



DEC 30 2015

Ms. Kim Burns
E & J Gallo Winery
18000 W River Rd
Livingston, CA 95334

**Re: Final - Authority to Construct / Certificate of Conformity (Significant Mod)
District Facility # N-1237
Project # N-1152892**

Dear Ms. Burns:

The Air Pollution Control Officer has issued an Authority to Construct (ATC N-1237-661-3) with a Certificate of Conformity to E & J Gallo Winery at 18000 W River Road in Livingston, CA. E & J Gallo is proposing the installation of a wastewater treatment anaerobic digester operation served by a biological sulfur scrubber, two activated carbon filters, and an enclosed flare. Enclosed are the Authority to Construct 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 November 10, 2015. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on November 5, 2015. No comments were received following the District's preliminary decision on this project.

Prior to operating with the modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5. Application forms have been enclosed for your use. These forms may also be found on the District's website at www.valleyair.org.

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

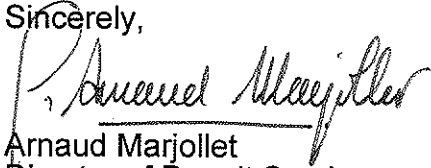
Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

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

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

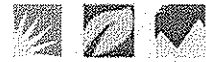
Sincerely,

A handwritten signature in cursive script that reads "Arnaud Marjollet". The signature is written in black ink and is positioned above the printed name and title.

Arnaud Marjollet
Director of Permit Services

Enclosures

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



AUTHORITY TO CONSTRUCT

PERMIT NO: N-1237-661-3

ISSUANCE DATE: 12/22/2015

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

LOCATION: 18000 W RIVER RD
LIVINGSTON, CA 95334

EQUIPMENT DESCRIPTION:

DIGESTER GAS OPERATION COMPOSED OF A WASTE WATER TREATMENT SYSTEM WITH AN EQUALIZATION TANK, HIGH RATE ANAEROBIC DIGESTER, TWO LOW RATE ANAEROBIC DIGESTERS, AND MEMBRANE BIOLOGICAL REACTOR SYSTEM CONSISTING OF AN ANOXIC TANK, A PRE-AERATION TANK, AND TWO MEMBRANE BIOLOGICAL REACTORS WITH BIOGAS SENT TO ONE BIOLOGICAL SCRUBBER, TWO ACTIVATED CARBON FILTERS, THE DIGESTER GAS WILL BE ROUTED TO TWO IC ENGINES (PERMITS N-1237-605 AND '606), OR TO A 600 CFM (EQUIVALENT TO 32.4 MMBTU/HR) OVIVO GWE ENCLOSED EMERGENCY FLARE

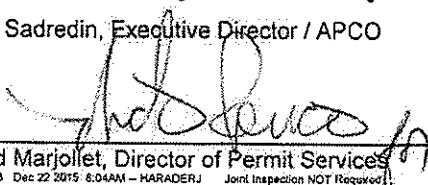
CONDITIONS

1. 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
2. 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
3. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
5. Visible emissions from the flare serving the anaerobic digesters shall not equal or exceed Ringelmann 1/4 or 5% opacity for a period or periods aggregating more than three minutes in any one hour. [District Rules 2201 and 4101] Federally Enforceable Through Title V Permit

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-1237-661-3 Dec 22 2015 8:04AM - HARADERJ Joint Inspection NOT Required

