrators, and Ovens (12/15/05)
Rule 4801	Sulfur Compounds (12/17/92)
CH&SC 41700	Health Risk Assessment

School Notice

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 facility is located on Highway 33 approximately four miles north of Blackwell's Corner, California. 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 pre-processing operation (S-377-10) may receive almonds from various hulling and shelling operations and passes them through a series of sizing and grading equipment. This equipment sorts the almonds by size and color into storage bins for further processing.

The filtered and cleaned almonds from pre-processing will be conveyed directly to a tank farm in building A1. From there the almonds are conveyed to either the pasteurization process or to flavoring and drying.

The almond processing and packaging operation (S-377-40) completes the sorting process and routes the nuts through various process units (blanchers, slicer/dicers, etc.) for preparation and packaging as required by the end user.

After flavoring and/or pasteurization the aimonds are routed to a second tank farm and then to one of four packaging lines.

Whole or sliced nuts that have passed through a flavor coating operation (which is a wet process) to be dried are fed to the unit by a conveyor. The nuts are then conveyed through the heat zones of the dryer, the cooling zones, and then back into storage bins for packaging. The operating parameters of the unit including conveyor speeds, temperatures in the heat zones, and air flow which are all adjusted as needed to obtain the consistency specified by Paramount's product criteria.

The blanching operations are served by cyclones. The almond skins are subjected to water on the order of 195° F in the scalder. The hot water breaks down the almond glue which holds the skin on the almond. The wet skins are then vacuumed away, removed from the air stream by cyclones, and sold as cattle feed. This wet process is not expected to yield any PM_{10} emissions and the cyclones are not considered to be air pollution control devices. The cyclones allow for the easy packaging of almond skins.

V. Equipment Listing

Pre-Project Equipment Description (see PTO in Appendix B):

S-377-40-13: 13.84 MMBTU/HR (TOTAL) NATURAL GAS-FIRED ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS. CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYLONE. THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES. SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT

Proposed ATC:

S-377-40-14: MODIFICATION OF ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE. WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER. AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES. SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT. THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYCLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES, SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT: REMOVE ONE BLANCHING LINE AND ADD TWO FLAVORING LINES EACH WITH A THREE-STAGE 4.4 MMBTU/HR CPM WOLVERINE/PROCTOR NATURAL GAS-FIRED DRYER/COOLER VENTED TO A FABRIC COLLECTOR, WITH CONVEYORS, ELEVATORS AND STORAGE BINS

Post Project Equipment Description:

S-377-40-14: 25.84 MMBTU/HR (TOTAL) NATURAL GAS-FIRED ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT. MOISTURIZING LINE, PACKAGING EQUIPMENT, ONE BLANCHING LINE, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER. BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYCLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES, SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT, TWO FLAVORING LINES EACH WITH A THREE STAGE 4.4 MM BTU/HR CPM WOLVERINE/PROCTOR NATURAL GAS FIRED DRYER COOLER VENTED TO A FABRIC COLLECTOR, CONVEYORS, ELEVATORS, AND STORAGE BINS

VI. Emission Control Technology Evaluation

The only portion of almond finishing/flavoring operation equipment that is assessed emissions is the combustion equipment. This type of unit is fired on commercial natural gas. The small burners used in these units are thermostatically controlled to maintain drying chamber temperature usually in the 170 deg F to 230 deg F range with large amounts of excess air. This relatively cool chamber temperature is achieved with a cool burner temperature, which inherently produces less NOx than other types of dryers

The proposed equipment is expected to produce abraded pieces of nut, skin and nut >10 microns. The air flow from the proposed dryers will be routed to fabric collectors to collect this material for sale and to prevent a vector for insects and rodents. Therefore, the proposed fabric collectors are not considered as air pollution control devices.

VII. General Calculations

A. Assumptions

- Units will only be fired PUC regulated natural gas.
- PM₁₀ emissions from the proposed equipment are negligible (District assumption based upon prior experience with similar operations).
- Heating value of natural gas is 1,000 MMBtu/MMscf, District practice
- F-factor for natural gas, corrected to 68 °F, is 8,578 dscf/MMBtu.
- Total combined fuel use for proposed dryers: 0.21 MMscf/day
- Emissions from proposed dryers are the same as for current S-377-40 dryer
- Removal of a blanching will not affect emissions.

B. Emission Factors

Proposed Dryer					
	lb/MMscf	Source			
NO _X	36.0	PTO S-377-40-13			
SO _X	2.85	PTO S-377-40-13			
PM ₁₀	7.6	PTO S-377-40-13			
CO	21.0	PTO S-377-40-13			
VOC	5.5	PTO S-377-40-13			

C. Calculations

1. Pre-Project Potential to Emit (PE1)

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

2. Post Project Potential to Emit (PE2)

The potential to emit for the two dryers is calculated as shown, and summarized in the table below:

$$PE2_{NOx} = (36.0 \text{ lb/MMscf}) * (0.21 \text{ MMscf/day})$$
$$= 7.6 \text{ lb NO}_x/\text{day}$$

= 2,759 lb NO_x/year

	Total PE2 for Proposed Dryers						
	Daily Emissions (lb/day)	Annual Emissions (lb/year)					
NOx	7.6	2.759					
SOx	0.6	218					
PM ₁₀	1.6	583					
CO	4.4	1,610					
VOC	1.2	422					

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

Pursuant to District Rule 2201, the SSPE1 is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of Emission Reduction Credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions (AER) that have occurred at the source, and which have not been used on-site.

