



air pollution control district
SANTA BARBARA COUNTY

February 3, 2021

Greg Stones
City of Lompoc
Planning Division
100 Civic Center Plaza
Lompoc, CA 93436

Re: Air Pollution Control District Initial Feedback for Organic Liberty Lompoc Commercial Cannabis Nursery, Manufacturing, Processing, and Distribution Project

Dear Greg Stones:

The Santa Barbara County Air Pollution Control District (District) has reviewed the referenced project, which consists of the development of a commercial cannabis nursery, manufacturing, processing, and distribution project within a new approximately 90,865 square foot enclosed building on vacant property. The nursery rooms are climate-controlled with compressed carbon dioxide. Carbon dioxide will be stored in an approved aboveground pressurized tank located outside of the building. Processing activities involve drying using gas heaters, trimming, sorting, and packaging cannabis, including cannabis from offsite. Manufacturing operations propose use of ethanol extraction using a closed-loop extractor and further distillation. The extractor is a professionally engineered closed-loop system that uses approximately 30 gallons of temperature-controlled (chilled) ethanol per batch, with a 97% recovery rate. Up to five 55-gallon drums (275 gallons) of ethanol storage will be required at any one time. The applicant's estimates the facility will process approximately 2,000 pounds of biomass per day and 500,000 pounds per year. This will be accomplished by using two Delta Separation CUP-30 units, a single FFE unit, and two chiller units. At this production rate, approximately 300 pounds (40 gallons) of oil per day and 75,000 pounds (10,000 gallons) of oil per year will be produced. The facility will only sell cannabis products to state licensed facilities on a wholesale basis and will not be open to the public. The project is expected to employ up to 65 full-time and 15 part-time employees. An Odor Abatement Plan has been prepared which proposes carbon filtration technology and photocatalytic oxidative (PCO) air cleaners. A vapor-based odor control system may also be assessed if further odor abatement is necessary. An 800 kilowatt (kw) (approximately 1073 brake horsepower), Tier 2 diesel-powered emergency generator is proposed. The subject property, two parcels of 1.92 and 1.83 acres, are zoned Business Park, and identified in the Assessor Parcel Map Book as APNs 093-450-055 and -056. The project is located at 1025 and 1035 West Central Avenue in the City of Lompoc.

District Authority to Construct (ATC) and Permit to Operate (PTO) permits will be required for the proposed project. Therefore, the District is a responsible agency under the California Environmental Quality Act (CEQA) for this project and will rely on the CEQA environmental document when issuing District permits. The City's environmental analysis of the project pursuant to CEQA should include the air pollutant emissions for all proposed operations and equipment, and adequately assess the project's potential impacts to air quality (including health risk impacts) to avoid additional CEQA documentation related to District permit issuance. District staff will work closely with your agency's consultants and staff to ensure that the CEQA document adequately addresses air quality and greenhouse gas impacts.

Aeron Arlin Genet, Air Pollution Control Officer

Information Requests

Please provide the following information to facilitate the District's evaluation of potential air quality impacts and applicability of District permit requirements, prohibitory rules, and other regulatory programs:

1. Specify the anticipated amount of solvent usage on a daily and annual basis (gallons per day and gallons per year).
2. Specify the amount of compressed carbon dioxide that will be utilized on an annual basis (tons per year).
3. In addition to the proposed 800 kW emergency generator, please describe any additional combustion equipment that will be installed and/or operated onsite to support the proposed project. This could include heaters, boilers, and engines to supply power to equipment or operations (such as power to structures, water pumps, electric power generators). Provide the sizing such as Btu rating or horsepower, fuel type, anticipated hours of fuel usage and amount of fuel usage, and manufacturer specifications.
4. Prepare an air quality and greenhouse gas technical report for the project. The report should include the following:
 - a. Quantification of criteria pollutants and greenhouse gas emissions from all project phases (construction and operational) and from all potential emission sources associated with the proposed project, including but not limited to, emissions from mobile sources (employee vehicles and various delivery trucks), permitted and unpermitted combustion equipment (heaters, diesel emergency generator etc.), reactive organic compounds (ROCs) from manufacturing equipment, greenhouse gas emissions from the addition of carbon dioxide for cultivation, and indirect greenhouse gas emissions from electricity use, water use, and waste disposal. Note that the emission estimates for the proposed heater, emergency engine, and other equipment/operations that require a District permit should be based on the emission factors and usage rates that will be used in District permitting of the equipment, which will be the applicable Rule emission limits for the proposed fuel type.
 - b. A summary table that compares the project's emission sources (stationary, mobile, area, as appropriate) to the City's chosen CEQA significance thresholds. If impacts from the proposed project are anticipated to exceed the chosen air quality and/or greenhouse gas thresholds, the applicant should propose project design changes and/or mitigation measures that will avoid, reduce, or mitigate those impacts.

