

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson John Gioia and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: December 10, 2012

Re: Public Hearing to Consider Adoption of Proposed Amendments to Regulation 2 (Permits) – Rule 1 (General Requirements), Rule 2 (New Source Review), Rule 4 (Emissions Banking), and Rule 6 (Major Facility Review); and Certification of an Environmental Impact Report pursuant to the California Environmental Quality Act

RECOMMENDED ACTION

Staff recommends that the Board of Directors take the following actions:

- Adopt amendments to the Air District’s New Source Review (NSR) and Title V permitting programs, as set forth in the following regulations:
  - Regulation 2, Rule 1 (Permits, General Requirements)
  - Regulation 2, Rule 2 (Permits, New Source Review)
  - Regulation 2, Rule 4 (Permits, Emissions Banking)
  - Regulation 2, Rule 6 (Permits, Major Facility Review)
- Certify a final Environmental Impact Report for the proposed amendments pursuant to the California Environmental Quality Act (CEQA).

BACKGROUND

Staff has developed the proposed amendments to update the Air District’s current New Source Review (NSR) and Title V permitting programs to address recent regulatory developments. The NSR and Title V programs are important federal permitting requirements established under the Clean Air Act. The Air District implements these federal programs for stationary sources in the San Francisco Bay Area under Air District regulations. The Air District’s programs have not been updated in several years, and there have been a number of developments since then in the federal requirements for these programs (among other developments). The proposed amendments will update the Air District’s NSR and Title V permitting regulations to address these recent developments, among other changes.

The principal changes that would be made by the proposed amendments include:

- Adding new NSR and Title V permitting requirements for fine particulate matter, specifically, particulate matter with an aerodynamic diameter of less than 2.5 microns, or “PM 2.5”) and for greenhouse gases (GHGs).

- Revising the Air District’s requirements for “Prevention of Significant Deterioration” PSD permitting – an important sub-element of the federal NSR program – so that these PSD permits can be approved by the U.S. Environmental Protection Agency (EPA).
- Expanding the applicability provisions for NSR permitting for modified sources to satisfy current EPA requirements.
- Expanding the requirements for NSR permit applicants to demonstrate that their projects will not contribute to violations of National Ambient Air Quality Standards.
- Expanding the public notice and comment provisions for NSR permitting.
- Making non-substantive revisions to reorganize and clarify the regulatory language to make it easier to understand and implement.

These proposed amendments will allow EPA to be able to continue to approve the Air District’s NSR and Title V programs under the federal Clean Air Act for purposes of permitting stationary sources in the Bay Area. In addition to ensuring that the Air District’s programs meet all federal requirements, the proposed amendments will also improve the effectiveness of these important permitting programs.

#### RULE DEVELOPMENT PROCESS

The proposed amendments were developed through a public outreach and involvement process that began in 2011. The public process included participation from EPA Region IX, the California Air Resources Board (ARB), representatives from the regulated community, industry groups, representatives from environmental and advocacy organizations, and the public at large.

Staff met with EPA Region IX and ARB to discuss an initial concept draft of proposed amendments on October 4, 2011. Staff then published a first draft for public review and comment in January of 2012. Staff held a public workshop to discuss the draft amendments on February 22, 2012, at the Air District. This public workshop was attended by approximately 80 people in-person and was also webcast. Staff convened a technical working group comprised of interested members of the public, which met on February 28 and March 8 and 20, 2012, to discuss the draft amendments. Staff received 15 written comments on this first draft of the proposed amendments.

Based on the input that Staff received on the first draft, Staff developed a second draft of the proposed amendments, which was published for review and comment on May 25, 2012. Staff also published a Background Discussion document in conjunction with the second draft, which explained Staff’s responses to all of the comments received on the first draft and how Staff had revised the draft proposal as a result of the comments. On June 7, 2012, Staff convened another public meeting of the technical working group to discuss the second draft and receive further feedback from interested members of the public. Staff received a further four written comments on this second draft.

Based on the further input that Staff received on the second draft, Staff then developed the final version of the proposed amendments, which were published on September 26, 2012. Staff has also published written responses to all of the comments received on the second draft, in which Staff explained how the final proposal was revised in response to comments received.

Staff received a further eight written comments on the final proposal. These final comments, and Staff's responses to them, are included as attachments to this memorandum.

In addition to this public outreach process, Staff also presented briefings to the Stationary Source Committee of the Air District's Board of Directors on January 9, 2012, and September 17, 2012, to provide that committee with an overview and status of this project.

Staff considered all public input received during this rule development process in developing the final version of the proposed amendments. Staff also provided written responses to all of the comment letters received, in which Staff explained how each comment was addressed and whether the proposal was changed accordingly, or whether staff disagreed that the proposal needed to be changed. Throughout the entire process, Staff made all relevant documents available electronically on the Air District website on a page dedicated to this rule development process: [www.baaqmd.gov/Divisions/Engineering/Proposed-Reg-2-Changes.aspx](http://www.baaqmd.gov/Divisions/Engineering/Proposed-Reg-2-Changes.aspx) and made hard copies available upon request. These materials included all public notices, drafts of the proposed amendments, drafts of the staff report and related documentation, documentation related to the CEQA environmental review process, comments that were submitted by members of the public and Staff responses and other relevant documentation. This web page provided a convenient and accessible clearinghouse for information and documents related to this project in order to facilitate involvement and participation by interested members of the public.

This public outreach and involvement process resulted in a substantially improved proposal. Members of the public made a number of very insightful suggestions for strengthening the proposed amendments, and Staff incorporated them into the final version of the proposed amendments accordingly. Staff greatly appreciated the time and effort that members of the public devoted to participating in this rule development process.

### CEQA ENVIRONMENTAL IMPACT REPORT

Staff has prepared a CEQA Environmental Impact Report (EIR) for this project. The EIR finds that the proposed amendments will have a positive environmental impact by updating and enhancing the Air District's NSR and Title V permitting programs. The EIR finds that the proposed amendments will not have any significant adverse environmental impacts.

The Board of Directors is required under CEQA to certify this EIR in order to adopt the proposed amendments. CEQA requires that the members of the Board of Directors review and consider the information in the final EIR in preparation for voting on certification. A copy of the final EIR is enclosed with this memorandum.