	SS	SPE1 (lb/yea	r)		
Permit Unit	NO _X	SO _X	PM ₁₀	CO	VOC
S-377-3-25	25,376	869	1,569	6,405	1,159
S-377-9-6	0	0	0	0	402
S-377-19-28	32,448	1,112	5,650	15,501	1,482
S-377-21-15	13,728	470	413	3,465	627
S-377-31-6	1,472	524	920	6,807	515
S-377-35-4	328	0	1	270	2
S-377-37-4	1,800	18	24	604	54
S-377-39-5	499	17	30	126	35
S-377-40-13	4,273	. 221	416	1,496	376
S-377-41-3	0	0	0	0	. 0
S-377-43-2	0	0	0	0	1,278
S-377-44-2	0	0	0	0	1,278
S-377-45-2	0	0	0	0	1,278
S-377-46-2	0	0	0	0	1,278
S-377-47-6	832	29	28	210	39
S-377-493	0	0	376	0	1,539
S-377-50-3	13,728	470	2,652	3,465	627
S-377-52-0	0	0	5,621	0	0
S-377-54-1	182	0	4	27	7
SSPE1	94,666	3,730	17,704	38,376	11,976

4. Post Project Stationary Source Potential to Emit (SSPE2)

Pursuant to District Rule 2201, the SSPE2 is the PE from all units with valid ATCs or PTOs at the Stationary Source and the quantity of ERCs which have been banked since September 19, 1991 for AER that have occurred at the source, and which have not been used on-site.

	S	SPE2 (lb/yea	ır)		
Permit Unit	NOx	SO _X	PM ₁₀	CO	VOC
S-377-3-25	25,376	869	1,569	6,405	1,159
'S-377-9-6	0	0	0	0	402
S-377-19-28	32,448	1,112	5,650	15,501	1,482
:S-377-21-15	13,728	470	413	3,465	627
S-377-31-6	1,472	524	920	6,807	515
S-377-35-4	328	0	1	270	2
S-377-37-4	1,800	18	24	604	54
S-377-39-5	499	17	30	126	35
ATC S-377-40-14	4,273+2,759 =7,032	221+218 =439	416+583 =999	1,496+1,610 =3,108	376+422 =798
S-377-41-3	0	0	0	0	0
S-377-43-2	0	0	0	· 0	1,278
S-377-44-2	0	0.	0	0	1,278
S-377-45-2	0	0	0	0	1,278
S-377-46-2	0	0	0	0	1,278
S-377-47-6	832	29	28	210	39
S-377-493	0	0	376	0 '	1,539
S-377-50-3	13,728	470	2,652	3,465	627
S-377-52-0	0	0	5,621	0	0
S-377-54-1	182	0	. 4	27	7
SSPE2	97,425	3,948	18,287	39,986	12,398

5. Major Source Determination

Rule 2201 Major Source Determination:

Pursuant to District Rule 2201, a Major Source is a stationary source with a SSPE2 equal to or exceeding one or more of the following threshold values. For the purposes of determining major source status the following shall not be included:

- any ERCs associated with the stationary source
- Emissions from non-road IC engines (i.e. IC engines at a particular site at the facility for less than 12 months)
- Fugitive emissions, except for the specific source categories specified in 40 CFR 51.165

Rule 22		ource Deter year)	mination		
	NO _x	SO _X	PM ₁₀	СО	VOC
Facility emissions pre-project	94,666	3,730	17,704	38,376	11,976
Facility emissions – post project	97,425	3,948	18,287	39,986	12,398
Major Source Threshold	20,000	140,000	140,000	200,000	20,000
Major Source?	Yes	No	No	No	No

This source is an existing Major Source for NOx emissions and will remain a Major Source for NOx. No change in other pollutants are proposed or expected as a result of this project.

Rule 2410 Major Source Determination:

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(i). Therefore the following PSD Major Source thresholds are applicable.

PSD Major Source Determination (tons/year)						
	NO2	voc	SO2	СО	РМ	PM10
Estimated Facility PE before Project Increase	48.7	6.2	2.0	20.0	9.1	9.1
PSD Major Source Thresholds	250	250	250	250	250	250
PSD Major Source ? (Y/N)	n	n	n	n	n	n

As shown above, the facility is not an existing major source for PSD for at least one pollutant. Therefore the facility is not an existing major source for PSD.

6. Baseline Emissions (BE)

The BE calculation (in lbs/year) is performed pollutant-by-pollutant for each unit within the project to calculate the QNEC, and if applicable, to determine the amount of offsets required.

Pursuant to District Rule 2201, BE = PE1 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 District Rule 2201.

Since this is new equipment, BE = PE1 = 0 for all pollutants.

7. SB 288 Major Modification

SB 288 Major Modification is defined in 40 CFR Part 51.165 as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act."

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

SB 288 Major Modification Thresholds					
Pollutant	Project PE2 (lb/year)	Threshold (lb/year)	SB 288 Major Modification Calculation Required?		
NO _x	2,759	50,000	No		

Since none of the SB 288 Major Modification Thresholds are surpassed with this project, this project does not constitute an SB 288 Major Modification.

8. Federal Major Modification

District Rule 2201 states that a Federal Major Modification is the same as a "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

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

Step 1

For new emissions units, the increase in emissions is equal to the PE2 for each new unit included in this project.

The project's emission increase is compared to the Federal Major Modification Threshold in the following table

Federal Major Modification Thresholds for Emission Increases						
Pollutant	Total Emissions	Thresholds	Federal Major			
	Increases (lb/yr)	(lb/yr)	Modification?			
NO _x *	2,759	0	у			

Since there is an increase in NO_x emissions, this project constitutes a Federal Major Modification, and no further analysis is required.

9. Rule 2410 - Prevention of Significant Deterioration (PSD) Applicability Determination

Rule 2410 applies to pollutants for which the District is in attainment or for unclassified, pollutants. The pollutants addressed in the PSD applicability determination are listed as follows:

- NO2 (as a primary pollutant)
- SO2 (as a primary pollutant)
- CO
- PM
- PM10

I. Project Emissions Increase - New Major Source Determination

The post-project potentials to emit from all new and modified units are compared to the PSD major source thresholds to determine if the project constitutes a new major source subject to PSD requirements.

The facility or the equipment evaluated under this project is not listed as one of the categories specified in 40 CFR 52.21 (b)(1)(i). The PSD Major Source threshold is 250 tpy for any regulated NSR pollutant.