6. 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]
7. The anaerobic digester system and its associated piping shall be maintained leak free. [District Rule 2201] Federally Enforceable Through Title V Permit
8. This flare shall only be fired on biogas collected from the anaerobic digester system. [District Rule 2201] Federally Enforceable Through Title V Permit
9. The flare shall be operated only for maintenance, testing, required regulatory purposes, and during periods where both engines, permits N-1237-605 and N-1237-606, cannot be operated due to an emergency, as defined in this permit. Operation of the flare for maintenance, testing, and required regulatory purposes shall not exceed 200 hours per year. [District Rule 2201 and 4311] Federally Enforceable Through Title V Permit
10. An emergency is defined as any situation or a condition arising from a sudden and reasonably unforeseeable and unpreventable event beyond the control of the operator. Examples include, but are not unlimited to, not preventable equipment failure, natural disaster, act of war or terrorism, or external power curtailment, excluding a power curtailment due to an interruptible power service agreement from a utility. A flaring event due to improperly designed equipment, lack of preventative maintenance, careless or improper operation, operator error, or willful misconduct does not qualify as an emergency. An emergency situation requires immediate corrective action to restore safe operation. A planned flaring event shall not be considered as an emergency. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
11. Emissions from the flare shall not exceed any of the following limits: 0.06 lb-NO_x/MMBtu (as NO₂); 0.008 lb-PM₁₀/MMBtu; 0.75 lb-CO/MMBtu; or 0.019 lb-VOC/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
12. The sulfur content of the biogas being incinerated by the flare shall not exceed 40 ppmv (as H₂S). [District Rule 2201] Federally Enforceable Through Title V Permit
13. Source testing to measure NO_x, CO and VOC emissions from the digester-fired flare shall be conducted within 180 days of initial start-up. [District Rule 2201] Federally Enforceable Through Title V Permit
14. For source test purposes, NO_x emissions from the flare shall be determined using EPA Method 19 on a heat input basis, or EPA Method 3A, EPA Method 7E, or ARB Method 100 on a ppmv basis. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
15. For source test purposes, CO emissions from the flare shall be determined using EPA Method 10 or 10B, ARB Methods 1 through 5 with 10, or ARB Method 100. [District Rule 2201] Federally Enforceable Through Title V Permit
16. For source test purposes, VOC emissions from the flare shall be determined using EPA Method 18 or 25 or 25a. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
17. Stack gas oxygen (O₂) shall be determined using EPA Method 3A, EPA Method 7E, or ARB Method 100. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
18. Operator shall determine digester gas fuel higher heating value within 180 days of initial start-up using ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2201] Federally Enforceable Through Title V Permit
19. 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] Federally Enforceable Through Title V Permit
20. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
21. Sampling ports for biogas testing shall be provided in accordance with District requirements. [District Rule 1081] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

