



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** N-7478-1-1

**ISSUANCE DATE:** 11/15/2006

**LEGAL OWNER OR OPERATOR:** E & J GALLO WINERY - BRANDY  
**MAILING ADDRESS:** 200 YOSEMITE AVENUE  
MODESTO, CA 95353

**LOCATION:** 200 YOSEMITE AVENUE  
MODESTO, CA 95353

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF 161,505 BARREL CAPACITY BRANDY STORAGE AND AGING OPERATION (WAREHOUSES J & K): CONVERT WAREHOUSES J & K TO A PERMANENT TOTAL ENCLOSURE AND INSTALL AN ANGUIL ENVIRONMENTAL SYSTEMS MODEL 100 REGENERATIVE THERMAL OXIDATION (RTO) SYSTEM FOR VOC EMISSION CONTROL (REVISED 2/7/07)

### CONDITIONS

The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520]

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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]  
Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
5. All brandy aging operations at this facility shall only be performed in the warehouses listed in permit units N-7478-1 or N-7478-2. [District NSR Rule]
6. Within 36 months after initial startup of the VOC control system, this facility may elect to discontinue use of the VOC control system by giving written notice to the District. Such notice shall be given no less than 30 days prior to the planned discontinuance of operation of the system. Upon such notice, the District will administratively revise the permit conditions as noted to allow operation without a VOC control device. [District NSR Rule]

Only natural gas shall be used as fuel for the combustion of VOC. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]

#### CONDITIONS CONTINUE ON NEXT PAGE

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

Seyed Sadredin, Executive Director / APCO

  
DAVID WARNER, Director of Permit Services

N-7478-1-1 : Feb 7 2007 2:58PM - ROBERTSD : Joint Inspection NOT Required

Northern Regional Office • 4800 Enterprise Way • Modesto, CA 95356-8718 • (209) 557-6400 • Fax (209) 557-6475

Printed on recycled paper. ♻️

8. The brandy storage enclosure and regenerative thermal oxidation system shall be maintained in proper operating condition at all times. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
9. The VOC control system shall remain in operation at all times except for periods of routine maintenance which require shutdown. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
10. The facility shall notify the District of any occurrence which constitutes a breakdown condition of the VOC control system pursuant to District Rule 1100. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule and District Rule 1100]
11. Manway access doors are defined as doors with a maximum opening of 21 square feet, intended solely for occasional personnel access to the warehouse for maintenance or monitoring activities. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
12. Non-manway access doors are defined as openings equipped with roll-up doors which are required to allow routine movement of brandy into and out of the warehouse or for warehouse access with wheeled and motorized maintenance equipment. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
13. All openings in the warehouse enclosure which may be opened during "normal operation" of the VOC control system and which do not qualify as manway access doors or non-manway access doors shall be considered to be Natural Draft Openings (NDO) for purposes of certification of the enclosure as a Permanent Total Enclosure pursuant to U.S. EPA Method 204. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
14. "Normal operation" is defined as operation with the storage enclosure meeting the minimum requirements for a permanent total enclosure pursuant to EPA Method 204 (with the fan inlet pressure operating with a vacuum at or higher than the minimum allowed vacuum, all non-manway access doors closed and the emergency ventilation system turned off) and the regenerative thermal oxidizer system fully operational with the combustion chamber temperature at or above 1500 degrees F. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
15. The facility shall be equipped with a continuous monitoring system to monitor, at a minimum, the status of the fan inlet pressure control, all non-manway access doors, the emergency vent system, and the combustion chamber temperature. Actual hours of "normal operation" shall be continuously and automatically monitored and recorded. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
16. The proposed design and details of the continuous monitoring system shall be submitted for District approval prior to start of construction. [District Rule 1080]
17. Warehouses J and K shall be certified and maintained as a Permanent Total Enclosure (PTE) pursuant to U.S. EPA Method 204. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
18. Certification of warehouses J and K as Permanent Total Enclosures shall be performed by a District-approved independent certifying entity. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]

CONDITIONS CONTINUE ON NEXT PAGE

19. Certification of warehouses J and K as a Permanent Total Enclosure pursuant to U. S. EPA Method 204 shall be conducted concurrently with the initial source testing (within 90 days of initial startup) and the associated test report shall be submitted to the District within 60 days thereafter. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
20. Warehouses J and K shall be re-certified as a Permanent Total Enclosure pursuant to U. S. EPA Method 204 and the certification submitted to the District within 60 days after any modification that materially affects the enclosure status of the warehouses. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
21. Each manway access door shall be equipped with an automatic closure device to minimize the time that the door is open. Manway access doors shall be opened only as required for access to or exit from the enclosure, minimizing the duration of the opening, and shall not be propped open. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
22. Each non-manway access opening shall be equipped with a motor-actuated door and controls which will minimize the time the door remains open during access and exit and shall be integrated with the continuous monitoring system to record the time periods that the door is open. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule and Rule 1080]
23. The emergency ventilation system serving the brandy storage enclosure shall be equipped with a continuous device integrated with the facility continuous monitoring system which continuously records the time periods during which the system is activated. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule and Rule 1080]
24. A minimum allowable vacuum at the fan inlet pressure control point, adequate to ensure maintenance of a continuous negative pressure on the brandy storage enclosure as required to qualify the enclosure as a Permanent Total Enclosure pursuant to EPA Method 204, shall be demonstrated, established, and recorded at startup. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule and Rule 1080]
25. The fan inlet pressure control point shall be equipped with a continuous pressure monitor integrated with the facility's continuous monitoring system to continuously record the actual fan inlet vacuum. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule and Rule 1080]
26. The measured vacuum at the fan inlet pressure control point shall not be less than the established minimum allowable vacuum during "normal operation". This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
27. Each month it shall be demonstrated that control of the ID fan inlet pressure at or above the established minimum allowable vacuum is adequate to maintain the enclosure qualification as a Permanent Total Enclosure pursuant to EPA Method 204 by manually measuring and recording facial velocity at the test port opening on each warehouse and confirming a minimum facial velocity of 200 feet per minute. If a velocity less than 200 feet per minute is determined, operating adjustments shall be made as required to increase the measured facial velocity to 200 feet per minute within 24 hours of the initial measurement. If the permittee is unable to demonstrate a minimum facial velocity of 200 feet per minute within 48 hours after initial measurement, permittee shall notify the APCO within 72 hours of the initial measurement. After 12 consecutive months of demonstrating the adequacy of the established minimum allowable vacuum, the monitoring frequency can be reduced to once per quarter per warehouse. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]

