ENGINEERING EVALUATION

Facility ID No. 203208
Breakthru Beverage California LLC dba Wine Warehouse
912 Harbour Way South, Richmond, CA 94804
Application No. 682764

Background

Breakthru Beverage California LLC dba Wine Warehouse is applying for an Authority to Construct for the following equipment:

S-1 Emergency Standby Diesel for Electrical Generation
Make: Perkins Model: 2506C-E15TAG3 Model Year: 2023
755 bhp 4.40 MMBtu/hr
Permit Condition Nos. 100072 and 100073

The criteria pollutants are nitrogen oxides (NOx), carbon monoxide (CO), precursor organic compounds (POC) from unburned diesel fuel, sulfur dioxide (SO_2) and particulate matter (PM_{10}). All of these pollutants are briefly discussed on the District's web site at www.baaqmd.gov.

S-1 meets the Environmental Protection Agency and California Air Resources Board (EPA/CARB) Tier 2 Off-road standard. The engine will burn commercially available California low sulfur diesel fuel. The sulfur content of the diesel fuel will not exceed 0.0015% by weight.

This evaluation report will discuss compliance of the proposed project with all applicable rules and regulations.

Emissions

Table 1. Annual and Daily Emissions from EPA/CARB Certified Data from S-1

Pollutant	Emission Factor (g/bhp-hr)	Max Daily Emissions (lb/day)	Annual Emissions (lb/yr)	Annual Emissions (tons/yr)
NOx	4.00	159.65	332.90	0.166
POC	0.07	2.79	5.83	0.003
CO	1.19	47.50	99.04	0.050
$PM_{10}/PM_{2.5}$[1]	0.07	2.79	5.83	0.003
SO_2	N/A[2]	0.22	0.46	0.00023

Basis:

- Annual emissions: Reliability-related activity 50 hours for S-1
- Max daily emissions: 24-hour operation
- Emissions from EPA Engine Family PCPXL15.2NZS for S-1
- [1] Conservative Assumption: All PM emissions are PM2.5
- [2] SO_2 emission factor from AP-42 Table 3.4-1, SO_2 (15 ppm) = 0.00809*0.0015 lb SO_2/bhp-hr

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Plant Cumulative Increase

Table 2 summarizes the cumulative increase in criteria pollutant emissions that will result from this application.

Table 2. Plant Cumulative Emissions Increase, Post 4/5/91

Pollutant	Existing Emissions Post 4/5/91 (tons/yr)	Application Emissions (tons/yr)	Cumulative Emissions (tons/yr)
NOx	0.000	0.166	0.166
POC	0.000	0.003	0.003
CO	0.000	0.050	0.050
$PM_{10}/PM_{2.5}$	0.000	0.003	0.003
SO_2	0.000	0.00023	0.00023

Health Risk Assessment (HRA)

HRA was required. The diesel particulate emissions from the project are greater than the toxic trigger level of 0.26 lb/year. All PM_{10} emissions are considered diesel particulate emissions. The PM_{10} emissions from this application are summarized in Table 1. There were no other related projects permitted in the last five years. Since the diesel particulate emissions from the project are greater than the toxic trigger level of 0.26 lb/year, an HRA is required. This application did not qualify for HRA streamlining.

The project is in compliance with project risk requirements as recommended, limiting reliability-related activity hours by permit condition. See HRA report.

Health Risk Assessment Results

This analysis estimates the incremental health risk resulting from toxic air contaminant (TAC) emissions from non-emergency operation of a standby generator diesel engine at this facility. Results from this HRA indicate that the maximum project cancer risk is estimated at 0.20 in a million, and the maximum project chronic hazard index is estimated at 0.00015. See HRA Report for more details.

Table 3. Health Risk Screening Results

Maximally Exposed Receptor	Maximum Cancer Risk	Maximum Chronic Hazard Index
Residential	0.081 chances in a million	0.000022
Off-site worker	0.20 chances in a million	0.00015

TBACT

In accordance with the District's Regulation 2-5-301, this source does not require TBACT because the estimated source cancer risk is less than 1.0 in a million. BACT and TBACT determinations for compression ignition engines with a rated capacity between 50-1000 bhp are described in BAAQMD BACT/TBACT Workbook for IC Engines – Compression Ignition: Stationary Emergency, non-Agricultural, non-direct drive fire pump, Document #96.1.3, Revision 8. dated 12/22/2020 (see Attachment 1). The proposed engine complies with TBACT by having a certified

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PM emission rate that is less than or equal to 0.15 g/bhp-hour. The certified PM emission rate for this engine is 0.07 g/bhp-hour.

