



**OCT 26 2015**

Edwin Steven  
Valley Milk, LLC  
346 East F Street  
Oakdale, CA 95361

**RE: Notice of Final Action - Authority to Construct**  
**Facility Number: N-9149**  
**Project Number: N-1151582**

Dear Mr. Steven:

The Air Pollution Control Officer has issued the Authority to Construct permits to Valley Milk, LLC for the installation of a new milk processing plant, at 4407 West Main Street in Turlock, California. Enclosed are the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the Authority to Construct permits was published on September 18, 2015. The District's analysis of the proposal was also sent to CARB on September 15, 2015. All comments received following the District's preliminary decision on this project were considered. A summary of the comments and the District's response to each comment is included as an attachment to this notice.

Comments received by the District during the public notice period resulted in extending the initial source testing period from 60 days to 90 days for permit units N-9149-1, N-9149-2, and N-9149-3. 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 on the amount of offsets required for project approval.

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

Seyed Sadredin  
Executive Director/Air Pollution Control Officer

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

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

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

Mr. Edward Steven  
Page 2

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Nick Peirce at (209) 557-6400.

Sincerely,

A handwritten signature in cursive script that reads "Arnaud Marjollet". The signature is written in black ink and is positioned above a horizontal line.

Arnaud Marjollet  
Director of Permit Services

AM:

Enclosures

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

**Applicant's Comments on draft Authority to Construct (ATC) Permits:  
N-9149-1-0, N-9149-2-0 and N-9149-3-0**

On October 2, 2015, the District received comments from the applicant and consultant on the proposed draft ATC permits N-9149-1-0, N-9149-2-0 and N-9149-3-0. These comments and the District response to each comment are given in the following section.

**N-9149-1-0 and N-9149-2-0**

**Comment #1**

For condition #11, what constitutes "Start-up"? Does it mean the first time we light a match and fire up the boilers? Once the boilers are started plant will undergo two weeks of testing with water. Then milk will be introduced and the plant will be operated at different loads to confirm proper operation of the boilers. The initial testing can take 30 to 45 days before powder milk production. All this assumes that there are no unexpected problems or equipment breakdown. We request that the source be conducted during the first 90 days instead of 60 days.

**Response #1**

Condition #11 has been revised as follows:

"Source testing to measure NOx and CO emissions from this unit while fired on natural gas shall be conducted within 90 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320]"

**Comment #2**

For condition #16, this condition conflicts with condition #25 that requires no testing of fuel sulfur content if using PUC quality natural gas. It should be removed and condition #25 already stipulates that sulfur content be determined for non-PUC quality natural gas.

**Response #2**

Condition #25 states "Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source." This condition provides two options to the permittee to demonstrate compliance with the requirement of sulfur content of combusted fuel, where the first option clearly states that the permittee could determine sulfur content of combusted gas annually. If the permittee prefers to use the first option listed on condition #25, the permittee shall use the sulfur content test method specified under Condition #16 to demonstrate compliance with the requirement of sulfur content of combusted gas. Therefore, condition #16 will remain as it is currently written.

N-9149-3-0

**Comment #1**

For condition #19, request first source test be conducted within 90 days instead of 60 days. See our comments for condition #11 for Permits N-9149-1 ad N-9149-2.

**Response #1**

Condition #19 has been revised as follows:

“Source testing to measure PM10 emissions from the exhaust of the baghouse serving the milk drying operation shall be conducted within 90 days of initial start-up, and annually thereafter. [District Rule 2201]”

In addition, condition #21 has also been revised for the same reason. The revised condition is as follows:

“Source testing to measure NOx and CO emissions from this unit while fired on natural gas shall be conducted within 90 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320]”

**Comment #2**

For condition #26, this conditions conflicts with Condition #25 that requires no testing of fuel sulfur content if using PUC quality natural gas. It should be removed and condition #25 already stipulates that sulfur content be

**Response #2**

Please see response to comment #2 of permits N-9149-1-0 and N-9149-2-0.

**Comment #3**

For condition #38, the plant will maintain daily production records, however, we do not see the need for including it as a permit condition. What will the District do with this information?

**Response #3**

Condition #38 specifies the recordkeeping requirement that is necessary to demonstrate compliance with the daily emission limit requirement of District Rule 2201, section 3.16.