The EIR was prepared through a public process in accordance with the requirements of CEQA. Staff, assisted by the Air District's CEQA contractor, Environmental Audit, Inc., prepared an

Initial Study for the proposed amendments and circulated it for public comment. Staff convened a CEQA scoping meeting on July 10, 2012, to solicit input from interested members of the public on the Initial Study, the scope and contents of the EIR, and the potential environmental impacts to be evaluated in it. Staff then completed a draft EIR, which was circulated for public comment on September 7, 2012. Staff did not receive any comments on the draft EIR. Staff then completed the final EIR, which is being presented to the Board of Directors for consideration and certification at the November 7, 2012 meeting.

#### BUDGET CONSIDERATIONS/FINANCIAL IMPACTS

The adoption of this rule will not require any significant additional Air District resources.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Prepared by: Alexander Crockett  
Reviewed by: Joe Slamovich (for Jim Karas)

#### Attachments:

Proposed Amendments to:

- Regulation 2 (Permits), Rule 1 (General Requirements)
- Regulation 2 (Permits), Rule 1 (General Requirements-Redline)
- Regulation 2 (Permits), Rule 2 (New Source Review)
- Regulation 2 (Permits), Rule 2 (New Source Review-Redline)
- Regulation 2 (Permits), Rule 4 (Emissions Banking)
- Regulation 2 (Permits), Rule 4 (Emissions Banking-Redline)
- Regulation 2 (Permits), Rule 6 (Major Facility Review)
- Regulation 2 (Permits), Rule 6 (Major Facility Review-Redline)

Final Staff Report  
CEQA Final Environmental Impact Report  
Comments on Final Proposal and Responses

**REGULATION 2  
PERMITS  
RULE 1  
GENERAL REQUIREMENTS**

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**REGULATION 2**  
**PERMITS**  
**RULE 1**  
**GENERAL REQUIREMENTS**

(Adopted January 1, 1980)

**2-1-100 GENERAL**

**2-1-101 Description:** The purpose of Regulation 2 is to provide an orderly procedure for the review of new sources of air pollution, and of the modification and operation of existing sources, and of associated air pollution control devices, through the issuance of authorities to construct and permits to operate. The applicability of Regulation 2, Rule 1 is illustrated by Figure 2-1-101, Permit/Exemption Flow Chart. An applicant may choose to obtain a permit to operate for a source that is exempt from permit requirements. In that case, the affected source is deemed to be subject to the requirements of Section 2-1-302 until such time as an application for return to exempt status is approved.

*(Amended 7/17/91; 6/7/95; 5/17/00; 12/21/04)*

**2-1-102 Applicability to Other Rules in Regulation 2:** The provisions of this Rule, including the definitions, shall apply to the other Rules of this Regulation, where applicable, unless superseded by specific provisions in those other Rules.

*(Amended November 3, 1993)*

**2-1-103 Exemption, Source not Subject to any District Rule:** Any source that is not already exempt from the requirements of Section 2-1-301 and 302 as set forth in Sections 2-1-105 to 2-1-128, is exempt from Section 2-1-301 and 302 if the source meets all of the following criteria:

- 103.1 The source is not in a source category subject to any of the provisions of Regulation 6<sup>(1)</sup>, Regulation 8<sup>(2)</sup> excluding Rules 1 through 4, or Regulations 9 through 12; and
- 103.2 The source is not subject to any of the provisions of Sections 2-1-316 through 319; and
- 103.3 Actual emissions of precursor organic compounds (POC), non-precursor organic compounds (NPOC), nitrogen oxides (NOx), sulfur dioxide (SO<sub>2</sub>), PM<sub>2.5</sub>, PM<sub>10</sub> and carbon monoxide (CO) from the source are each (i) less than 10 pounds per highest day; or (ii) if greater than 10 pounds per highest day, total emissions are less than 150 pounds per year, per pollutant; and
- 103.4 The source is not an ozone generator (a piece of equipment designed to generate ozone) emitting 1 lb/day or more of ozone.

*Note 1: Typically, any source may be subject to Regulation 6, Particulate Matter and Visible Emissions. For the purposes of this section, Regulation 6 applicability shall be limited to the following types of sources that emit PM<sub>2.5</sub> and PM<sub>10</sub>: combustion source; material handling/processing; sand, gravel or rock processing; cement, concrete and asphaltic concrete production; tub grinder; or similar PM<sub>2.5</sub> and PM<sub>10</sub>-emitting sources, as deemed by the APCO.*

*Note 2: If an exemption in a Regulation 8 Rule indicates that the source is subject to Regulation 8, Rules 1 through 4, then the source must comply with all applicable provisions of Regulation 8, Rules 1 through 4, to qualify for this exemption.*

*(Adopted 6/7/95; Amended 5/17/00; 12/21/04)*

**2-1-104 Deleted October 7, 1998**

**2-1-105 Exemption, Registered Statewide Portable Equipment:** Equipment that complies with all applicable requirements of and is registered under the Statewide Portable Equipment Registration Program (California Code of Regulations Title 13, Division 3, Chapter 3, Article 5) is exempt from the requirements of Sections 2-1-301 and 302. If the equipment ceases to qualify for this exemption for any reason (for example, if it remains at any fixed location for more than twelve months or otherwise ceases to be portable as defined by the Program), the equipment shall be subject to the requirements of Regulation 2 as if it were a new source.

*(Adopted 6/7/95; Amended 10/7/98; 5/17/00)*

**2-1-106 Limited Exemption, Accelerated Permitting Program:** Unless subject to any of the provisions of Sections 2-1-316 through 319, any new source or modification or alteration of an existing source is exempt from the Authority to Construct



requirements of Section 2-1-301 if it has received a temporary Permit to Operate under the Accelerated Permitting Program set forth in Section 2-1-302.2.

*(Adopted 6/7/95; Amended 10/7/98; 5/17/00; 6/15/05; \_\_\_/\_\_\_/12)*

**2-1-109 Deleted June 7, 1995**

**2-1-110 Deleted June 7, 1995**

**2-1-111 Deleted June 7, 1995**

**2-1-112 Deleted June 7, 1995**

**2-1-113 Exemption, Sources and Operations:**

113.1 The following sources and operations are exempt from the requirements of Sections 2-1-301 and 302, in accordance with the California Health and Safety Code:

1.1 Single and multiple family dwellings used solely for residential purposes.

1.2 Agricultural sources with actual emissions of each regulated air pollutant, excluding fugitive dust, less than 50 tons per year, except for large confined animal facilities subject to Regulation 2, Rule 10. Agricultural sources engaged in composing and other similar biomass processing that primarily process green materials or animal waste products derived from agricultural operations shall not become ineligible for this exemption for processing material from non-agricultural operations as long as the facility processes less than 500 tons per year of such material from non-agricultural operations.