Project Risk Limits

Since the proposed engine, operating at 50 hours/year for reliability related testing, complies with TBACT, and the estimated project cancer risk does not exceed 10 in a million and the chronic hazard index does not exceed 1.0, this project complies with the District's Regulation 2-5-302 project risk requirements. No additional operating hour restrictions were necessary for this project.

Best Available Control Technology (BACT)

In accordance with Regulation 2-2-301, BACT is triggered for any new or modified source with the potential to emit 10 pounds or more per highest day of POC, NPOC, NOx, CO, SO2, or PM10.

As shown in Table 1, emissions of NOx exceed 10 pounds per day and thus trigger BACT requirements.

Per Section 2-2-202, BACT is defined as an emission limitation, control device, or control technique applied at a source that is the most stringent of:

- the most effective device or technique successfully utilized,
- the most stringent emission limitation achieved by an emission control device or technique for the type of equipment comprising such a source,
- the most effective emission control limitation for the type of equipment comprising such a source that is contained in an approved implementation plan of any state, or
- the most effective control device or technique or most stringent emission limitation that is technologically feasible, taking into consideration cost-effectiveness, any ancillary health and environmental impacts, and energy requirements.

These requirements are generally categorized as either technologically feasible and cost-effective (termed "BACT 1") or achieved-in-practice (termed "BACT 2").

BACT 2 is either equal to or less stringent than BACT 1. Because achieved-in-practice is required regardless of cost and BACT 1 is more stringent than BACT 2, an evaluation for what has been achieved-in-practice is first conducted.

Achieved-in-Practice.

Achieved-in-practice BACT is presented in the current BAAQMD BACT/TBACT Workbook for IC Engine – Compression Ignition: Stationary Emergency, non- Agricultural, non-direct drive fire pump 50 BHP and < 1000 BHP Output, Document #96.1.3, Revision 8, dated 12/22/2020.

For NOx and CO, achieved-in-practice BACT has been determined to be meeting the CARB Air Toxics Control Measure (ATCM) standard for the respective pollutant at the applicable horsepower rating.

Technologically Feasible and Cost-Effective.

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The following control technologies and mitigation measures have been found technically feasible for abating NOx emissions from internal combustion engines[1]:

- Engine ignition timing retard (achievable NOx reduction 20 to 30 percent), and
- Selective catalytic reduction (achievable NOx reduction of 90 percent)
  Techniques for mitigating CO emissions include:
- Catalytic oxidation, and
- Good combustion practices (e.g., preventative maintenance, change oil and filter every 500 hours of operation, inspect all hoses, and belts every 500 hours of operation, minimize idling time).

Although Regulation 2-2 does not include a definition for cost-effectiveness, Section 2-2- 414 requires the Air District to publish and periodically update a BACT Workbook and that BACT will be determined using the workbook as a guidance document.

Section 1 of the BACT Workbook includes a maximum cost guideline for NOx emissions of $17,500 per ton of emissions reduced. The BACT Workbook does not have a maximum cost effectiveness value for CO. However, the South Coast Air Quality Management District lists a maximum cost-effectiveness value of $801 for CO.

Using these maximum cost effectiveness values and assuming that 90 percent of the emissions in Table 1 could be abated, maximum annualized costs for NOx controls could not exceed $190 and $1.6 for CO controls to be deemed cost-effective.

All NOx and CO controls are expected to exceed both maximum annualized costs. Therefore, requiring more stringent controls than meeting achieved-in-practice requirements is deemed not cost-effective.