Link to the District Rule 2201:

<http://www.valleyair.org/rules/currnrules/Rule22010411.pdf>



Facility # N-9149  
VALLEY MILK LLC  
346 E F ST  
OAKDALE, CA 95361

## **AUTHORITY TO CONSTRUCT (ATC)**

### **QUICK START GUIDE**

1. **Pay Invoice.** Please pay enclosed invoice before due date.
2. **Fully Understand ATC.** Make sure you understand ALL conditions in the ATC prior to construction, modification and/or operation.
3. **Follow ATC.** You must construct, modify and/or operate your equipment as specified on the ATC. Any unspecified changes may require a new ATC.
4. **Notify District.** You must notify the District's Compliance Department, at the telephone numbers below, upon start-up and/or operation under the ATC. Please record the date construction or modification commenced and the date the equipment began operation under the ATC. You may NOT operate your equipment until you have notified the District's Compliance Department. A startup inspection may be required prior to receiving your Permit to Operate.
5. **Source Test.** Schedule and perform any required source testing. See [http://www.valleyair.org/busind/comply/source\\_testing.htm](http://www.valleyair.org/busind/comply/source_testing.htm) for source testing resources.
6. **Maintain Records.** Maintain all records required by ATC. Records are reviewed during every inspection (or upon request) and must be retained for 5 years.

By operating in compliance, you are doing your part to improve air quality for all Valley residents.

**For assistance, please contact District Compliance staff at any of the telephone numbers listed below.**

Seyed Sadredin  
Executive Director/Air Pollution Control Officer

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**Northern Region**  
4800 Enterprise Way  
Modesto, CA 95358-8718  
Tel: (209) 557-6400 FAX: (209) 557-6475

**Central Region (Main Office)**  
1890 E. Gettysburg Avenue  
Fresno, CA 93726-0244  
Tel: (559) 230-6000 FAX: (559) 230-6061

**Southern Region**  
34946 Flyover Court  
Bakersfield, CA 93308-9725  
Tel: 861-392-5500 FAX: 861-392-5585



## AUTHORITY TO CONSTRUCT

PERMIT NO: N-9149-1-0

ISSUANCE DATE: 10/19/2015

LEGAL OWNER OR OPERATOR: VALLEY MILK LLC  
MAILING ADDRESS: 346 E F ST  
OAKDALE, CA 95361

LOCATION: 4407 W MAIN ST  
TURLOCK, CA

**EQUIPMENT DESCRIPTION:**

33.6 MMBTU/HR HURST MODEL EURO SECT. 1-800HP NATURAL GAS-FIRED BOILER (BOILER #1) WITH A POWER FLAME MODEL NOVA ULTRA LOW-NOX BURNER

### CONDITIONS

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. The unit shall only be fired on PUC-quality natural gas. [District Rules 2201 and 4320]
5. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of natural gas combusted in the unit shall be installed, utilized and maintained. [40 CFR 60.48c(g)(2)]
6. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper okay), roof overhang, or any other obstruction. [District Rule 4102]
7. The height of the exhaust stack from the ground shall be at least 45 feet. Upon implementation of this Authority to Construct, this condition could be removed [District Rule 4102]
8. Emissions from this unit shall not exceed any of the following limits: 5 ppmvd NOx @ 3% O2 or 0.0062 lb-NOx/MMBtu (referenced as NO2), 0.00285 lb-SOx/MMBtu, 0.003 lb-PM10/MMBtu, 45 ppmvd CO @ 3% O2 or 0.033 lb-CO/MMBtu, 13 ppmvd VOC @ 3% O2 or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306, and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

YOU **MUST** NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadreidin, Executive Director / APCO

  
Arnaud Marjollet, Director of Permit Services

(P-9149-1-0) Oct 19 2015 3:31PM - SOW Joint Inspection NOT Required

9. Total annual PM10 emissions from this facility, calculated on a rolling 12-month total basis, shall not exceed 29,000 pounds. [District Rule 2201]
10. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081]
11. Source testing to measure NOx and CO emissions from this unit shall be conducted within 90 days of initial start-up. [District Rules 2201, 4305, 4306 and 4320]
12. Source testing to measure NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306 and 4320]
13. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306 and 4320]
14. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306 and 4320]
15. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306 and 4320]
16. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320]
17. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 and 4320]
18. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4320. [District Rules 4305, 4306 and 4320]
19. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306 and 4320]
20. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]
21. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320]
22. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

23. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320]
24. The permittee shall maintain records of: (1) the date and time of NO<sub>x</sub>, CO, and O<sub>2</sub> measurements, (2) the O<sub>2</sub> concentration in percent and the measured NO<sub>x</sub> and CO concentrations corrected to 3% O<sub>2</sub>, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306 and 4320]
25. Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source. [District Rules 1081 and 4320]
26. Permittee shall maintain monthly records of the natural gas combusted by this unit. [40 CFR 60.48c(g)(2)]
27. Permittee shall maintain records of the 12-month rolling total of PM<sub>10</sub> emissions from this facility, in pounds, and the records shall be updated at least monthly. [District Rule 2201]
28. All records shall be maintained and retained on-site for a minimum of five years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320]





## AUTHORITY TO CONSTRUCT

PERMIT NO: N-9149-2-0

ISSUANCE DATE: 10/19/2015

LEGAL OWNER OR OPERATOR: VALLEY MILK LLC  
MAILING ADDRESS: 346 E F ST  
OAKDALE, CA 95361

LOCATION: 4407 W MAIN ST  
TURLOCK, CA

**EQUIPMENT DESCRIPTION:**

33.6 MMBTU/HR HURST MODEL EURO SECT. 1-800HP NATURAL GAS-FIRED BOILER (BOILER #2) WITH A POWER FLAME MODEL NOVA ULTRA LOW-NOX BURNER

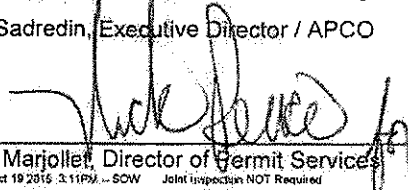
### CONDITIONS

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. The unit shall only be fired on PUC-quality natural gas. [District Rules 2201 and 4320]
5. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of natural gas combusted in the unit shall be installed, utilized and maintained. [40 CFR 60.48c(g)(2)]
6. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper okay), roof overhang, or any other obstruction. [District Rule 4102]
7. The height of the exhaust stack from the ground shall be at least 45 feet. Upon implementation of this Authority to Construct, this condition could be removed [District Rule 4102]
8. Emissions from this unit shall not exceed any of the following limits: 5 ppmvd NOx @ 3% O2 or 0.0062 lb-NOx/MMBtu (referenced as NO2), 0.00285 lb-SOx/MMBtu, 0.003 lb-PM10/MMBtu, 45 ppmvd CO @ 3% O2 or 0.033 lb-CO/MMBtu, 13 ppmvd VOC @ 3% O2 or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306, and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

  
Arnaud Marjollet, Director of Permit Services

N-9149-2-0 Oct 19 2015 3:11PM - 50W Joint Inspection NOT Required

9. Total annual PM<sub>10</sub> emissions from this facility, calculated on a rolling 12-month total basis, shall not exceed 29,000 pounds. [District Rule 2201]
10. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081]
11. Source testing to measure NO<sub>x</sub> and CO emissions from this unit shall be conducted within 90 days of initial start-up. [District Rules 2201, 4305, 4306 and 4320]
12. Source testing to measure NO<sub>x</sub> and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306 and 4320]
13. NO<sub>x</sub> emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306 and 4320]
14. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306 and 4320]
15. Stack gas oxygen (O<sub>2</sub>) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306 and 4320]
16. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320]
17. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 and 4320]
18. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4320. [District Rules 4305, 4306 and 4320]
19. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306 and 4320]
20. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]
21. The permittee shall monitor and record the stack concentration of NO<sub>x</sub>, CO, and O<sub>2</sub> at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320]
22. If either the NO<sub>x</sub> or CO concentrations corrected to 3% O<sub>2</sub>, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

23. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320]
24. The permittee shall maintain records of: (1) the date and time of NO<sub>x</sub>, CO, and O<sub>2</sub> measurements, (2) the O<sub>2</sub> concentration in percent and the measured NO<sub>x</sub> and CO concentrations corrected to 3% O<sub>2</sub>, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306 and 4320]
25. Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source. [District Rules 1081 and 4320]
26. Permittee shall maintain monthly records of the natural gas combusted by this unit. [40 CFR 60.48c(g)(2)]
27. Permittee shall maintain records of the 12-month rolling total of PM<sub>10</sub> emissions from this facility, in pounds, and the records shall be updated at least monthly. [District Rule 2201]
28. All records shall be maintained and retained on-site for a minimum of five years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320]