1.3 Any vehicle. Equipment temporarily or permanently attached to a vehicle is not considered to be a part of that vehicle unless the combination is a vehicle as defined in the Vehicle Code. Specialty vehicles may include temporarily or permanently attached equipment including, but are not limited to, the following: oil well production service unit; special construction equipment; and special mobile equipment.

1.4 Tank vehicles with vapor recovery systems subject to state certification, in accordance with the Health and Safety Code.

113.2 The following sources and operations are exempt from the requirements of Sections 2-1-301 and 302:

2.1 Road construction, widening and rerouting.

2.2 Restaurants, cafeterias and other retail establishments for the purpose of preparing food for human consumption.

2.3 Structural changes which do not change the quality, nature or quantity of air contaminant emissions.

2.4 Any abatement device which is used solely to abate equipment that does not require an Authority to Construct or Permit to Operate.

2.5 Architectural and industrial maintenance coating operations that are exclusively subject to Regulation 8, Rules 3 or 48, because coatings are applied to stationary structures, their appurtenances, to mobile homes, to pavements, or to curbs. This does not apply to coatings applied by the manufacturer prior to installation, nor to the coating of components removed from such structures and equipment.

2.6 Portable abatement equipment exclusively used to comply with the tank degassing or vacuum truck control requirements of Regulation 8, Rules 5, 40 or 53.

2.7 Equipment that transports, holds or stores California Public Utilities Commission regulated natural gas, excluding drivers.

2.8 Deleted May 17, 2000

2.9 Deleted May 17, 2000

2.10 Deleted May 17, 2000

2.11 Teaching laboratories used exclusively for classroom experimentation and/or demonstration.

2.12 Laboratories located in a building where the total laboratory floor space within the building is less than 25,000 square feet, or the total number of fume hoods within the building is less than 50, provided that Responsible Laboratory Management Practices, as defined in Section

2-1-224, are used. Buildings connected by passageways and/or corridors shall be considered as separate buildings, provided that structural integrity could be maintained in the absence of the passageways and/or corridors and the buildings have their own separate and independently operating HVAC and fire suppression systems. For the purposes of this subsection, teaching laboratories that are exempt per Section 2-1-113.2.11 are not included in the floor space or fume hood totals. In addition, laboratory units for which the owner or operator of the source can demonstrate that toxic air contaminant emissions would not occur, except under accidental or upset conditions, are not included in the floor space or fume hood totals.

- 2.13 Maintenance operations on natural gas pipelines and associated equipment, provided that emissions from such operations consist solely of residual natural gas that is vented after the equipment is isolated or shut down.
- 2.14 [Deleted \_\_ 2012]
- 2.15 Asbestos and asbestos containing material renovation or removal conducted in compliance with Regulation 11, Rule 2 and Regulation 3.
- 2.16 Closed landfills that have less than 1,000,000 tons of decomposable solid waste in place and that do not have an operating landfill gas collection system.
- 2.17 Closed landfills that have not accepted waste for at least 30 years and that never had a landfill gas collection system.
- 2.18 Construction of a building or structure that is not itself a source requiring a permit.
- 2.19 Vacuum trucks subject to Regulation 8, Rule 53 and processing regulated material as defined in that rule.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00; 11/15/00; 5/2/01; 7/19/06; 4/18/12)*

**2-1-114**

**Exemption, Combustion Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, only if the source does not emit pollutants other than combustion products, and those combustion products are not caused by the combustion of a pollutant generated from another source, and the source does not require permitting pursuant to Section 2-1-319.

- 114.1 Boilers, Heaters, Steam Generators, Duct Burners, and Similar Combustion Equipment:
  - 1.1 Any of the above equipment with less than 1 million BTU per hour rated heat input.
  - 1.2 Any of the above equipment with less than 10 million BTU per hour rated heat input if fired exclusively with natural gas (including compressed natural gas), liquefied petroleum gas (e.g. propane, butane, isobutane, propylene, butylenes, and their mixtures), or any combination thereof.
- 114.2 Internal Combustion Engines and Gas Turbines:
  - 2.1 Internal combustion (IC) engines and gas turbines with a maximum output rating less than or equal to 50 hp.
  - 2.2 Internal combustion (IC) engines and gas turbines used solely for instructional purposes at research, teaching, or educational facilities.
  - 2.3 Portable internal combustion engines which are at a location for less than 72 consecutive hours.
  - 2.4 Any engine mounted on, within, or incorporated into any vehicle, train, ship, boat, or barge used to provide propulsion for the vehicle, train, ship, boat, or barge.
  - 2.5 Any engine mounted on, within, or incorporated into any vehicle, train, ship, boat, or barge used to provide propulsion for the vehicle, train, ship, boat, or barge and which is also used to supply mechanical or electrical power to ancillary equipment (e.g., crane, drill, winch, etc.) which is affixed to or is a part of the vehicle, train, ship, boat, or barge.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00; 8/1/01)*

**2-1-115 Exemption, Particulate Sources at Quarries, Mineral Processing and Biomass Facilities:** The following potential PM<sub>2.5</sub> and PM<sub>10</sub> sources are exempt from the requirements of sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 115.1 Sources located at quarrying; mineral or ore handling or processing; concrete production; asphaltic concrete production; marine bulk transfer stations; concrete or asphaltic concrete recycling; vehicle shredding; glass manufacturing; handling or processing of cement, coke, lime, flyash, fertilizer, or catalyst; or other similar facility which meets one of the following:
  - 1.1 Mixer and other ancillary sources at concrete or aggregate product production facilities with a maximum rated production capacity less than 15 cubic yards (yd<sup>3</sup>) per hour;
  - 1.2 Other source at a facility with a maximum throughput less than 5000 tons per year;
  - 1.3 Operating, loading and unloading a crusher or grinder which processes exclusively material with a moisture content greater than or equal to 20 percent by weight;
  - 1.4 Operating, loading and unloading the following sources which process exclusively material with a moisture content greater than or equal to 5 percent by weight:
    - 1.4.1 Screen or other size classification;
    - 1.4.2 Conveyor, screw, auger, stacker or bucket elevator;
    - 1.4.3 Grizzly, or other material loading or unloading;
    - 1.4.4 Storage silos;
    - 1.4.5 Storage or weigh hopper/bin system.
  - 1.5 Haul or access roads;
  - 1.6 Drilling or blasting.
- 115.2 Sources located at biomass recycling, composting, landfill, POTW, or related facilities, including, but not limited to, the following:
  - 2.1 Tub grinder powered by a motor with a maximum output rating less than 10 horsepower;
  - 2.2 Hogger, shredder or similar source powered by a motor with a maximum output rating less than 25 horsepower;
  - 2.3 Other biomass processing/handling sources at a facility with a total throughput less than 500 tons per year.