PSD Major Source Determination: Potential to Emit (tons/year)						
	NO2	voc	SO2	СО	PM	PM10
Total PE from New and Modified Units	1.4	0.2	0.1	0.8	0.3	0.3
PSD Major Source threshold	250	250	250	250	250	250
New PSD Major Source?	n	n	n	n	n	n

As shown in the table above, the potential to emit for the project, by itself, does not exceed any PSD major source threshold. Therefore Rule 2410 is not applicable and no further analysis is required.

10. 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 A.

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. Unless specifically exempted by Rule 2201, BACT shall be required for the following actions*:

- 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 an SB 288 Major Modification or a Federal Major Modification, as defined by the rule.

a. New emissions units - PE > 2 lb/day

As seen in Section VII.C.2 above, the applicant is proposing to install two new dryers each with a PE greater than 2 lb/day for NO_X and CO. BACT is triggered for NO_X only since the PE is greater than 2 lbs/day. However BACT is not triggered for CO since the SSPE2 for CO is not greater than 200,000 lbs/year, as demonstrated in Section VII.C.5 above.

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

As discussed in Section I above, there are no emissions units being relocated from one stationary source to another; therefore BACT is not triggered.

c. Modification of emissions units - AIPE > 2 lb/day

As discussed in Section I above, there are no modified emissions units associated with this project. Therefore BACT is not triggered.

d. SB 288/Federal Major Modification

As discussed in Sections VII.C.7 and VII.C.8 above, this project does constitute a Federal Major Modification for NO_X emissions. Therefore BACT is triggered for NO_X for all emissions units in the project for which there is an emission increase.

2. BACT Guideline

BACT Guideline 1.6.9 applies to the almond processing dryer less than 10 MMBtu/hr heat input (See Appendix C).

3. Top-Down BACT Analysis

^{*}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.

Per Permit Services Policies and Procedures for BACT, 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.

Pursuant to the attached Top-Down BACT Analysis (see **Appendix C**), BACT has been satisfied with the following:

NO_x: low NO_x burner (stage combustion control)

B. Offsets

1. Offset Applicability

Offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the SSPE2 equals to or exceeds the offset threshold levels in Table 4-1 of Rule 2201.

The SSPE2 is compared to the offset thresholds in the following table.

	Offset Dete	rmination (lb/year)		· · · · · · · · · · · · · · · · · · ·
	NO _X	SO _X	PM ₁₀	CO	VOC
SSPE2	97,425	3,948	18,287	39,986	12,398
Offset Thresholds	20,000	54,750	29,200	200,000	20,000
Offsets triggered?	Yes	No	No	No	No

2. Quantity of Offsets Required

As seen above, the facility is an existing Major Source for NO_X and the SSPE2 is greater than the offset thresholds. Therefore offset calculations will be required for this project.

The quantity of offsets in pounds per year for NO_X is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

Offsets Required (lb/year) = $(\Sigma(PE2 + ICCE) \times DOR)$, for all new or modified emissions units in the project,

Where.

PE2 = Post Project Potential to Emit, (lb/year)

ICCE = Increase in Cargo Carrier Emissions, (lb/year)

DOR = Distance Offset Ratio, determined pursuant to Section 4.8

The project is a Federal Major Modification and therefore the correct offset ratio for NO_x is 1.5:1.

Also, there is only one emissions unit associated with this project and there are no increases in cargo carrier emissions. Therefore offsets can be determined as follows:

Offsets Required (lb/year) = (PE2 + ICCE) x DOR

PE2 (NO_X) = 3942 lb/year ICCE = 0 lb/year

Offsets Required (lb/year) = $(2,759+0) \times 1.5$ = 4,139 lb NO_x/year

Calculating the appropriate quarterly emissions to be offset is as follows:

<u>1st Quarter</u> <u>2nd Quarter</u> <u>3rd Quarter</u> <u>4th Quarter</u> <u>1,035</u> <u>1,035</u> <u>1,035</u>

Pursuant to section 4.13.8 of Rule 2201, AER for NOx that occurred from April through November may be used to offset increases in NOx during any period of the year. The applicant has stated that the facility plans to use ERC certificate C-497-2 to offset the increases in NO_X emissions associated with this project. The above certificate has available quarterly NO_X credits as follows:

ERC #C-497-2 1,000 2,000 4,000 300

As seen above, the facility has sufficient credits to fully offset the quarterly NO_X emissions increases associated with this project.

Proposed Rule 2201 (offset) Conditions:

- {GC# 4447 edited} Prior to operating equipment under this Authority to Construct, permittee shall surrender NO_X emission reduction credits for the following quantity of emissions: 1st quarter 1,035 lb, 2nd quarter 1,035 lb, 3rd quarter 1,035 lb, and fourth quarter 1,035 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201]
- ERC Certificate Number C-497-2 (or a certificate split from this certificate) 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]

C. Public Notification

1. Applicability

Public noticing is required for:

a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications,

- b. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- c. Any project which results in the offset thresholds being surpassed, and/or
- d. Any project with an SSIPE of greater than 20,000 lb/year for any pollutant.

a. New Major Sources, Federal Major Modifications, and SB 288 Major Modifications

New Major Sources are new facilities, which are also Major Sources. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.

As demonstrated in Sections VII.C.7 and VII.C.8, this project is a Federal Major Modification. Therefore, public noticing for SB 288 or Federal Major Modification purposes is required.

b. PE > 100 lb/day

Applications which include a new emissions unit with a PE greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. As seen in Section VII.C.2 above, this project does not include a new emissions unit which has daily emissions greater than 100 lb/day for any pollutant, therefore public noticing for PE > 100 lb/day purposes is not required.

c. Offset Threshold

The SSPE1 and SSPE2 are compared to the offset thresholds in the following table.

Offset Thresholds							
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	Offset Threshold	Public Notice Required?			
NOx	94,666	97,425	20,000 lb/year	No			
SO _X	3730	3,948	54,750 lb/year	No			
PM ₁₀	17,704	18,287	29,200 lb/year	No			
CO	38,376	39,986	200,000 lb/year	No			
VOC	11,976	12,398	20,000 lb/year	No			

As detailed above, there were no thresholds surpassed with this project; therefore public noticing is not required for offset purposes.

d. SSIPE > 20,000 lb/year

Public notification is required for any permitting action that results in a SSIPE of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE = SSPE2 – SSPE1. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table.