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** N-9149-3-0

**ISSUANCE DATE:** 10/19/2015

**LEGAL OWNER OR OPERATOR:** VALLEY MILK LLC  
**MAILING ADDRESS:** 346 E F ST  
OAKDALE, CA 95361

**LOCATION:** 4407 W MAIN ST  
TURLOCK, CA

**EQUIPMENT DESCRIPTION:**

MILK DRYING OPERATION CONSISTING OF A NATURAL GAS INDIRECT-FIRED PROCESS HEATER EQUIPPED WITH A 23.58 MMBTU/HR ECLIPSE MODEL MINNOX BURNER AND WITH AN INTEGRATED STATIC FLUID BED DRYING CHAMBER, A VIBRO-FLUIDIZER, A MILK POWDER MILL, A MILK POWDER SIFTER, ONE 500 CUBIC FOOT START-UP POWDER SILO, TWO 3,900 CUBIC FOOT (EACH) POWDER STORAGE SILOS ALL SERVED BY A 65,000 SCFM GEA PROCESS ENGINEERING, INC MODEL HUDSON STYLE BAGHOUSE

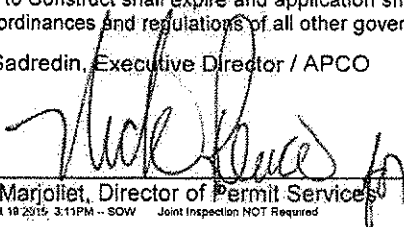
### CONDITIONS

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. Visible emissions from the exhaust of the baghouse serving the powder milk drying, conveying, and storage operations shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201]
5. The process heater shall only be fired on PUC-quality natural gas. [District Rules 2201 and 4320]
6. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of natural gas combusted in the unit shall be installed, utilized and maintained. [40 CFR 60.48c(g)(2)]
7. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper okay), roof overhang, or any other obstruction. [District Rule 4102]

CONDITIONS CONTINUE ON NEXT PAGE

**YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT.** This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO



Arnaud Marjollet, Director of Permit Services

N-9149-3-0 Oct 19 2015 3:11PM -- SOV Joint Inspection NOT Required

8. The height of the process heater exhaust stack from the ground shall be at least 118 feet. Upon implementation of this Authority to Construct, this condition could be removed [District Rule 4102]
9. 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 Rule 2201]
10. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District Rule 2201]
11. Material removed from the baghouse shall be disposed of in a manner preventing entrainment into the atmosphere. [District Rule 2201]
12. Replacement bags numbering at least 10% of the total number of bags in the baghouse shall be maintained on the premises. [District Rule 2201]
13. The cleaning frequency and duration of the baghouse shall be adjusted to optimize the control efficiency. [District Rule 2201]
14. The quantity of dried milk produced shall not exceed 125 tons in any given day. [District Rule 2201]
15. PM10 emissions from the milk drying operation shall not exceed 0.7224 pounds per ton of dried milk produced. [District Rule 2201]
16. Emissions from combustion of natural gas in the process heater shall not exceed any of the following limits: 5 ppmvd NOX @ 3% O2 or 0.0062 lb-NOX/MMBtu (referenced as NO2), 0.00285 lb-SOX/MMBtu, 0.003 lb-PM10/MMBtu, 50 ppmvd CO @ 3% O2 or 0.037 lb-CO/MMBtu, 13 ppmvd VOC @ 3% O2 or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306, and 4320]
17. Total annual PM10 emissions from this facility, calculated on a rolling 12-month total basis, shall not exceed 29,000 pounds. [District Rule 2201]
18. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081]
19. Source testing to measure PM10 emissions from the exhaust of the baghouse serving the milk drying operation shall be conducted within 90 days of initial start-up, and annually thereafter. [District Rule 2201]
20. Source testing to measure PM10 emissions from the exhaust of the baghouse serving the milk drying operation shall be conducted using EPA Methods 201A and 202. Alternatively, the results of a total particulate matter test using CARB Method 5 may be used to demonstrate compliance with the PM10 emission limit provided the results include both the filterable (front half) and condensable (back half) particulates, and that all particulate matter is assumed to be PM10. Should the permittee decide to use different test methodology, the methodology shall first be approved by the District prior to its use. [District Rule 2201]
21. Source testing to measure NOx and CO emissions from this unit shall be conducted within 90 days of initial start-up. [District Rules 2201, 4305, 4306 and 4320]
22. Source testing to measure NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306 and 4320]
23. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306 and 4320]
24. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306 and 4320]
25. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306 and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

26. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320]
27. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 and 4320]
28. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4320. [District Rules 4305, 4306 and 4320]
29. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306 and 4320]
30. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]
31. When in operation, the differential pressure of the baghouse shall not be less than 1 inches water column nor greater than 10 inches water column. [District Rule 2201]
32. Differential operating pressure of the baghouse shall be monitored and recorded on each day that it operates. [District Rule 2201]
33. The permittee shall monitor and record the stack concentration of NO<sub>x</sub>, CO, and O<sub>2</sub> at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 and 4320]
34. If either the NO<sub>x</sub> or CO concentrations corrected to 3% O<sub>2</sub>, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320]
35. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320]
36. The permittee shall maintain records of: (1) the date and time of NO<sub>x</sub>, CO, and O<sub>2</sub> measurements, (2) the O<sub>2</sub> concentration in percent and the measured NO<sub>x</sub> and CO concentrations corrected to 3% O<sub>2</sub>, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306 and 4320]
37. Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source. [District Rules 1081 and 4320]
38. Permittee shall maintain daily records of the dried milk produced, in tons. [District Rule 2201]
39. Permittee shall maintain monthly records of the natural gas combusted by this unit. [40 CFR 60.48c(g)(2)]
40. Permittee shall maintain records of the 12-month rolling total of PM<sub>10</sub> emissions from this facility, in pounds, and the records shall be updated at least monthly. [District Rule 2201]
41. All records shall be maintained and retained on-site for a minimum of five years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320]



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** N-9149-4-0

**ISSUANCE DATE:** 10/19/2015

**LEGAL OWNER OR OPERATOR:** VALLEY MILK LLC  
**MAILING ADDRESS:** 346 E F ST  
OAKDALE, CA 95361

**LOCATION:** 4407 W MAIN ST  
TURLOCK, CA

**EQUIPMENT DESCRIPTION:**  
DRIED MILK PACKAGING OPERATION SERVED BY A 4,000 SCFM DONALDSON MODEL TORIT DLMC 2/2/15 BAGHOUSE

### CONDITIONS

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. Visible emissions from the exhaust of the baghouse serving the dried milk packaging operation shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201]
5. 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 Rule 2201]
6. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District Rule 2201]
7. Material removed from the baghouse shall be disposed of in a manner preventing entrainment into the atmosphere. [District Rule 2201]
8. Replacement bags numbering at least 10% of the total number of bags in the baghouse shall be maintained on the premises. [District Rule 2201]

CONDITIONS CONTINUE ON NEXT PAGE

**YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (209) 557-6400 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT.** This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

Arnaud Marjollet, Director of Permit Services

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9. The cleaning frequency and duration of the baghouse shall be adjusted to optimize the control efficiency. [District Rule 2201]
10. The quantity of dried milk packaged shall not exceed 125 tons in any given day. [District Rule 2201]
11. PM10 emissions from the dried milk packaging operation shall not exceed 0.0392 pounds per ton of dried milk processed. [District Rule 2201]
12. Total annual PM10 emissions from this facility, calculated on a rolling 12-month total basis, shall not exceed 29,000 pounds. [District Rule 2201]
13. When in operation, the differential pressure of the baghouse shall not be less than 2 inches water column nor greater than 6 inches water column. [District Rule 2201]
14. Differential operating pressure of the baghouse shall be monitored and recorded on each day that it operates. [District Rule 2201]
15. Permittee shall maintain daily records of the dried milk packaged, in tons. [District Rule 2201]
16. Permittee shall maintain records of the 12-month rolling total of PM10 emissions from this facility, in pounds, and the records shall be updated at least monthly. [District Rule 2201]
17. All records shall be maintained and retained on-site for a minimum of five years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320]