*(Amended 6/7/95; 5/17/00)*

**2-1-116 Exemption, Furnaces, Ovens and Kilns:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 116.1 Porcelain enameling furnaces, porcelain enameling drying ovens, vitreous enameling furnaces or vitreous enameling drying ovens.
- 116.2 Crucible furnaces, pot furnaces, induction furnaces, cupolas, electric arc furnaces, reverberatories, or blast furnaces with a capacity of 1000 lbs or less each.
- 116.3 Crucible furnaces, pot furnaces, or induction furnaces for sweating or distilling that process 100 tons per year of all metals or less.
- 116.4 Drying or heat-treating ovens with less than 10 million BTU per hour capacity provided that a) the oven does not emit pollutants other than combustion products and b) the oven is fired exclusively with natural gas (including compressed natural gas), liquefied petroleum gas (e.g. propane, butane, isobutane, propylene, butylenes, and their mixtures), or any combination thereof.
- 116.5 Ovens used exclusively for the curing of plastics which are concurrently being vacuum held to a mold, or for the softening and annealing of plastics.
- 116.6 Ovens used exclusively for the curing of vinyl plastisols by the closed mold curing process.
- 116.7 Ovens used exclusively for curing potting materials or castings made with epoxy resins.
- 116.8 Kilns used for firing ceramic ware, heated exclusively by natural gas, liquefied petroleum gas, electricity or any combination thereof.

- 116.9 Parts cleaning, bake-off, and similar ovens that meet both of the following:
  - 9.1 Oven is equipped with a secondary combustion chamber or abated by a fume incinerator; and
  - 9.2 Internal oven volume is 1 cubic yard or less.
- 116.10 Electric ovens used exclusively for curing or heat-treating where no significant off-gassing or evaporation of any air contaminants occurs.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*

**2-1-117 Exemption, Food and Agricultural Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 117.1 Smokehouses or barbecue units in which the maximum horizontal inside cross sectional area does not exceed 20 square feet.
- 117.2 Equipment at facilities other than restaurants, cafeterias or other retail operations, which is used to dry, cook, fry, bake, or grill less than 1000 tons per year of food products.
- 117.3 Any oven with a total production of yeast leavened bakery products of less than 10,000 pounds per operating day, averaged over any period of seven consecutive days, and which is heated either electrically or exclusively by natural gas firing with a maximum capacity of less than 10 million BTU per hour.
- 117.4 Equipment used exclusively to grind, blend, package, or store tea, cocoa, spices, or coffee.
- 117.5 Equipment used to dry, mill, grind, blend, or package less than 1000 tons per year of dry food products such as seeds, grains, corn, meal, flour, sugar, and starch.
- 117.6 Equipment used to convey, transfer, clean, or separate less than 1000 tons per year of dry food products or waste from food production operations.
- 117.7 Storage equipment or facilities containing dry food products; which are not vented to the outside atmosphere, or which handle less than 1000 tons per year.
- 117.8 Coffee, cocoa and nut roasters with a roasting capacity of less than 15 pounds of beans or nuts per hour; and any stoners or coolers operated in conjunction with these roasters.
- 117.9 Containers, reservoirs, tanks, or loading equipment used exclusively for the storage or loading of beer, wine or other alcoholic beverages.
- 117.10 Fermentation tanks for beer or wine. Fermentation tanks used for the commercial production of yeast for sale are not exempt.
- 117.11 Brewing operations at facilities producing less than 3 million gallons per year of beer.
- 117.12 Fruit sulfuring operations at facilities producing less than 10 tons per year of sulfured fruits and vegetables.

*(Adopted 10/19/83; Amended 4/16/86; 7/17/91; 6/7/95; 5/17/00)*

**2-1-118 Exemption, Surface Preparation and Cleaning Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 118.1 Permanent abrasive blasting source, as defined by Regulation 12, Rule 4, that has a confined volume less than 100 cubic feet (ft<sup>3</sup>) and is abated by a particulate filter.
- 118.2 Blast cleaning equipment using a suspension of abrasive in water.
- 118.3 Portable abrasive blasting equipment used on a temporary basis within the District.
- 118.4 Equipment, including solvent cold cleaners using an unheated solvent mixture for surface preparation, cleaning, wipe cleaning, fluxing or stripping by use of solutions with a VOC content less than or equal to 50 grams per liter (0.42 lb/gal).
- 118.5 Equipment using a heated solvent mixture for steam cleaning, surface preparation, fluxing, stripping, wipe cleaning, washing or drying products, provided that a) only solutions containing less than 2.5 percent VOC (wt) are used; and b) any combustion sources used in the process are exempt under Section 2-1-114.

- 118.6 Equipment or operations which use unheated solvent and which contain less than 1 gallon of solvent or have a liquid surface area of less than 1 ft<sup>2</sup>. This exemption does not apply to solvent stations at semiconductor manufacturing operation fabrication areas or aerospace stripping operations.
- 118.7 Deleted December 21, 2004
- 118.8 Batch solvent recycling equipment where all of the following apply:
  - 8.1 Recovered solvent is used primarily on site (more than 50% by volume); and
  - 8.2 Maximum heat input (HHV) is less than 1 million BTU per hour; and
  - 8.3 Batch capacity is less than 150 gallons.
- 118.9 Wipe cleaning at a facility that meets one of the following:
  - 9.1 net cleanup solvent usage less than 20 gallons per year from all wipe cleaning operations; or
  - 9.2 emission to the atmosphere of less than 150 pounds per year of uncontrolled VOC from all wipe cleaning operations.

At a facility with total wipe cleaning emissions greater than 150 lb/yr, wipe cleaning operations may be grouped per Section 2-1-401.4.
- 118.10 Any solvent cleaning or surface preparation source which employs only non-refillable hand held aerosol cans.
- 118.11 Spray gun cleaning performed in compliance with Regulation 8, provided the cleaning is associated with a source, such as a spray booth, subject to the requirements of Section 2-1-301 and 302.