	SSIPE Public Notice Thresholds						
Pollutant	SSPE1 (lb/year)	SSPE2 (lb/year)	SSIPE (lb/year)	SSIPE Public Notice Threshold	Public Notice Required?		
NO _x	94,666	97,425	2,759	20,000 lb/year	No		
SO _x	3,730	3,948	218	20,000 lb/year	No		
PM ₁₀	17,704	18,287	583	20,000 lb/year	No		
CO	38,376	39,986	1,610	20,000 lb/year	No		
VOC	11,976	12,398	422	20,000 lb/year	No		

As demonstrated above, the SSIPEs for all pollutants were less than 20,000 lb/year; therefore public noticing for SSIPE purposes is not required.

2. Public Notice Action

As discussed above, public noticing is required for this project for NO_X emissions triggering a Federal Major Modification. Therefore, public notice documents will be submitted to the California Air Resources Board (CARB) and a public notice will be published in a local newspaper of general circulation prior to the issuance of the ATC for this equipment.

D. Daily Emission Limits (DELs)

DELs and other enforceable conditions are required by Rule 2201 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. 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.

Proposed Rule 2201 (DEL) Conditions:

- Emissions from the Proctor Schwartz and Aeroglide dryers and CPM Wolverine/Proctor dryers the shall not exceed any of the following limits: 36.0 lb-NOx/MMscf, 2.85 lb-SOx/MMscf, 7.6 lb-PM10/MMscf, 21.0 lb-CO/MMscf, or 5.5 lb-VOC/MMscf. [District Rule 2201] Y
- CPM Wolverine/Proctor dryers' combined total natural gas usage shall not exceed 0.21 MMscf/day. [District Rule 2201] Y

E. Compliance Assurance

1. Source Testing

Pursuant to District Policy APR 1705, source testing is not required 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. The following condition(s) are listed on the permit to operate:

- Records of daily and annual natural gas consumption shall be maintained. [District Rules 1070, 2201 and 2520, 9.4] Y
- All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070, 2201 and 2520, 9.4] Y

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

F. Ambient Air Quality Analysis (AAQA)

An AAQA shall be conducted for the purpose of determining whether a new or modified Stationary Source will cause or make worse a violation of an air quality standard. The District's Technical Services Division conducted the required analysis. Refer to **Appendix** D of this document for the AAQA summary sheet.

The proposed location is in an attainment area for NO_X , CO, and SO_X . As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for NO_X , CO, or SO_X .

The proposed location is in a non-attainment area for the state's PM_{10} as well as federal and state $PM_{2.5}$ thresholds. As shown by the AAQA summary sheet the proposed equipment will not cause a violation of an air quality standard for PM_{10} and $PM_{2.5}$.

G. Compliance Certification

Section 4.15.2 of this Rule requires the owner of a new Major Source or a source undergoing a Title I Modification to demonstrate to the satisfaction of the District that all other Major Sources owned by such person and operating in California are in compliance or are on a schedule for compliance with all applicable emission limitations and standards. As discussed in Section VIII above, this facility is a new major source and this project does constitute a Title I modification, therefore this requirement is applicable. PFI's compliance certification is included in Appendix E.

H. Alternate Siting Analysis

Since the project will provide almond flavoring capability to be used at the same location, the existing site will result in the least possible impact from the project. Alternative sites would involve the relocation and/or construction of various support structures on a much greater scale, and would therefore result in a much greater impact.

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Rule 2410 Prevention of Significant Deterloration

As demonstrated in Section VII.C.9 above, this project is not subject to the requirements of Rule 2410.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this Rule, and has received their Title V Operating Permit. Section 3.29 defines a significant permit modification as a "permit amendment that does not qualify as a minor permit modification or administrative amendment."

Section 3.20.2 states that a minor permit modifications are not Title I modifications (Federal Major Modifications) as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act. This project is a Federal Major Modification; consequently, the proposed project constitutes a Significant Modification to the Title V Permit pursuant to Section 3.29.

Rule 4001 New Source Performance Standards (NSPS)

This rule incorporates NSPS from Part 60, Chapter 1, Title 40, Code of Federal Regulations (CFR); and applies to all new sources of air pollution and modifications of existing sources of air pollution listed in 40 CFR Part 60. However, no subparts of 40 CFR Part 60 apply to gas-fired nut drying, or nut flavoring operations.

Rule 4002 National Emission Standards for Hazardous Air Pollutants (NESHAPs)

This rule incorporates NESHAPs from Part 61, Chapter I, Subchapter C, Title 40, CFR and the NESHAPs from Part 63, Chapter I, Subchapter C, Title 40, CFR; and applies to all sources of hazardous air pollution listed in 40 CFR Part 61 or 40 CFR Part 63. However, no subparts of 40 CFR Part 61 or 40 CFR Part 63 apply to gas-fired nut drying, or nut flavoring operations.

Rule 4101 Visible Emissions

Per Section 5.0, no person shall discharge into the atmosphere emissions of any air contaminant aggregating more than 3 minutes in any hour which is as dark as or darker than Ringelmann 1 (or 20% opacity). All particulate removal equipment handles particles greater than 10 microns and all combustion equipment bums PUC quality natural gas; therefore visible emissions are not expected to exceed Ringelmann 1 or 20% opacity. Also, based on past inspections of the facility continued compliance is expected.

Rule 4102 Nuisance

Rule 4102 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. Public nulsance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, compliance with this rule is expected.

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 – Risk Management Policy for Permitting New and Modified Sources 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.

An HRA is not required for a project with a total facility prioritization score of less than or equal to one. According to the Technical Services Memo for this project (Appendix D), the total facility prioritization score including this project was less than or equal to one. Therefore, no future analysis is required to determine the impact from this project and compliance with the District's Risk Management Policy is expected.

Discussion of T-BACT

BACT for toxic emission control (T-BACT) is required if the cancer risk exceeds one in one million. As demonstrated above, 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.

