Puget Sound Clean Air Agency

HEREBY ISSUES AN ORDER OF APPROVAL
TO CONSTRUCT, INSTALL, OR ESTABLISH

24.7 Million Gallons per year Dairy Manure Digester, One (1) Guascor SFGLD 360 Spark Ignited 4-Stroke Lean Burn Engine Generator rated for 675 BHP using 4.4 MM BTUH of Methane to generate 450 kW of electricity for use on-site, and One (1) Groth 8391B methane flare rated for 1129 cfm for backup use.

APPLICANT
Tom McKinsey
Qualco Energy Corporation & Tulalip Tribes of WA
8802 27th Ave NE
Marysville, WA 98271

OWNER
Qualco Energy Corporation & Tulalip Tribes of WA
8802 27th Ave NE
Marysville, WA 98271

INSTALLATION ADDRESS
Qualco Energy Corporation & Tulalip Tribes of WA, 18117 203rd St SE, Monroe, WA, 98271

THIS ORDER IS ISSUED SUBJECT TO THE FOLLOWING RESTRICTIONS AND CONDITIONS

1. Approval is hereby granted as provided in Article 6 of Regulation I of the Puget Sound Clean Air Agency to the applicant to install or establish the equipment, device or process described hereon at the INSTALLATION ADDRESS in accordance with the plans and specifications on file in the Engineering Division of the Puget Sound Clean Air Agency.

2. This approval does not relieve the applicant or owner of any requirement of any other governmental agency.

3. Qualco Energy shall not exceed the following one hour average limits from the Guascor internal combustion engine as measured, when the engine is operating at 50% full power or greater, by a compliance source test that follows the requirements of Regulation I, Section 3.07:

(a) 1.5 lbs/hr of NOx (EPA Method 7E), and

(b) 3.3 lbs/hr of CO (EPA Method 10).

4. Qualco Energy shall reduce the Non-Methane Organic Compounds (NMOC) in the Digester Gas, using the engine/generator set, by 98 weight percent, or reduce the outlet NMOC concentration to less than 20 parts per million by volume, dry basis as hexane at 3 percent oxygen.

5. Qualco Energy shall develop an emission testing plan following Regulation I, Section 3.07, and conduct a source test of from the Guascor internal combustion engine within 60 days of startup, to demonstrate compliance with Conditions 3(a), 3(b) and 4 above, and submit all source test reports to the Puget Sound Clean Air Agency within 60 days of the date of the test unless otherwise approved by the Control Officer.

6. To monitor compliance with Condition Nos. 3(a) and 3(b) above, Qualco Energy shall either conduct annual source tests as in Condition No. 5, or shall perform quarterly monitoring using an exhaust gas analyzer meeting the specifications contained in (I) Steady-State Exhaust Analysis System of Appendix D-Steady-State Short Test Equipment of Subpart S-
Order of Approval for NC No. 9778

JUL 01 2008

Inspection/Maintenance Program Requirements of Part 51 of chapter 1, Title 40 of the Code of Federal Regulations in effect as of July 1, 2000. Any quarterly monitoring result that indicates noncompliance with the conditions in this Order shall be reported to the Agency within 30 days. Otherwise, a report of the combined quarterly results shall be submitted within 30 days from the end of each calendar year in which the system is operated.

7. Qualco Energy shall maintain logs of the Guascor internal combustion engine operating hours and shall use these logs with emissions factors based on the most recent source test results to report annual emissions required by Regulation I, Article 5.

8. Qualco Energy shall not exceed 5% opacity from the engines stack aggregated for 3 minutes in any 1-hour as measured by WDOE Method 9A.

9. Facility Wide Inspections - Fugitive Dust

(a) Qualco Energy shall conduct weekly site-wide inspections of the property and the adjacent streets daily to identify:

(1) Precautions being taken with respect to material handling operations to minimize fugitive dust; and

(2) Precautions being taken with respect to vehicle movement and pad/road maintenance operations, to minimize fugitive dust; and

(3) Precautions being taken with respect to spillage of materials on traffic routes; and

(4) Prevention and removal of evidence of track out, originating from the facility.

(b) Qualco Energy shall document the results of each inspection, to include the corrective action taken (along with date and time) in response to observations which are inconsistent with respect to the O&M Plan or Puget Sound Clean Air Agency regulation.

(c) Qualco Energy shall, as soon as possible, but no later than one calendar day after identification, correct any compliance problems identified during this inspections.

10. Facility Wide Inspections - Odor & Methane:

(a) All digester gas shall be routed either to the engine generator or to the flare for combustion.

(b) Qualco Energy shall conduct inspections of the property weekly to ensure that all activities are operating in good working order to minimize the generation or release of odors.

(c) Qualco Energy shall document the results of each inspection, to include the corrective action taken (along with date and time) in response to potential compliance problems as identified in this condition and in response to operational practices which are inconsistent with respect to the O&M Plan or Puget Sound Clean Air Agency regulations.

(d) Qualco Energy shall, as soon as possible but no later than one calendar day after identification, correct any potential compliance problems identified during these inspections.

11. Complaints:

(a) Qualco Energy shall establish a meteorology station capable of measuring and recording temperature, wind speed, and
Order of Approval for NC No. 9778

JUL 01 2008

wind direction.

(b) Qualco Energy shall establish a complaint response program as part of the O&M Plan. The program shall include a complaint phone line, criteria and methods for establishing whether Qualco Energy may be the source of emissions related to the complaint, and a format for communicating results of investigation and advising complainants of Qualco Energy's corrective actions.

(c) Qualco Energy shall record and investigate complaints received regarding air quality as soon as possible, but no later than one working day after receipt.

(d) Qualco Energy shall correct any problems identified by these complaint investigations within 24 hours of identification. Any identified problem that can not be corrected within 24 hours shall be reported to the PS Clean Air Agency with a proposed schedule for correction.

(e) Records of all complaints received regarding air quality issues shall include information regarding date and time of complaint; name and address of complainant (if known); nature of the complaint; investigation efforts completed and basis for conclusion reached; and date, time, and nature of any corrective action taken.

12. Recordkeeping Requirements:

(a) All records of observations and supporting documentation which are required by this Order shall be completed contemporaneously and no later than the end of the day picked for the weekly monitoring. Each inspection and observation required on a weekly basis by this Order shall be completed on a day when the site is in operation. No observations or record keeping is required during weeks when the site is operational for less than ½ day.

(b) All records and documentation which are required by this Order shall be maintained onsite for two years, and made available to Agency representatives upon request.

APPEAL RIGHTS

Pursuant to Puget Sound Clean Air Agency's Regulation I, Section 3.17 and RCW 43.21B.310, this Order may be appealed to the Pollution Control Hearings Board (PCHB). To appeal to the PCHB, a written notice of appeal must be filed with the PCHB and a copy served upon Puget Sound Clean Air Agency within 30 days of the date the applicant receives this Order.

Claude Williams  
Reviewing Engineer

Steven Van Slyke  
Supervising Engineer