*(Adopted 10/19/83; Amended 4/16/86; 8/2/89; 7/17/91; 6/7/95; 5/17/00; 12/21/04)*

**2-1-119 Exemption, Surface Coating and Printing Equipment:** The following equipment and operations are exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 119.1 Any powder coating operation, or radiation cured coating operation where ultraviolet or electron beam energy is used to initiate a reaction to form a polymer network.
- 119.2 Any coating, adhesive, dipping, laminating, screening, masking, electrodeposition, resist application, or similar source or operation at any facility that is not operated or conducted as part of a graphic arts operation, which:
  - 2.1 Consumes a total of less than 30 gallons of coating, adhesive, laminate or resist per year on a facility wide basis, or emits less than 150 pounds per year of uncontrolled VOC on a facility wide basis, resulting from the application of these materials; or
  - 2.2 Uses exclusively materials that contain less than one percent VOC (wt).

At a facility with emissions from these sources or operations of greater than 150 lb/yr, these sources or operations may be grouped per Section 2-1-401.3.
- 119.3 Any coating source which employs only non-refillable hand held aerosol cans.
- 119.4 An oven associated with an exempt coating source, provided that the oven is electrically heated, or the oven is fired exclusively with natural gas, liquefied petroleum gas (e.g. propane, butane, isobutane, propylene, butylenes, and their mixtures) and the maximum firing rate is less than 10 million BTU per hour.
- 119.5 Any graphic arts operation that emits less than 400 pounds of uncontrolled VOC emissions per month on a facility-wide basis.

*(Adopted 10/19/83; Amended 4/16/86; 7/17/91; 6/7/95; 5/17/00; 12/21/04; 11/19/08)*

**2-1-120 Exemption, Dry Cleaning Equipment:** Any dry cleaning facility which uses (gross consumption) less than 200 gallons of petroleum solvent or any other non-halogenated solvent in any single year is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319; the facility is in compliance with the registration requirement in Regulation 8, Rule 17, Section 404; and the equipment does not use solvent that contains perchloroethylene or more than 1% by weight of any other halogenated compound.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00; 3/4/09)*

- 2-1-121 Exemption, Material Working and Handling Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.
- 121.1 Equipment used for buffing, carving, cutting, drilling, grinding, machining, planing, routing, sanding, sawing, shredding, stamping or turning of wood, ceramic artwork, ceramic precision parts, leather, metals, plastics, rubber, fiberboard, masonry, glass, silicon, semiconductor wafers, carbon or graphite, provided that organic emissions from the use of coolant, lubricant, or cutting oil are 5 ton/yr or less.
  - 121.2 Equipment used for pressing or storing sawdust, wood chips or wood shavings.
  - 121.3 Equipment used exclusively to mill or grind coatings and molding compounds in a paste form provided the solution contains less than one percent VOC (wt).
  - 121.4 Tumblers used for the cleaning or deburring of metal products without abrasive blasting.
  - 121.5 Batch mixers with a rated working capacity of 55 gallons or less.
  - 121.6 Mixing equipment provided no material in powder form is added and mixture contains less than one percent VOC (wt).
  - 121.7 Equipment used exclusively for the mixing and blending of materials at ambient temperature to make water based adhesives.
  - 121.8 Equipment used exclusively for the mixing and packaging of lubricants or greases.
  - 121.9 Presses used exclusively for extruding metals, minerals, plastics or wood.
  - 121.10 Presses used for the curing of rubber products and plastic products. The use of mold release products or lubricants is not exempt unless the VOC content of these materials is less than or equal to 1 percent, by weight, or unless the total facility-wide uncontrolled VOC emissions from the use of these materials are less than 150 lb/yr.
  - 121.11 Platen presses used for laminating.
  - 121.12 Roll mills or calendars for rubber or plastics.
  - 121.13 Equipment used exclusively for forging, pressing, rolling, stamping or drawing metals or for heating metals immediately prior to forging, pressing, rolling, stamping or drawing, provided that: (1) maximum fuel use rate is less than 10 million BTU/hr; (2) no lubricant with an initial boiling point less than 400°F is used; and (3) organic emissions are 5 ton/yr or less.
  - 121.14 Atmosphere generators used in connection with metal heat treating processes.
  - 121.15 Equipment used exclusively for the sintering of glass or metals.
  - 121.16 Equipment used exclusively for the melting or applying of wax containing less than one percent VOC (wt).
  - 121.17 Equipment used exclusively for conveying and storing plastic pellets.
  - 121.18 Solid waste transfer stations that receive or load out a total of all material less than 50 tons/day.
  - 121.19 Inactive solid waste disposal sites which do not have an operating landfill gas collection system.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*

- 2-1-122 Exemption, Casting and Molding Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.
- 122.1 Molds used for the casting of metals.
  - 122.2 Foundry sand mold forming equipment to which no heat is applied, except processes utilizing organic binders yielding in excess of 0.25% free phenol by weight of sand.
  - 122.3 Shell core and shell-mold manufacturing machines.
  - 122.4 Equipment used for extrusion, compression molding and injection molding of plastics. The use of mold release products or lubricants is not exempt unless the VOC content of these materials is less than or equal to 1 percent, by weight, or unless the total facility-wide uncontrolled VOC emissions from the use of these materials are less than 150 lb/yr.

122.5 Die casting machines.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*

**2-1-123**

**Exemption, Liquid Storage and Loading Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

123.1 Storage tanks and storage vessels having a capacity of less than 260 gallons.

123.2 Tanks, vessels and pumping equipment used exclusively for the storage or dispensing of any aqueous solution which contains less than 1 percent (wt) organic compounds. Tanks and vessels storing the following materials are not exempt.

2.1 Sulfuric acid with an acid strength of more than 99.0% by weight.

2.2 Phosphoric acid with an acid strength of more than 99.0% by weight.

2.3 Nitric acid with an acid strength of more than 70.0% by weight.

2.4 Hydrochloric acid with an acid strength of more than 30.0% by weight.

2.5 Hydrofluoric acid with an acid strength of more than 30.0% by weight.

2.6 More than one liquid phase, where the top phase contains more than one percent VOC (wt).

123.3 Containers, reservoirs, tanks or loading equipment used exclusively for:

3.1 Storage or loading of liquefied gases.

3.2 Storage or loading of organic liquids or mixtures containing organic liquids; where the initial boiling point of the organics is greater than 302°F and exceeds the actual storage temperature by at least 180°F. This exemption does not apply to the storage or loading of asphalt or asphalt emulsion with a sulfur content equal to or greater than 0.5 wt%.