Rule 4201 Particulate Matter Concentration

Section 3.1 prohibits discharge of dust, fumes, or total particulate matter into the atmosphere from any single source operation in excess of 0.1 grain per dry standard cubic foot. As this equipment is all fired on PUC quality natural gas compliance with this rule is expected. The following condition will appear on the ATC to ensure ongoing compliance:

 Particulate matter emissions shall not exceed 0.1 gr/dscf in concentration. [District Rule 4201] Y

Rule 4301 Fuel Burning Equipment

This rule specifies maximum emission rates in lb/hr for SO_2 , NO_2 , and combustion contaminants (defined as total PM in Rule 1020). This rule also limits combustion contaminants to ≤ 0.1 gr/scf.

This rule is applicable to fuel burning equipment that is defined in §3.1 of the rule as:

• Fuel Burning Equipment: any furnace, boiler, apparatus, stack, and all appurtenances thereto, used in the process of burning fuel for the primary purpose of producing heat or power by indirect heat transfer.

The proposed dryers heat the nuts by direct heat transfer (the products of combustion come into contact with the process material); therefore, this rule is not applicable to this equipment.

Rule 4309 Dryer, Dehydrators, and Ovens

The purpose of this rule is to limit emissions of oxides of nitrogen (NOx) and carbon monoxide (CO) from dryers, dehydrators, and ovens. This rule applies to any dryer, dehydrator, or oven

that is fired on gaseous fuel, liquid fuel, or is fired on gaseous and liquid fuel sequentially, and the total rated heat input for the unit is 5.0 MMBtu/hr or greater. Since the dryers being installed have a heat input rating less than 5.0 MMBtu they are not subject to the requirements of this rule. No further discussion is required.

Rule 4801 Sulfur Compounds

A person shall not discharge into the atmosphere sulfur compounds, which would exist as a liquid or gas at standard conditions, exceeding in concentration at the point of discharge: 0.2 % by volume calculated as SO₂, on a dry basis averaged over 15 consecutive minutes. The combustion equipment listed on these permits emit sulfur compounds and are limited to fire exclusively on PUC quality natural gas that will ensure compliance with this rule. Therefore, the following condition will be listed on the ATC to ensure compliance:

 All burners shall only be fired on PUC regulated natural gas. [Kern County Rule 407 and District Rule 4801] Y

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.

California Environmental Quality Act (CEQA)

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 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; and
- 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.

Greenhouse Gas (GHG) Significance Determination

It is determined that no other agency has prepared or will prepare an environmental review document for the project. Thus the District is the Lead Agency for this project.

On December 17, 2009, the District's Governing Board adopted a policy, APR 2005, Addressing GHG Emission Impacts for Stationary Source Projects Under CEQA When Serving as the Lead Agency, for addressing GHG emission impacts when the District is Lead Agency under CEQA and approved the District's guidance document for use by other agencies when addressing GHG impacts as lead agencies under CEQA. Under

this policy, the District's determination of significance of project-specific GHG emissions is founded on the principal that projects with GHG emission reductions consistent with AB 32 emission reduction targets are considered to have a less than significant impact on global climate change. Consistent with District Policy 2005, projects complying with an approved GHG emission reduction plan or GHG mitigation program, which avoids or substantially reduces GHG emissions within the geographic area in which the project is located, would be determined to have a less than significant individual and cumulative impact for GHG emission.

The California Air Resources Board (ARB) adopted a Cap-and-Trade regulation as part one of the strategies identified for AB 32. This Cap-and-Trade regulation is a statewide plan, supported by a CEQA compliant environmental review document, aimed at reducing or mitigating GHG emissions from targeted industries. Facilities subject to the Cap-and-Trade regulation are subject to an industry-wide cap on overall GHG emissions. Any growth in emissions must be accounted for under that cap such that a corresponding and equivalent reduction in emissions must occur to allow any increase. Further, the cap decreases over time, resulting in an overall decrease in GHG emissions.

Under District policy APR 2025, CEQA Determinations of Significance for Projects Subject to ARB's GHG Cap-and-Trade Regulation, the District finds that the Cap-and-Trade is a regulation plan approved by ARB, consistent with AB32 emission reduction targets, and supported by a CEQA compliant environmental review document. As such, consistent with District Policy 2005, projects complying project complying with Cap-and-Trade requirements are determined to have a less than significant individual and cumulative impact for GHG emissions.

The GHG emissions increases associated with this project result from the combustion of fossil fuel(s), other than jet fuel, delivered from suppliers subject to the Cap-and-Trade regulation. Therefore, as discussed above, consistent with District Policies APR 2005 and APR 2025, the District concludes that the GHG emissions increases associated with this project would have a less than significant individual and cumulative impact on global climate change.

District CEQA Findings

The District is the Lead Agency for this project because there is no other agency with broader statutory authority over this project. The District performed an Engineering Evaluation (this document) for the proposed project and determined that the activity will occur at an existing facility and the project involves negligible expansion of the existing use. Furthermore, the District determined that the activity will not have a significant effect on the environment. The District finds that the activity is categorically exempt from the provisions of CEQA pursuant to CEQA Guideline § 15301 (Existing Facilities), and finds that the project is exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

IX. Recommendation

Compliance with all applicable rules and regulations is expected. Pending a successful NSR and EPA Public Noticing period, issue ATC S-377-40-14 subject to the permit conditions on the attached draft ATC in **Appendix F**.

