



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 9**

75 Hawthorne Street
San Francisco, CA 94105

October 7, 2016

David Warner
Deputy Air Pollution Control Officer
San Joaquin Valley Air Pollution Control District
1990 East Gettysburg Avenue
Fresno, CA 93726

Dear Mr. Warner:

We are writing to acknowledge receipt of the letter from San Joaquin Valley Air Pollution Control District (the District) dated October 7, 2016, regarding the following four winery permit projects: Bear Creek Winery (Project No. N-1153192), CBUS Ops Inc. (dba Woodbridge Winery) (Project No. N-1143210), Delicato Vineyards (Project No. N-1152244), E&J Gallo Winery (Project No. N-1142303).

Thank you for your confirmation that the District will not proceed with the issuance of a Certificate of Conformity (COC) for any of these proposed permit actions. In the future, each of these sources will be required to submit a new title V significant revision application to modify their current title V permit and the District will be required to submit for EPA review a proposed significant title V revision in accordance with the requirements of District Rule 2520 – Federally Mandated Operating Permits. We appreciate your commitment to work with us to resolve the Lowest Achievable Emission Rate (LAER) issue and ensure the final title V operating permits comply with all applicable requirements and provisions of Rule 2520.

As stated in our September 30, 2016 letter regarding these same four proposed permit actions, EPA remains concerned that the control requirements contained in the proposed permits do not represent "Best Available Control Technology" (BACT), as required by SIP-approved SJV Rule 2201, section 4.1.3. The definition of BACT in SJV Rule 2201, section 3.10 is equivalent to federal LAER. Accordingly, until this issue regarding LAER is resolved, construction under these proposed permits may be subject to enforcement action.

We are committed to working with the District to ensure that the final permits are consistent with all applicable requirements. I look forward to our discussions. In the meantime, feel free to contact me at 415-972-3974.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerardo C. Rios", with a long horizontal flourish extending to the right.

Gerardo C. Rios
Chief, Permits Office
Air Division

cc: Tung Le, CARB