3.3 The storage or loading of petroleum oils with an ASTM D-93 (PMCC) flash point of 130°F or higher, when stored or loaded at a temperature at least 36°F below the flash point.

3.4 The storage or loading of lubricating oils.

3.5 The storage of fuel oils with a gravity of 40 API or lower and having a capacity of 10,000 gallons or less.

3.6 The storage or loading of liquid soaps, liquid detergents, tallow, or vegetable oils, waxes or wax emulsions.

3.7 The storage of asphalt or asphalt emulsion with a sulfur content of less than 0.5 wt%. This does not include the storage of asphalt cutback with hydrocarbons having an initial boiling point of less than 302°F.

3.8 The storage of wine, beer or other alcoholic beverages.

3.9 The storage of organic salts or solids in an aqueous solution or suspension, provided that no liquid hydrocarbon layer forms on top of the aqueous phase.

3.10 The storage or loading of fuel oils with a gravity of 25 API or lower.

3.11 The storage and/or transfer of an asphalt-water emulsion heated to 150°F or less.

123.4 Tank seal replacement. For any tank subject to Regulation 8, Rule 5, any new seal must comply with the applicable provisions of Regulation 8, Rule 5, and the District must receive written notification of the tank source number and seal type at least three days prior to the installation.

*(Adopted 10/19/83; Amended 7/11/84; 7/17/91; 6/7/95; 5/17/00)*

**2-1-124**

**Exemption, Semiconductor Manufacturing:** Semiconductor fabrication area(s) at a facility which complies with all of the following are exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

124.1 Net solvent usage is less than 20 gallons of VOC per year on a facility wide basis; or uncontrolled VOC emissions to the atmosphere resulting from the usage of solvent are less than 150 pounds per year of VOC on a facility wide basis, and

124.2 Maskant and/or coating usage is less than 30 gallons per year, on a facility wide basis; or uncontrolled VOC emissions from the application of maskant and coatings are less than 150 pounds per year on a facility wide basis.

*(Adopted 10/19/83; Amended 1/9/85; 4/16/86; 7/17/91; 6/7/95; 10/20/99; 5/17/00)*

- 2-1-125 Exemption, Printed Circuit Board Manufacturing Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.
- 125.1 Equipment used exclusively for:
    - 1.1 Plating of printed circuit boards.
    - 1.2 Buffing, polishing, carving, cutting, drilling, machining, routing, sanding, sawing, surface grinding or turning of printed circuit boards.
    - 1.3 Soldering. This section does not exempt fluxing and finger cleaning (see Section 2-1-118.4).
- (Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*
- 2-1-126 Exemption, Testing Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.
- 126.1 Equipment used for hydraulic or hydrostatic testing.
  - 126.2 Bench scale laboratory equipment or processes used exclusively for chemical or physical analyses or experimentation, quality assurance and quality control testing, research and development, or similar bench scale equipment, excluding pilot plants.
  - 126.3 Equipment used for inspection of metal products.
- (Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*
- 2-1-127 Exemption, Chemical Processing Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.
- 127.1 Equipment used exclusively for the dyeing or stripping (bleaching) of textiles provided that only solutions containing less than one percent VOC (wt) are used.
  - 127.2 Photographic process equipment by which an image is reproduced upon material sensitized to radiant energy.
  - 127.3 Containers, reservoirs, or tanks used exclusively for electrolytic plating with, or electrolytic polishing of, or electrolytic stripping of the following metals: aluminum, brass, bronze, cadmium, copper, iron, nickel, tin, zinc and precious metals.
  - 127.4 Containers, reservoirs, or tanks used exclusively for etching (not chemical milling), except where ammonia or ammonium-based etchants are used.
- (Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*
- 2-1-128 Exemption, Miscellaneous Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.
- 128.1 Comfort air conditioning or comfort ventilating systems which are not designed to remove air contaminants generated by or released from specific units of equipment.
  - 128.2 Refrigeration units except those used as, or in conjunction with, air pollution control equipment.
  - 128.3 Vacuum producing devices in laboratory operations which are used exclusively in connection with other equipment which is exempted by this Rule, and vacuum producing devices which do not remove or convey air contaminants from another source.
  - 128.4 Water cooling towers and water cooling ponds not used for evaporative cooling of process water, or not used for evaporative cooling of water from barometric jets or from barometric condensers.
  - 128.5 Natural draft hoods, natural draft stacks or natural draft ventilators.
  - 128.6 Vacuum cleaning system used exclusively for industrial commercial or residential housekeeping purposes.
  - 128.7 Equipment used to liquefy or separate oxygen, nitrogen or the rare gases from the air.
  - 128.8 Equipment used exclusively to compress or hold dry natural gas, excluding drivers.
  - 128.9 Equipment used exclusively for bonding lining to brake shoes.
  - 128.10 Equipment used exclusively for the manufacture of water emulsions of waxes, greases or oils.



- 128.11 Brazing, soldering or welding equipment.
- 128.12 Pharmaceutical manufacturing equipment with annual VOC emissions less than 150 pounds per source. Material working and handling equipment such as mills, grinders, blenders, granulators, tablet presses, capsule fillers, packagers, and conveyors are only exempt if the source also processes less than 100 tons per year of pharmaceutical products.
- 128.13 Equipment used exclusively to blend or package cosmetics.
- 128.14 Any wastewater (oil-water) separator, as defined in Regulation 8, Rule 8, which processes less than 200 gallons per day of waste water containing organic liquids.
- 128.15 Exploratory drilling activities for methane recovery at waste disposal sites, for natural gas or for oil. Production wells for the above operations are not exempt.
- 128.16 Passive aeration of soil, only if:
  - 16.1 The duration of the passive aeration operation will not exceed three months, and
  - 16.2 The soil is not being used as a cover material at a landfill.
- 128.17 Ozone generators which produce less than 1 pound per day of ozone.
- 128.18 Any source or operation which exclusively uses consumer products regulated by the California Air Resources Board (California Code of Regulations Title 17, Article 2, Sections 94507-94517).
- 128.19 Any source or operation deemed by the APCO to be equivalent to a source or operation which is expressly exempted by Sections 2-1-113 through 128.
- 128.20 Wastewater pumping stations where no treatment is performed, excluding any drivers.
- 128.21 Modification, replacement, or addition of components that have only fugitive emissions during routine operation (e.g. valves, flanges, pumps, compressors, relief valves, process drains) at existing permitted equipment at petroleum refineries, chemical plants, bulk terminals or bulk plants, provided that:
  - 21.1 the modification, replacement or addition of the components will not result in any increase in emissions of any source at the facility (other than the fugitive emissions from the components being modified, replaced or added) in such a manner as to result in a modification of such source as defined in Section 2-1-234 (e.g., through debottlenecking of a source);
  - 21.2 the total allowable fugitive emissions from all additional components installed pursuant to this exemption at a given process unit during any consecutive twelve month period do not exceed 10 lb/day (or, for components that are not associated with a process unit, the total allowable fugitive emissions from all additional components installed at the facility that are not associated with a process unit during any twelve-month period do not exceed 10 lb/day), based on the maximum fugitive emissions rate allowed under District regulations;
  - 21.3 the components installed satisfy the "typical control technology" listed in the BACT/TBACT Workbook;
  - 21.4 the components meet applicable requirements of Regulation 8 rules; and
  - 21.5 fugitive emissions from the components are included when calculating emissions from the equipment on which the components are installed for purposes of applying District regulations to that equipment (e.g., BACT and offsets requirements).
- 128.22 Fuel cells that use phosphoric acid, molten carbonate, proton exchange membrane, solid oxide or equivalent technologies.
- 128.23 Structure demolition that does not involve asbestos or asbestos containing materials.