X. Billing Information

Annual Permit Fees					· · · · · · · · · · · · · · · · · · ·
Permit Number	Fee Schedule	Fee Description		Annual	Fee
S-377-40-14	3020-02 H	>15 MMBtu/hr		\$1030	

Appendixes

A: Quarterly Net Emissions Change

B: Current PTO

C: Top-Down BACT Analysis

D: HRA/AAQA

E: Compliance Certification

F: Draft ATC

APPENDIX A Quarterly Net Emissions Change (QNEC)

Permit #: S-377-40-14

Last Updated

Facility: PARAMOUNT

10/10/2014 TORID

FARMS

Equipment Pre-Baselined: NO

uipment Pre-Baselined: NO	<u>NOX</u>	<u>sox</u>	<u>PM10</u>	CO	<u>voc</u>
Potential to Emit (lb/Yr):	2759.0	218.0	583.0	1610.0	422.0
Daily Emis. Limit (lb/Day)	7.6	0.6	1.6	4.4	1.2
Quarterly Net Emissions Change (lb/Qtr)		,			
Q1. ⁹	690.0	55.0	146.0	403.0	106.0
Q2;	690.0	55.0	146.0	403.0	106.0
Q3:	690.0	55.0	146.0	403.0	106.0
Q4:	690.0	55.0	146.0	403.0	106.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio	1.5	·			
Quarterly Offset Amounts (lb/Qtr)					
Q1;	1035.0		 		
Q2:	1035.0			<u> </u>	
Q3:	1035.0				
Q4:	1035.0				

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 - PE1, where:

QNEC = Quarterly Net Emissions Change for each emissions unit, lb/qtr.

PE2 = Post Project Potential to Emit for each emissions unit, lb/qtr.

PE1 = Pre-Project Potential to Emit for each emissions unit, lb/qtr.

Using the values in Sections VII.C.2 and VII.C.6 in the evaluation above, quarterly PE2 and quarterly PE1 can be calculated as follows:

PE2_{quarterly} = PE2_{annual} ÷ 4 quarters/year

PE1_{quarterly}= PE1_{annual} ÷ 4 quarters/year

Quarterly NEC [QNEC]							
	PE2 (lb/yr)	PE2 (lb/qtr)	PE1 (lb/yr)	PE1 (lb/qtr)	QNEC (lb/qtr)		
NOx	2,759	690	0	0	690		
SOx	218	55	0	0			
PM ₁₀	583	146	0	0	146		
CO	1,610	403	0	0	403		
VOC	422	106	0	0	106		

APPENDIX B Current PTO

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-377-40-13 EXPIRATION DATE: 10/31/2016

SECTION: NE23 TOWNSHIP: 26S RANGE: 19E

EQUIPMENT DESCRIPTION:

13.84 MMBTU/HR (TOTAL) NATURAL GAS-FIRED ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES, SEASONING SKIDS, OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT

PERMIT UNIT REQUIREMENTS

- 1. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
- 2. All burners shall only be fired on PUC regulated natural gas. [Kern County Rule 407 and District Rule 4801] Federally Enforceable Through Title V Permit
- 3. Emissions from the slicer and sliver lines (two plasticizers and two dryers) shall not exceed any of the following limits: 44.0 lb-NOx/MMscf, 2.85 lb-SOx/MMscf, 5.0 lb-PM10/MMscf, 8.6 lb-CO/MMscf, or 5.8 lb-VOC/MMscf. [District NSR Rule] Federally Enforceable Through Title V Permit
- 4. The slicer and sliver lines (two plasticizers and two dryers) natural gas usage shall not exceed 103,500 scf/day and 10.0 MMscf/year. [District NSR Rule] Federally Enforceable Through Title V Permit
- 5. Emissions from the Proctor Schwartz and Aeroglide dryers shall not exceed any of the following limits: 36.0 lb-NOx/MMsef, 2.85 lb-SOx/MMsef, 7.6 lb-PM10/MMsef, 21.0 lb-CO/MMsef, or 5.5 lb-VOC/MMsef. [District NSR Rule] Federally Enforceable Through Title V Permit
- 6. The Proctor Schwartz and Aeroglide dryers' natural gas usage shall not exceed 163,200 scf/day and 37.15 MMscf/year.
 [District NSR Rule] Federally Enforceable Through Title V Permit
- 7. Emission rate per MMscf gas burned from the 4.0 MMBtu/hr Aeroglide nut dryer #3 shall not exceed any of the following: PM10: 2.8 lb/MMscf, SOx as (SO2): 2.85 lb/MMscf, NOx (as NO2): 83.2 lb/MMscf, VOC: 3.8 lb/MMscf, or CO: 21.0 lb/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit
- 8. Natural gas combusted in the 4.0 MMBtu/hr Aeroglide nut dryer (#3) shall not exceed 0.096 MMscf/day nor 30 MMscf/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
- 9. This almond finishing and packaging operation shall be equipped with two operational non-rescttable totalizing fuel meters: one serving the slicer and sliver lines (two plasticizers and two dryers) and one serving the two roasters, to show compliance with the fuel usage limits set forth in this permit. [District NSR Rule] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE.

These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: PARAMOUNT FARMS
Location: 3.5 MILES:NORTH OF HWY 48 ON HWY 33,LOST HILLS, CA 9-377-40-15: Jul 7 2014 6 12244 - TORD

- 10. Records of daily and annual natural gas consumption shall be maintained. [District Rule 1070 and 2520, 9.4] Federally Enforceable Through Title V Permit
- 11. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070 and 2520, 9.4] Federally Enforceable Through Title V Permit

Appendix C Top-Down BACT Analysis

Best Available Control Technology (BACT) Guldeline 1.6.9 Last Update: 10/30/1996

Dryer - Almond Processing, < 10 MMBtu/hr

Pollutant	Achieved in Practice or in the SIP	Technologically Feasible	Alternate Basic Equipment
NOx		Low NOx burner (utilizing stage combustion technology)	

Top Down BACT Analysis for NO_x Emissions from Almond Dryer

Step 1 - Identify all control technologies

The SJVUAPCD BACT ClearInghouse guideline 1.6.9 identifies achieved in practice NO_X BACT for almond processing dryers as follows:

Low NOx burner (utilizing staged combustion technology) (technologically feasible)

Step 2 - Eliminate Technologically Infeasible Options

The above technology is technologically feasible.

Step 3 - Rank Remaining Control Technologies by Control Effectiveness

Low NOx burner (utilizing staged combustion technology) (technologically feasible)

Step 4 - Cost Effectiveness Analysis

PFI is proposing the only control technology listed in step 3; a cost effectiveness analysis is not required.