22. The sulfur content of the digester gas combusted in this flare shall be monitored and recorded weekly. After eight (8) consecutive weekly tests show compliance, the digester gas sulfur content monitoring frequency may be reduced to once every calendar quarter. If quarterly monitoring shows a violation of the digester gas sulfur content limit of this permit, then weekly monitoring shall resume and continue until eight consecutive weeks of monitoring show compliance with the gas sulfur content limit. Once compliance with the gas sulfur content limit is shown for eight consecutive weeks, then the monitoring frequency may return to quarterly. Monitoring of the sulfur content of the digester gas shall not be required if the flare does not operate during that period. Records of the results of monitoring of the digester gas sulfur content shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Monitoring of the digester gas sulfur content shall be performed using a Testo 350 XL portable emission monitor; District-approved in-line H₂S monitors; gas detection tubes calibrated for H₂S; District-approved source test methods, including EPA Method 11 or EPA Method 15, ASTM Method D1072, D4084, and D5504; or an alternative method approved by the District. Prior to utilization of in-line monitors to demonstrate compliance with the digester gas sulfur content limit of this permit, the permittee shall submit details of the proposed monitoring system, including the make, model, and detection limits, to the District and obtain District approval for the proposed monitor(s). [District Rule 2201] Federally Enforceable Through Title V Permit
24. Biogas sampling shall be conducted using the methods and procedures approved by the District. The District shall be notified each time the biogas sampling frequency changes. [District Rule 1081] Federally Enforceable Through Title V Permit
25. A flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311] Federally Enforceable Through Title V Permit
26. Flare outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311] Federally Enforceable Through Title V Permit
27. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an alternative equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present shall be installed and operated. [District Rule 4311] Federally Enforceable Through Title V Permit
28. If the flare is equipped with a flow-sensing automatic ignition system and does not use a continuous flame pilot, the flare shall use purge gas for purging. [District Rule 4311] Federally Enforceable Through Title V Permit
29. Flaring is prohibited unless it is consistent with an approved flare minimization plan (FMP), pursuant to Section 6.5 of District Rule 4311, and all commitments listed in that plan have been met. This standard does not apply if the APCO determines that the flaring is caused by an emergency as defined by Section 3.7 and is necessary to prevent an accident, hazard or release of vent gas directly to the atmosphere. [District Rule 4311] Federally Enforceable Through Title V Permit
30. The operator shall monitor and record the vent gas flow to the flare with a flow measuring device or other parameters as specified in the Permit to Operate. [District Rule 4311] Federally Enforceable Through Title V Permit
31. The operator of a flare subject to flare minimization plans pursuant to Section 5.8 of Rule 4311 shall notify the APCO of an unplanned flaring event within 24 hours after the start of the next business day or within 24 hours of their discovery, whichever ever occurs first. The notification shall include the flare source identification, the start date and time, and the end date and time. [District Rule 4311] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. The operator of a flare subject to flare minimization plans pursuant to Section 5.8 of Rule 4311 shall submit an annual report to the APCO that summarizes all Reportable Flaring Events as defined in Section 3.0 that occurred during the previous 12 month period. The report shall be submitted within 30 days following the end of the twelve month period of the previous year. The report shall include, but is not limited to all of the following: the results of an investigation to determine the primary cause and contributing factors of the flaring event; any prevention measures considered or implemented to prevent recurrence together with a justification for rejecting any measures that were considered but not implemented; if appropriate, an explanation of why the flaring was an emergency and necessary to prevent accident, hazard or release of vent gas to the atmosphere, or where, due to a regulatory mandate to vent a flare, it cannot be recovered, treated and used as a fuel gas at the facility; and the date, time, and duration of the flaring event. [District Rule 4311] Federally Enforceable Through Title V Permit
33. The operator of a flare subject to flare monitoring requirements pursuant to Section 5.10 of Rule 4311 shall submit an annual report to the APCO within 30 days following the end of each 12 month period. The report shall include the following: the total volumetric flow of vent gas in standard cubic feet for each day; a flow verification report which shall include flow verification testing pursuant to Section 6.3.5 of Rule 4311. [District Rule 4311] Federally Enforceable Through Title V Permit
34. For purposes of the flow verification report required by Section 6.2.3.8 of Rule 4311, vent gas flow shall be determined using one or more of the following methods, or by any alternative method approved by the APCO, ARB, and EPA: EPA Methods 1 and 2; a verification method recommended by the manufacturer of the flow monitoring equipment installed pursuant to Section 5.10 of Rule 4311; tracer gas dilution or velocity; other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter. [District Rule 4311] Federally Enforceable Through Title V Permit
35. The operator shall submit a flare minimization plan to the District for approval that includes all of the data required under Section 6.5 of Rule 4311 prior to installing the equipment authorized by this Authority to Construct. [District Rule 4311] Federally Enforceable Through Title V Permit
36. Every five years after the initial FMP submittal, the operator shall submit an updated FMP for each flare to the APCO for approval. The current FMP shall remain in effect until the updated FMP is approved by the APCO. If the operator fails to submit an updated FMP as required by this section, the existing FMP shall no longer be considered an approved plan. [District Rule 4311] Federally Enforceable Through Title V Permit
37. An updated FMP shall be submitted by the operator pursuant to Section 6.5 of Rule 4311 addressing new or modified equipment, prior to installing the equipment. Updated FMP submittals are only required if: (1) The equipment change would require an authority to construct (ATC) and would impact the emissions from the flare, and (2) The ATC is deemed complete after June 18, 2009, and (3) The modification is not solely the removal or decommissioning of equipment that is listed in the FMP, and has no associated increase in flare emissions. [District Rule 4311] Federally Enforceable Through Title V Permit
38. The anaerobic digester system and its associated piping shall be inspected for leaks at least annually. Any leak detected on the basis of sight, smell, or sound, shall be recorded and a corrective action shall be taken to eliminate the leak. [District Rule 2201] Federally Enforceable Through Title V Permit
39. Records of leak inspections shall contain at least an identification of a person performing an inspection, date and time of the inspection, leak location, and corrective action taken to eliminate leaks. The records shall be maintained, kept, and made available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
40. The permittee shall maintain records of: (1) the name of the sampler, and the date and time of biogas sampling for H₂S, (2) the name of the tester, and the date and time of biogas testing for H₂S, (3) test results showing the biogas concentration (in ppmv) of H₂S. [District Rule 1081] Federally Enforceable Through Title V Permit
41. Permittee shall maintain the following records: a copy of the approved flare minimization plan pursuant to Section 6.5; a copy of annual reports submitted to the APCO pursuant to Section 6.2 of District Rule 4311. [District Rule 4311] Federally Enforceable Through Title V Permit
42. Permittee shall maintain records of the following when the flare is used during an emergency: duration of flare operation, amount of gas burned, and the nature of the emergency situation. [District Rule 4311] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

43. The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, and the purpose of the operation of the flare. [District Rule 2201]
44. All records shall be retained for a minimum of five years, and shall be made available for District inspection upon request. [District Rules 1070, 2201, and 4311] Federally Enforceable Through Title V Permit