Consequently, S-1 is required to comply with the current achieved-in-practice standards:

Pollutant	Emission Factor	BACT(2) Standard
NOx	4.00 g/bhp-hr	4.56 g/bhp-hr
CO	1.19 g/bhp-hr	2.60 g/bhp-hr

* The standard is expressed as 4.8 g/bhp of NMHC+NOx.
NOx is estimated to be 95% of the combined standard (4.8*0.95 = 4.56 g/bhp-hr)

Offsets

Offset must be provided for any new or modified source at a facility that will have the potential to emit more than 10 tons per year of NOx or POC, as specified in Regulation 2-2-302; 100 tons per year or more of PM2.5, PM10 or sulfur dioxide, as specified in Regulation 2-2- 303

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Table 4. Potential to Emit

Pollutant	Existing Annual Emissions (TPY)	Application Annual Emissions* (TPY)	Facility Annual Emissions (TPY) *	Offset Requirement (TPY)	Offset Required
NOx	0	0.499	0.499	>10	N
POC	0	0.009	0.009	>10	N
CO	0	0.149	0.149	-	N
$PM_{10}/PM_{2.5}$[1]	0	0.009	0.009	≥100	N
SO_2	0	0.001	0.001	≥100	N

**Annual emissions: Reliability-related activity of 50 hours and emergency operation of 100 hours for S-1.*

Since the facility's potential to emit is below the offsets trigger levels specified in Regulation 2-2, offsets are not required.

Statement of Compliance

The owner/operator is expected to comply with all applicable requirements. Key requirements are listed below:

Airborne Toxic Control Measure for Stationary Compression Ignition Engines

ATCM, 5/19/2011, section 93115, title 17, CA Code of Regulations

District Rules

Regulation 6-1-303 (*Ringelmann No. 2 Limitation*)
Regulation 6-1-310 (*Total Suspended Particulate (TSP) Concentration Limits; see below*)
Regulation 9-1-301 (*Limitations on Ground Level Concentrations of SO_2*)
Regulation 9-8 (*NOx and CO from Stationary Internal Combustion Engines*)
- Section 9-8-110.5 – Limited exemption for emergency standby engines
- Section 9-8-330 – Hours of operation for emergency standby engines
- Section 9-8-502 – Recordkeeping

Sections 6-1-310.1 and 6-1-310.2 limit total suspended particulate (TSP) emissions to 0.01 grains/dscf of exhaust gas volume or less depending on the exhaust gas rate (see Table 6-1-310.2 for the corresponding TSP concentration limit). As shown in the emission calculations in the table below, the certified particulate emission rate from this engine is 0.07 grams per bhp-hour, which results in an outlet grain loading of 0.01 grains per dscf. Since this emission rate is less than the limit in Section 6-1-310, compliance with this section is expected through use of the certified engine.

Table 5. Section 6-1-310 Emissions Calculations

Engine Maximum Exhaust Flow Rate	3955	acfm=	1237.11	dscf/min=	74226.62	dscf/hr
Engine Maximum Exhaust Temperature	1022	F				
Water (H2O) Content (%)	12.50%					
PM10 abatement for Engine	0.00%					
Engine PM10 emissions	0.12	lb/hr=	462.96	kg/yr=	814.86	gr/hr
Are Engine PM10 Emissions > 1000 kg/yr?	NO					
Applicable Regulation 6-1-310 section?	6-1-310.1					
TSP Concentration for Engine	0.01	gr/dscf				

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Corresponding Regulation 6-1 TSP Limit	0.15	gr/dscf
PM10 emissions < Corresponding Reg 6-1 TSP Limit?	YES	

California Environmental Quality Act (CEQA)

The existing use of the facility on which the generator will be installed and operated is a Wine Warehouse. This additional engine and the structure associated with it is a negligible expansion of that use and the engine will only be used for the purpose of providing power within the facility in the event of an emergency.

The 2024 California Environmental Quality Act (CEQA) Statutes and Guidelines lists classes of projects in Section 15300, which have been determined not to have a significant effect on the environment and which shall, therefore, be exempt from the provisions of CEQA.

Section 15301 lists Class 1 projects that involve negligible or no expansion of use. This includes additions to existing structures provided that the addition will not result in an increase of more than 50 percent of the floor area of the structures before the addition, or 2,500 square feet, whichever is less, as listed in Section 15301(e)(1). The floor area in this situation is the facility which equates to approximately 182,000 square feet. 50% of this would be 91,000 square feet

Since the combined footprint of the emergency engine is not expected to exceed 50 percent of the floor area of the existing structure, or 2,500 square feet, this project is exempt from the provisions of CEQA and no further CEQA analysis is required.