CONDITIONS CONTINUE ON NEXT PAGE

28. The induced draft fan and RTO serving the enclosure shall be adequately sized to maintain "normal operation" during periods of maximum brandy loss from the storage and aging operation. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
29. Except for emergency conditions, the emergency roof fans shall remain off and the associated air admission dampers shall remain closed. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
30. An "emergency condition", as required to justify operation of the emergency roof fans, is defined as any time during which the atmosphere inside the warehouse exceeds 25% of the Lower Explosive Limit (LEL) or whenever immediate venting is required to protect personnel or the facility from imminent harm. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
31. The regenerative thermal oxidizer shall be equipped with an operational temperature gauge to indicate the temperature of the combustion chamber. A continuously recording device integrated with the facility's continuous monitoring system shall be utilized to indicate the combustion chamber temperature during operation. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule and Rule 1080]
32. The regenerative thermal oxidizer shall operate with a combustion chamber temperature of not less than 1500 F. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
33. The VOC destruction efficiency of the regenerative thermal oxidizer shall not be less than 98%. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
34. Routine scheduled maintenance which requires shutdown of the regenerative thermal oxidizer shall not be performed during the months of July, August, or September without prior written approval of the District. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
35. Annual evaporative emissions from brandy shall not exceed 89,556 lb-VOC/year. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
36. For any calendar year, total evaporative brandy-VOC emissions emitted to the atmosphere shall be quantified by the following formula: Total Evaporative Brandy VOC Emissions (tons/year) = Uncontrolled Emissions (tons/year) x Control Factor. Uncontrolled Emissions = the average warehouse inventory for the calendar year (bbls) x the measured brandy loss per barrel for the calendar year (PG/bbl-year) x 3.31 lb-VOC/PG. The Control Factor for the calendar year =  $(8,760 - 0.98xH)/8,760$ , where H is hours of "normal operation" (as defined in this permit) recorded for the calendar year. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
37. VOC emissions from the exhaust of the regenerative thermal oxidizer shall not exceed 73.2 lb/day during "normal operation". This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
38. The emissions from the combustion of natural gas shall not exceed any of the following limits: 0.1 lb-NOx/MMBtu, 0.084 lb-CO/MMBtu, 0.0076 lb-PM10/MMBtu, 0.0055 lb-VOC/MMBtu, or 0.00285 lb-SOx/MMBtu. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]

CONDITIONS CONTINUE ON NEXT PAGE

39. 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. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District Rule 1081]
40. The results of each source test shall be submitted to the District within 60 days thereafter. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District Rule 1081]
41. Source testing to measure VOC emissions from this unit and to demonstrate the destruction efficiency of the RTO shall be conducted within 90 days of initial start-up of the VOC control system. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
42. This unit shall be tested for compliance with VOC emissions limits at least once every 12 months. After demonstrating compliance on two consecutive annual source tests, the unit shall be tested not less than once every thirty-six months. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
43. VOC emissions for source test purposes shall be determined using US EPA Method 25 or Method 18 or BAAQMD ST-32, except when the outlet concentration must be below 50 ppmv in order to meet the standard, in which case US EPA Method 25a may be used. VOC emissions during the source test shall be calculated as the arithmetic average of three 30-consecutive-minute test runs. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District Rule 1081]
44. Daily and annual records of the hours of operation shall be kept, indicating the time and duration of all periods of outage for the VOC control system including maintenance or emergency operations. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
45. Records shall be kept of all maintenance activities requiring a shutdown of the regenerative thermal oxidizer, including the maintenance activity, time and date of shutdown of the regenerative thermal oxidizer, and the duration of the shutdown. This condition may be deleted from the permit within 36 months of initial operation of the VOC control system upon written notification to the District of intent to discontinue operation of the VOC control system. [District NSR Rule]
46. Records of all required monitoring shall be maintained. [District NSR Rule]
47. Daily and annual records of the number of barrels in each warehouse shall be kept. [District NSR Rule]
48. Records of all barrel filling and dumping operations shall be kept, recording the proof gallons placed into storage, the proof gallons removed from storage, the proof gallons lost while in storage and the date of each action. Annual summaries of all filling and dumping operations shall be maintained to allow annual determination of total proof-gallons lost from the brandy aging and storage operations. All gauging of distilled spirits shall be in accordance with the methods and procedures of the Gauging Manual of the Alcohol and Tobacco Tax and Trade Bureau, Department of the Treasury (27 CFR 30). [District NSR Rule]
49. All records shall be retained for a minimum of five years, and shall be made available for District inspection upon request. [District NSR Rule]
50. Facilities N-3386 and N-7478 are the same stationary source. [District NSR Rule]