*(Adopted 10/19/83; Amended 7/16/86; 7/17/91; 6/7/95; 5/17/00; 11/15/00; 12/21/04)*

**2-1-129 Major Facility Review:** Notwithstanding the exemptions listed in this section, every source exempted by this Rule shall be included in any application for a synthetic minor or major facility review permit required by Regulation 2, Rule 6.

**2-1-130 Effect of Explanatory Notes:** The explanatory notes that are included in italics following certain provisions in Regulation 2 are intended to help readers better understand the regulatory context of these provisions. They are not intended to be binding as regulatory requirements. Where such notes are provided, it is the text of the regulatory provision itself, and not the text of the notes, that establishes the binding legal requirements of the provision.

**2-1-200 DEFINITIONS**

**2-1-201** [Deleted \_\_ 2012.]

**2-1-202 Complete Application:** An application that contains all of the information required under Regulation 2-1-402.

(Amended 7/17/91; 11/20/91; 5/17/00; 12/21/04)

**2-1-203 Fugitive Emissions:** Fugitive emissions are all emissions from unintended openings in process equipment, emissions occurring from miscellaneous activities relating to the operation of a facility, and those emissions which could not reasonably pass through a stack, chimney, vent or other functionally equivalent opening.

(Adopted October 19, 1983)

**2-1-204** [Deleted \_\_, 2012]

**2-1-205** [Deleted \_\_, 2012]

**2-1-206** [Deleted \_\_, 2012]

**2-1-207 Organic Compound, Non-Precursor (NPOC):** The following are considered non-precursor organic compounds:

methane; ethane; methylene chloride (dichloromethane); 1,1,1-trichloroethane (methyl chloroform); 1,1,2-trichloro-1,2,2-trifluoroethane (CFC-113); trichlorofluoromethane (CFC-11); dichlorodifluoromethane (CFC-12); chlorodifluoromethane (HCFC-22); trifluoromethane (HFC-23); 1,2-dichloro 1,1,2,2-tetrafluoroethane (CFC-114); chloropentafluoroethane (CFC-115); 1,1,1-trifluoro 2,2-dichloroethane (HFC-123); 1,1,1,2-tetrafluoroethane (HFC-134a); 1,1-dichloro 1-fluoroethane (HCFC-141b); 1-chloro 1,1-difluoroethane (HCFC-142b); 2-chloro-1,1,1,2-tetrafluoroethane (HCFC-124); pentafluoroethane (HFC-125); 1,1,2,2-tetrafluoroethane (HFC-134); 1,1,1-trifluoroethane (HFC-143a); 1,1-difluoroethane (HFC-152a); parachlorobenzotrifluoride (PCBTF); cyclic, branched, or linear completely methylated siloxanes; acetone; perchloroethylene (tetrachloroethylene); 3,3-dichloro-1,1,1,2,2-pentafluoropropane (HCFC-225ca); 1,3-dichloro-1,1,2,2,3-pentafluoropropane (HCFC-225cb); 1,1,1,2,3,4,4,5,5,5-decafluoropentane (HFC 43-10mee); difluoromethane (HFC-32); ethylfluoride (HFC-161); 1,1,1,3,3,3-hexafluoropropane (HFC-236fa); 1,1,2,2,3-pentafluoropropane (HFC-245ca); 1,1,2,3,3-pentafluoropropane (HFC-245ea); 1,1,1,2,3-pentafluoropropane (HFC-245eb); 1,1,1,3,3-pentafluoropropane (HFC-245fa); 1,1,1,2,3,3-hexafluoropropane (HFC-236ea); 1,1,1,3,3-pentafluorobutane (HFC-365mfc); chlorofluoromethane (HCFC-31); 1-chloro-1-fluoroethane (HCFC-151a); 1,2-dichloro-1,1,2-trifluoroethane (HCFC-123a); 1,1,1,2,2,3,3,4,4-nonafluoro-4-methoxy-butane (C<sub>4</sub>F<sub>9</sub>OCH<sub>3</sub> or HFE-7100); 2-(difluoromethoxymethyl)-1,1,1,2,3,3,3-heptafluoropropane ((CF<sub>3</sub>)<sub>2</sub>CF<sub>2</sub>OCH<sub>3</sub>); 1-ethoxy-1,1,2,2,3,3,4,4-nonafluorobutane (C<sub>4</sub>F<sub>9</sub>OC<sub>2</sub>H<sub>5</sub> or HFE-7200); 2-(ethoxydifluoromethyl)-1,1,1,2,3,3,3-heptafluoropropane ((CF<sub>3</sub>)<sub>2</sub>CF<sub>2</sub>OC<sub>2</sub>H<sub>5</sub>); methyl acetate, 1,1,1,2,2,3,3-heptafluoro-3-methoxy-propane (n-C<sub>3</sub>F<sub>7</sub>OCH<sub>3</sub>, HFE-7000), 3-ethoxy-1,1,1,2,3,4,4,5,5,6,6,6-dodecafluoro-2-(trifluoromethyl) hexane (HFE-7500), 1,1,1,2,3,3,3-heptafluoropropane (HFC 227ea), methyl formate (HCOOCH<sub>3</sub>), (1) 1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane (HFE-7300); propylene carbonate; dimethyl carbonate; and perfluorocarbon compounds which fall into these classes:

(i) Cyclic, branched, or linear, completely fluorinated alkanes;

(ii) Cyclic, branched, or linear, completely fluorinated ethers with no unsaturations;

(iii) Cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations; and

(iv) Sulfur containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine.