Step 5 - Select BACT for NO_X

The applicant has proposed the installation of low NOx burners utilizing staged combustion technology

APPENDIX D HRA/AAQA

San Joaquin Valley Air Pollution Control District Risk Management Review

To:

Richard Edgehill -- Permit Services

From:

Cheryi Lawler - Technicai Services

Date:

August 6, 2013

Facility Name:

Paramount Farms LLC

Location:

13646 Highway 33, Lost Hilis

Application #(s):

S-377-40-12

Project #:

S-1130510

A. RMR SUMMARY

RMR Summary			
Categories	Natural Gas Dryers (Unit 40-12)	Project Totals	Facility Totals
Prioritization Score	0.00	0.00	>1
Acute Hazard Index	0.00	0.00	0.15
Chronic Hazard Index	0.00	0.00	0.57
Maximum Individual Cancer Risk	7.88E-09	7.88E-09	4.56E-07
T-BACT Required?	No	WAR TO BE	THE THE WASH
Special Permit Conditions?	Yes	一個。但是是	经验证证证

Proposed Permit Conditions

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

Unit 40-12

1. {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] N

B. RMR REPORT

I. Project Description

Technical Services received a request on August 5, 2013, to perform a Risk Management Review (RMR) and Ambient Air Quality Analysis (AAQA) for three new 2.5 MMBtu/hr natural gas dryers. An existing 1.2 MMBtu/hr dryer will be removed.

II. Analysis

For the Risk Management Review, toxic emissions from the dryers were calculated using 2001 Ventura County Air Pollution Control District emission factors for natural gas fired external combustion. In accordance with the District's *Risk Management Policy for Permitting New and Modified Sources* (APR 1905-1, March 2, 2001), risks from the proposed project were prioritized using the procedures in the 1990 CAPCOA Facility Prioritization Guidelines and incorporated in the District's HEART's database. The prioritization score was less than 1.0 (see RMR Summary Table); however, the facility's combined prioritization scores totaled to greater than one. Therefore, a refined Health Risk Assessment was required and performed for the project. AERMOD was used with point source parameters outlined below and concatenated 5-year meteorological data from Bakersfield to determine maximum dispersion factors at the nearest residential and business receptors. The dispersion factors were input into the HARP model to calculate the Chronic and Acute Hazard Indices and the Carcinogenic Risk for the project.

The following parameters were used for the review:

Analysis Parameters			
Source Type	Point	Closest Receptor (m)	1859
Stack Height (m)	6.1	Closest Receptor Type	Residence
Stack Diameter (m)	0.61	Project Location Type	Rural
Stack Gas Temperature (K)	322	Natural Gas Rates (mmscf)	0.0075 hr 56.3 yr
Stack Gas Velocity (m/s)	32.34		

Technical Services also performed modeling for criteria pollutants CO, NOx, SOx, PM₁₀, and PM_{2.5}, as well as the RMR. Emission rates used for criteria pollutant modeling were 32.9 lb/day CO, 20.5 lb/day NOx, 1.6 lb/day SOx, 2.5 lb/day PM₁₀, and 2.5 lb/day PM_{2.5}.

The results from the Criteria Pollutant Modeling are as follows:

Criteria Pollutant Modeling Results*

Values are in µg/m³

Natural Gas Dryers	1 Hour	3 Hours	8 Hours	24 Hours	Annual
CO	Pass	Χ	Pass	Χ	X
NO _x	Pass ²	Х	X	X	Pass
SO _x	Pass	Pass	X	Pass	Pass
PM ₁₀	X	X	Х	Pass'	Pass'
PM _{2,5}	X	X	X	Pass ³	Pass³

^{*}Results were taken from the attached PSD spreadsheet.

The criteria pollutants are below EPA's level of significance as found in 40 CFR Part 51.165 (b)(2).

²The project was compared to the 1-hour NO2 National Ambient Air Quality Standard that became effective on April 12, 2010, using the District's approved procedures.

³For this case as per District procedure, minor PM_{2.5} sources are modeled only for primary PM_{2.5} concentrations, and these concentrations are compared to the 24-hour SIL of 1.2 ug/m³ and the annual SIL of 0.3 ug/m³.

III. Conclusions

The criteria modeling runs indicate the emissions from the proposed equipment will not cause or significantly contribute to a violation of a State or National AAQS.

The acute and chronic indices are below 1.0; and the maximum individual cancer risk associated with the project is **7.88E-09**, which is less than the 1 in a million threshold. 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 the proposed project.

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 E Compliance Certification

CERTIFICATION

Paramount Farms, LLC hereby certifies as follows:

- 1. Paramount Farms owns or operates certain major stationary sources in the State of California. Such sources are comprised of a vast number of emission points. As used in this certification, the term "major stationary source" shall, with respect to Paramount Farms stationary sources in the SJVUAPCD, have the meaning ascribed thereto in SJVUAPCD Rule 2201, Section 3.23, and shall, with respect to all of Paramount's other stationary sources in the State of California, have the meaning ascribed thereto in section 302(J) of the Clean Air Act (42 U.S.C. Section 7602 (J)).
- 2. Subject to paragraphs 3 and 4 below, all major stationary sources owned or operated by Paramount Farms in the State of California are either in compliance, or on an approved schedule of compliance, with all applicable emission limitations and standards under the Clean Air Act and all of the State Implementation Plan approved by the Environmental Protection Agency.
- 3. This certification is made on information and belief and is based upon a review of Paramount Farms major stationary sources in the State of California by those employees of Paramount Farms who have operational responsibility for compliance. In conducting such reviews, Paramount Farms and its employees have acted in good faith and have exercised best efforts to identify any exceedance of the emission limitations and standards referred to in paragraph 2 thereof.
 - 4. This certification shall speak as of the time and date of its execution.

