California Environmental Quality Act (CEQA)

NOTICE OF PREPARATION OF NEGATIVE DECLARATION

Notice is hereby given pursuant to California Public Resources Code Sections 21092 and 21092.3 that the Bay Area Air Quality Management District (BAAQMD) has prepared and proposes to adopt a Negative Declaration in connection with the project described in this notice.

Project Title: ConAgra Foods Plant Modernization and Expansion Project (Permit Application #20649).

Project Location/Description:

ConAgra Foods operates a flour milling facility on a 12.8-acre site located at 2201 E. 7th Street, Oakland, California, adjacent to the Oakland Estuary. The facility has been in continuous operation milling flour since 1965, and consists of 101,000 square feet of buildings including 71,000 square feet for manufacturing and 30,000 square feet for storage. The primary structures on the site include a series of interconnected silos capable of storing up to 1,000,000 bushels of raw grains and an adjacent mill building containing the A-Mill and the B-Mill. The buildings are served by an expansive parking area that supports in-coming and out-going rail cars, truck loading of processed flour products, truck parking, and a modular office complex for plant management.

ConAgra has submitted a permit application to the District to replace much of the process equipment and baghouse filters in the existing A-Mill milling operation with new equipment and filters. Additionally, the A-Mill cleaning operation will include an additional cleaning device and two additional filters. These upgrades and equipment replacements will allow ConAgra to increase daily throughput from 300 tons to 500 tons per day from the A-Mill operation. As part of the project, and in order to reduce diesel emissions, ConAgra is upgrading the fleet of diesel trucks that transport processed flour products to downstream vendors.

The facility currently has a Synthetic Minor Operating Permit. A Synthetic Minor Facility is a facility which, by imposition of enforceable permit conditions, has its potential to emit limited to below the threshold levels for a major facility as defined by Section 2-6-212 and is not otherwise required to apply for a major facility review permit under Regulation 2, Rule 6. A Synthetic Minor Operating Permit is subject to all the provisions of District Regulations 1, 2, and 3, including, but not limited to, permitting, compliance, and fee requirements. The proposed facility PM10 emissions will continue to be less than the Synthetic Minor threshold.

Proposed Modifications to Permitted Operations

The A-Mill modernization would upgrade and expand the original 300 ton/day flour milling unit into a modern 500 ton/day flour milling unit using the latest flour milling technology. The new equipment would replace existing equipment within the existing structures at the site, and would result in a total mill capacity increase from the current 500 tons/day to 700 tons/day (a 40 percent increase). Benefits include improving milling yield at the A-Mill by 2.5 percent, and eliminating the need to ship in flour from other locations for distribution to customers in the San Francisco Bay Area (approximately 60 percent of the facility's customers and 90 percent of its bulk flour business are within a 25-mile radius of the facility).

Negative Declaration: A copy of the draft Negative Declaration is available for review at the BAAQMD office at 939 Ellis Street, San Francisco, on the District website (www.baaqmd.gov), or may be obtained by calling the BAAQMD at (415) 749-5022.

Written comments on the Negative Declaration must be addressed to Jimmy Cheng, Air Quality Engineer II, Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, California, 94109, or emailed to <u>jcheng@baaqmd.gov</u>. All comments must be received by 5:00 p.m. on July 20, 2011.

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