Further, based on the review of the permit application materials, including Appendix H, environmental information form, the project will not have any significant environmental impacts, and cumulative impacts from successive projects of the same type in the same place will not result in significant environmental impacts. The Air District does not expect there to be successive projects similar to this one at this same place, since this engine will satisfy the need for backup power throughout the facility.

New Source Performance Standards (NSPS)

40 CFR 60, Subpart IIII (*Stationary Compression Ignition Internal Combustion Engines*)

National Emissions Standards for Hazardous Air Pollutants (NESHAP)

40 CFR 63, Subpart ZZZZ (*Stationary Reciprocating Internal Combustion Engines (RICE)*)

Prevention of Significant Deterioration (PSD)

This application is not part of a PSD project as defined in Regulation 2-2.

Public Notification (Regulation 2-1-412)

This project is located within an Overburdened Community and is therefore subject to the public notification requirements of Regulation 2-1-412. A public notice was prepared and sent to all residents and businesses located within 1,000 feet of the proposed source.

Permit Conditions

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Permit Condition #100072 for S-1

1. The owner or operator shall operate each emergency standby engine only for the following purposes: to mitigate emergency conditions, for emission testing to demonstrate compliance with a District, state or Federal emission limit, or for reliability-related activities (maintenance and other testing, but excluding emission testing). Operating while mitigating emergency conditions or while emission testing to show compliance with District, state or Federal emission limits is not limited.
   [Basis: Title 17, California Code of Regulations, section 93115, ATCM for Stationary CI Engines]

2. The owner/operator shall operate each emergency standby engine only when a non-resettable totalizing meter (with a minimum display capability of 9,999 hours) that measures the hours of operation for the engine is installed, operated and properly maintained.
   [Basis: Title 17, California Code of Regulations, section 93115, ATCM for Stationary CI Engines]

3. Records: The owner/operator shall maintain the following monthly records in a District-approved log for at least 36 months from the date of entry (60 months if the facility has been issued a Title V Major Facility Review Permit or a Synthetic Minor Operating Permit). Log entries shall be retained on-site, either at a central location or at the engine's location, and made immediately available to the District staff upon request.
   a. Hours of operation for reliability-related activities (maintenance and testing).
   b. Hours of operation for emission testing to show compliance with emission limits.
   c. Hours of operation (emergency).
   d. For each emergency, the nature of the emergency condition.
   e. Fuel usage for each engine(s).
      [Basis: Title 17, California Code of Regulations, section 93115, ATCM for Stationary CI Engines]

4. At School and Near-School Operation: If the emergency standby engine is located on school grounds or within 500 feet of any school grounds, the following requirements shall apply: The owner or operator shall not operate each stationary emergency standby diesel-fueled engine for non-emergency use, including maintenance and testing, during the following periods:
   a. Whenever there is a school sponsored activity (if the engine is located on school grounds)
   b. Between 7:30 a.m. and 3:30 p.m. on days when school is in session.

   'School' or 'School Grounds' means any public or private school used for the purposes of the education of more than 12 children in kindergarten or any of grades 1 to 12, inclusive, but does not include any private school in which education is primarily conducted in a private home(s). 'School' or 'School Grounds' includes any building or structure, playground, athletic field, or other areas of school property but does not include unimproved school property.
   [Basis: Title 17, California Code of Regulations, section 93115, ATCM for Stationary CI Engines]

Permit Condition #100073 for S-1

The owner/operator shall not exceed the following limits per year per engine for reliability-related activities:

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- 50 Hours of Diesel fuel (Diesel fuel)

[Basis: Cumulative Increase; Regulation 2-5; Title 17, California Code of Regulations, section 93115, ATCM for Stationary CI Engines]

End of Conditions

Recommendation

The District has reviewed the material contained in the permit application for the proposed project and has made a preliminary determination that the project is expected to comply with all applicable requirements of District, state and federal air quality-related regulations. The preliminary recommendation is to issue an Authority to Construct for the equipment listed below. However, the proposed source will be located within an Overburdened Community which triggers the public notification requirements of District Regulation 2-1-412. After the comments are received and reviewed, the District will make a final determination on the permit.