District Advisories

1. **Project Description:** The District cannot permit a level of activity or emissions different than what has been approved and evaluated by the lead agency (and/or the land use authority). Therefore, the project description provided in the District permit application must be generally consistent with the project description conditioned in the land use permit. The District permit will condition any emissions limits presented in the land use approval. We advise the applicant

to ensure that the usage amounts of any solvents are accurate in the project description submitted to the City, as the District will limit the applicant to these amounts to ensure that ROC emissions remain consistent with the land use approval.

2. **Best Available Control Technology:** During completeness review of the District permit application, the District will evaluate the emissions from the proposed project to determine which New Source Review requirements will apply. At this time, the District does not have sufficient information regarding solvent usage of the manufacturing operation to determine if the proposed project will trigger the District's threshold for requiring implementation of Best Available Control Technology (BACT). The applicant should refer to District Rule 802 at www.ourair.org/wp-content/uploads/rule802.pdf for more information on New Source Review and BACT requirements. Note that if the project's potential to emit triggers BACT requirements, the applicant may be required to make substantial changes to their operation in order to meet District rule requirements. Any changes to the project description would need to be reflected in the land use permit and CEQA documentation.
3. **Health Risk:** As part of the District's permit issuance, if a project has the potential to emit toxic or hazardous air pollutants, the project may be required to prepare a Health Risk Assessment to determine the potential level of risk associated with the project operations. **In the case of the proposed diesel fired emergency generator, a Health Risk Assessment will be required as part of District permit issuance. If the results of the Health Risk Assessment on the emergency generator indicate a significant health risk will occur, the District will not be able to issue a permit for the generator as proposed. The results of the HRA should be incorporated in the CEQA document to ensure that project-related equipment will not result in a significant impact.** The applicant should refer to District's website at www.ourair.org/dice-atcm/ for more information on diesel engine permitting.
4. **Use of Ozone Generators:** The District does not recommend the use of ozone generators or photocatalytic oxidation air cleaners (also known as PCO air cleaners or hydroxyl generators) for odor mitigation^{1,2}, regardless of whether the ozone generator is located in an unoccupied space. Santa Barbara County is currently designated nonattainment for the state ambient air quality standard for ozone; the proposed generators could produce ozone levels that are well above the state standard. Also, it is important that any chemical used for deodorizing systems not cause adverse impacts to the community. Low-VOC (volatile organic compound) or no-VOC compounds are recommended, as well as compounds that do not contain toxic air contaminants (TACs) as identified by the State of California. The comprehensive list of TACs can be found here: www.arb.ca.gov/toxics/id/taclist.htm.
5. **Vapor Phase Odor Control:** A health risk assessment should be performed if a proposed vapor phase odor control system utilizes a chemical listed on the *Consolidated Table of OEHHA/ARB Approved Risk Assessment Health Values* (see: www.arb.ca.gov/toxics/healthval/healthval.htm and www.arb.ca.gov/toxics/healthval/contable.pdf).
6. **Permit Timing:** The District permit process can take several months. The applicant is encouraged to submit their Authority to Construct permit application to the District as soon as possible, see

¹ California Air Resources Board, *Hazardous Ozone-Generating 'Air Purifiers'*, www.arb.ca.gov/research/indoor/ozone.htm

² Environmental Protection Agency, www.epa.gov/sites/production/files/2018-07/documents/residential_air_cleaners_-_a_technical_summary_3rd_edition.pdf

www.ourair.org/cannabis to download the necessary permit application(s). Please note that the District cannot deem an application complete until the lead agency permit has been deemed complete. Additionally, the District cannot issue its permit until the lead agency permit and CEQA findings have been approved.

If you or the project applicant have any questions regarding these comments, please feel free to contact me at (805) 961-8878 or via email at WaddingtonE@sbcapcd.org.

Sincerely,



Emily Waddington
Air Quality Specialist
Planning Division

cc: Ryan Russell, Rincon Consultants
Sage Thurmond, Compass Land Group
David Harris, Manager, District Engineering Division [email only]
William Sarraf, Supervisor, District Engineering Division [email only]
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