	FICATION	,		
Ву:	O. J. M.			
	Dave Szeflin			
Title:	Vice President of Operations	Date:	7/7/14	

APPENDIX F Draft ATC

San Joaquin Valley Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: S-377-40-14

LEGAL OWNER OR OPERATOR: PARAMOUNT FARMS

MAILING ADDRESS:

ATTN: DANIEL LEE 13646 HIGHWAY 33

LOST HILLS, CA 93249-9719

LOCATION:

3.5 MILES NORTH OF HWY 46 ON HWY 33

LOST HILLS, CA

SECTION: NE23 TOWNSHIP: 268 RANGE: 19E

EQUIPMENT DESCRIPTION:

MODIFICATION OF ALMOND FINISHING AND PACKAGING OPERATION IN BUILDING #48 INCLUDING: SORTING EQUIPMENT, MOISTURIZING LINE, PACKAGING EQUIPMENT, TWO BLANCHING LINES, BINS, TANKS, CONVEYORS, ELEVATORS AND ASSORTED HARDWARE, WITH ONE SLIVER LINE AND ONE SLICER LINE EACH WITH A 32-10,000 BTU/HR BURNER PLASTICIZER AND ONE EACH 1.2 MMBTU/HR DRYER, AND ONE ALMOND FLAVORING OPERATION CONSISTING OF TWO LINES - THE FIRST WITH A 3-STAGE PROCTOR SCHWARTZ ROASTER IN BUILDING #50 WITH TWO 1.6 MMBTU/HR NATURAL GAS FIRED BURNERS VENTED TO TWO CYCLONE ASSEMBLIES, SALT REMOVAL SHAKER, SURGE HOPPER, BUCKET ELEVATOR VENTED TO SOCK FILTERS AND ADDITIONAL CONVEYING EQUIPMENT, THE SECOND WITH AN AEROGLIDE MODEL C1 120-65 RGC NATURAL GAS FIRED ROASTER WITH TWO 1.8 MMBTU/HR BURNERS VENTED TO A CYCLONE, THE THIRD WITH A 4 MMBTU/HR NUT DRYER, BIN DUMPERS, BRINE TANK, MIX TANKS, SLURRY KETTLES. SEASONING SKIDS. OSCILLATING FEEDERS AND ASSOCIATED CONVEYING EQUIPMENT: REMOVE ONE BLANCHING LINE AND ADD TWO FLAVORING LINES EACH WITH A THREE-STAGE 4.4 MMBTU/HR CPM WOLVERINE/PROCTOR NATURAL GAS-FIRED DRYER/COOLER VENTED TO A FABRIC COLLECTOR, WITH CONVEYORS, ELEVATORS AND STORAGE BINS

CONDITIONS

- {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
- {4831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit 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 8 PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inapaction to verify that the equipment has been constructed in accordance with the approved plans, specifications end 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 Joequin Vallay Unified Air Poliution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancalled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all ether governmental agencies which may pertain to the above equipment.

V APCO Seved Sadredin, Executive Dile

Arnaud Marjollet Director of Permit Services

- 3. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter 1,035 lb, 2nd quarter 1,035 lb, 3rd quarter 1,035 lb, and fourth quarter 1,035 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
- 4. ERC Certificate Number C-497-2 (or a certificate split from this certificate) 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. This almond finishing and packaging operation shall be equipped with three operational non-resettable totalizing fuel meters: one serving the slicer and sliver lines (two plasticizers and two dryers), one serving the two roasters and one serving the flavoring line's two dryers, to show compliance with the fuel usage limits set forth in this permit. [District Rule 2201] Federally Enforceable Through Title V Permit
- 6. All burners shall only be fired on PUC regulated natural gas. [Kern-County Rule 407 and District Rules 2201 and 4801] Federally Enforceable Through Title V Permit
- 7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permlt
- 8. Emissions from the slicer and sliver lines (two plasticizers and two dryers) shall not exceed any of the following limits: 44.0 lb-NOx/MMscf, 2.85 lb-SOx/MMscf, 5.0 lb-PM10/MMscf, 8.6 lb-CO/MMscf, or 5.8 lb-VOC/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit
- 9. The slicer and sliver lines (two plasticizers and two dryers) natural gas usage shall not exceed 103,500 scf/day and 10.0 MMscf/year. [District Rule 2201] Federally Enforceable Through Title V Permit
- 10. Emissions from the Proctor Schwartz and Aeroglide dryers and CPM Wolverine/Proctor dryers the shall not exceed any of the following limits: 36.0 lb-NOx/MMscf, 2.85 lb-SOx/MMscf, 7.6 lb-PM10/MMscf, 21.0 lb-CO/MMscf, or 5.5 lb-VOC/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit
- 11. The Proctor Schwartz and Aeroglide dryers' natural gas usage shall not exceed 163,200 scf/day and 37.15 MMscf/year. [District Rule 2201] Federally Enforceable Through Title V Permit
- 12. CPM Wolverine/Proctor dryers' combined total natural gas usage shall not exceed 0.21 MMscf/day. [District Rule 2201] Federally Enforceable Through Title V Permit
- 13. Emission rate per MMscf gas burned from the 4.0 MMBtu/hr Aeroglide nut dryer #3 shall not exceed any of the following: PM10: 2.8 lb/MMscf, SOx as (SO2): 2.85 lb/MMscf, NOx (as NO2): 83.2 lb/MMscf, VOC: 3.8 lb/MMscf, or CO: 21.0 lb/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit
- Natural gas combusted in the 4.0 MMBtu/hr Aeroglide nut dryer (#3) shall not exceed 0.096 MMscf/day nor 30 MMscf/yr. [District Rule 2201] Federally Enforceable Through Title V Permit
- 15. Records of daily and annual natural gas consumption shall be maintained. [District Rules 1070, 2201 and 2520, 9.4] Federally Enforceable Through Title V Permit
- 16. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070, 2201 and 2520, 9.4] Federally Enforceable Through Title V Permit







AUTHORITY TO CONSTRUCT

PERMIT NO: S-377-40-14

ISSUANCE DATE: 10/14/2014

LEGAL OWNER OR OPERATOR: PARAMOUNT FARMS

ATTN: DANIEL LEE

MAILING ADDRESS:

13646 HIGHWAY 33

LOST HILLS, CA 93249-9719

LOCATION:

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Seved Sadredin, Executive Director / APCO

Affaud Marjollet, Director of Permit Services 8-377-40-14: Oct 14 2014 1:57PM - TORIO : Joint Inspection NOT Required

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