I recommend that the District initiate a public notice and consider any comments received prior to taking any final action on issuance of an Authority to Construct to change permit conditions for the following:

S-1 Emergency Standby Diesel for Electrical Generation
Make: Perkins Model: 2506C-E15TAG3 Model Year: 2023
755 bhp 4.40 MMBtu/hr
Permit Condition Nos. 100072 and 100073

Prepared by: **Rahseam Wroten** | Air Quality Permit Technician

Attachment 1

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BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Best Available Control Technology (BACT) Guideline

Source Category

Source:	**IC Engine-Compression Ignition: Stationary Emergency, non-Agricultural, non-direct drive fire pump**	**Revision:**	**8**
		Document #:	**96.1.3**
Class:	➢ **50 BHP and < 1000 BHP Output**	**Date:**	**12/22/2020***

Determination

Pollutant	BACT 1. Technologically Feasible/ Cost Effective 2. Achieved in Practice 3. TBACT	TYPICAL TECHNOLOGY
POC (NMHC)	1. n/s[c] 2. CARB ATCM standard[a] for POC at applicable horsepower rating (see attached Table 1).	1. n/s[c] 2. Any engine certified or verified to achieve the applicable standard. [a]
NOx	1. n/s[c] 2. CARB ATCM standard[a] for NOx at applicable horsepower rating (see attached Table 1).	1. n/s[c] 2. Any engine certified or verified to achieve the applicable standard. [a]
SO_2	1. n/s[c] 2. Fuel sulfur content not to exceed 0.0015% (wt) or 15 ppm (wt).	1. n/s[c] 2. CARB Diesel Fuel (Ultra Low Sulfur Diesel)
CO	1. n/s[c] 2. CARB ATCM standard[a] for CO at the applicable horsepower rating (see attached Table 1).	1. n/s[c] 2. Any engine certified or verified to achieve the applicable standard. [a]
PM_{10}	1. n/s[c] 2. 0.15 g/bhp-hr 3. 0.15 g/bhp-hr	1. n/s[c] 2. Any engine or technology demonstrated, certified or verified to achieve the applicable standard. 3. Any engine or technology demonstrated, certified or verified to achieve the applicable standard.
NPOC	1. n/s 2. n/s	1. n/s 2. n/s

* Applies to open permit applications with a complete date on or after 1/1/2020.

References

a.	ATCM standard (listed below): Where NMHC + NOx is listed (with no individual standards for NOx or NMHC) as the standard, the portions may be considered 95% NOx and 5% NMHC. For the purposes of determining BACT NMHC = POC. Any engine which has been certified or demonstrated to meet the current year tier standard may be considered compliant with the certified emission standard for that pollutant.
b.	Deleted (no longer applies).
c.	Cost- effectiveness analysis must be based on lesser of 50 hr/yr or non-emergency operation as limited by District health risk screen analysis.

Table 1: BACT 2 Emission Limits based on CARB ATCM

Emissions Standards for Stationary Emergency Standby Diesel-Fueled CI Engines ≥50 BHP g/Kw-hr (g/bhp-hr)			
Maximum Engine Power	**PM**	**NMHC+NOx**	**CO**
37 ≤ KW < 56 (50 ≤ HP < 75)	0.20 (0.15)	4.7 (3.5)	5.0 (3.7)
56 ≤ KW < 75 (75 ≤ HP < 100)	0.20 (0.15)	4.7 (3.5)	5.0 (3.7)
75 ≤ KW < 130 (100 ≤ HP < 175)	0.20 (0.15)	4.0 (3.0)	5.0 (3.7)
130 ≤ KW < 225 (175 ≤ HP < 300)	0.20 (0.15)	4.0 (3.0)	3.5 (2.6)
225 ≤ KW < 450 (300 ≤ HP < 600)	0.20 (0.15)	4.0 (3.0)	3.5 (2.6)
450 ≤ KW ≤ 560 (600 ≤ HP ≤ 750)	0.20 (0.15)	4.0 (3.0)	3.5 (2.6)
560 < KW < 750 (750 < HP < 1000)	0.20 (0.15)	6.4 (4.8)	3.5 (2.6)