In addition, any compound designated as having a negligible contribution to photochemical reactivity by the U.S. Environmental Protection Agency as published in the Federal Register shall be considered a Non-Precursor Organic Compound.

*(Amended 7/17/91; 6/15/94)*

**2-1-208 Organic Compound, Precursor (POC):** Any organic compound as defined in Regulation 1-233, excepting the non-precursor organic compounds as defined in Section 2-1-207.

*(Adopted 3/17/82; Amended 7/17/91)*

**2-1-209** [Deleted \_\_, 2012]

*(Adopted 3/17/82, Amended 10/19/83; 12/21/04)*

**2-1-210 Start-Up Period:** The period of time between initial operation and the issuance or denial of a permit to operate of a source or facility.

*(Adopted October 19, 1983)*

**2-1-211 CEQA:** The California Environmental Quality Act, Public Resources Code Section 21000 *et seq.*

*(Adopted July 17, 1991)*

**2-1-212 EIR:** Environmental Impact Report, as defined in Public Resources Code Section 21061.

*(Adopted 7/17/91; Amended 5/17/00)*

**2-1-213 Facility:** Any source, building, structure or installation that emits or may emit any air pollutant; or any aggregation of such sources, buildings, structures or installations that are (i) located on one or more contiguous or adjacent properties; (ii) are under common ownership or control; and (iii) are considered to be in the same major industrial grouping (identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*). For purposes of this definition, a Support Facility as defined in Section 2-1-242 is considered to be in the same major industrial grouping as the facility it supports, regardless of what code may nominally apply under *The Standard Industrial Classification Manual*.

*(Adopted 11/3/93; Amended 12/21/04)*

**2-1-214 Federally Enforceable:** All limitations and conditions that are enforceable by the Administrator of the U. S. EPA, including but not limited to (i) requirements developed pursuant to 40 CFR Parts 60 (NSPS), 61 (NESHAPS), 63 (HAP), 70 (State Operating Permit Programs) and 72 (Permits Regulation, Acid Rain); (ii) requirements contained in the State Implementation Plan (SIP) that are applicable to the District; (iii) District regulations approved pursuant to 40 CFR Part 51, Subpart I (NSR); (iv) requirements in any operating permit issued under an EPA-approved program that is a part of the SIP and expressly requires adherence to any permit issued under such program, including requirements of any District permit condition (excluding conditions that are not enforceable by the Administrator of the U.S. EPA); and (v) requirements in federal consent decrees that are enforceable by the Administrator of the U.S. EPA.

*(Adopted November 3, 1993)*

**2-1-215 Hazardous Air Pollutant (HAP):** Any pollutant that is listed pursuant to Section 112(b) of the federal Clean Air Act.

*(Adopted 11/3/93; Amended 5/17/00)*

**2-1-216** [Deleted \_\_/\_\_/2012]

**2-1-217 Potential to Emit:** The maximum capacity of a source or facility to emit a pollutant based on its physical and operational design. Any physical or operational limitation on the capacity of the source or facility to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as a part of its design only if the limitation, or the effect it would have on emissions, is enforceable by the District or EPA (or both). A source or facility that exceeds an enforceable limitation is considered to have a potential to emit that is unconstrained by any such exceeded limit.

*(Adopted 11/3/93; Amended 5/17/00)*

- 2-1-218** **Regulated Air Pollutant:** Except for purposes of major facility review in connection with Regulation 2, Rule 6, for which the definition in Section 2-6-222 applies, a regulated air pollutant is any air pollutant that is subject to a regulation.  
(Adopted 11/3/93; Amended 5/17/00)
- 2-1-219** [Deleted \_\_, 2012]
- 2-1-220** [Deleted \_\_, 2012]
- 2-1-221** **Source:** Any article, machine, equipment, operation, contrivance or related groupings of such which may produce and/or emit air pollutants.  
(Adopted June 7, 1995)
- 2-1-222** **Toxic Air Contaminant (TAC):** An air pollutant that may cause or contribute to an increase in mortality or in serious illness or that may pose a present or potential hazard to human health. For the purposes of this rule, TACs consist of the substances listed in Table 2-5-1 of Regulation 2, Rule 5.  
(Adopted 6/7/95; Amended 5/17/00; 6/15/05)
- 2-1-223** **Year, Month and Day:** Unless otherwise specified by regulation or by permit condition, a year shall be any rolling 12-month period, a month shall be a calendar month, and a day shall be a calendar day.  
(Adopted June 7, 1995)
- 2-1-224** **Responsible Laboratory Management Practices:** For the purposes of meeting the laboratory exemption of Section 2-1-113.2.12, Responsible Laboratory Management Practices include all of the following measures for minimizing the emissions of toxic air contaminants:
- 224.1 Open container procedures involving materials that contain volatile toxic air contaminants (TACs) shall be avoided where feasible.
  - 224.2 Open container storage of volatile hazardous chemical wastes shall be avoided.
  - 224.3 Training for laboratory employees handling hazardous materials shall include information about minimizing the emissions of volatile TACs. These employees shall be directed to avoid open container procedures involving volatile TACs where feasible, and to avoid open container storage of hazardous chemical waste.
  - 224.4 Fume hoods shall be posted with notices reminding employees to avoid open container procedures using volatile TACs where feasible. Laboratories shall be inspected periodically, but not less than annually, to confirm that these notices are present.
  - 224.5 Laboratory fume hoods shall be monitored periodically to assure proper face velocity.
  - 224.6 Evaporation of any hazardous chemical waste containing TACs as a means of disposal shall be expressly forbidden.
- (Adopted June 7, 1995)
- 2-1-225** [Deleted \_\_, 2012]
- 2-1-226** **Statewide Portable Equipment Registration Program:** A uniform system for statewide registration and regulation of portable internal combustion and associated equipment, implemented by the Air Resources Board pursuant to Section 41750 et seq. of the Health and Safety Code.  
(Adopted October 7, 1998)
- 2-1-227** **Substantial Use:** Substantial use of an Authority to Construct consists of one or more of the following: purchase or acquisition of the equipment that constitutes the source; ongoing construction activities other than grading or installation of utilities or foundations; a contract or commitment to complete construction of the source within two years.  
(Adopted October 7, 1998)
- 2-1-228** **Particulate Matter (PM):** Any airborne finely divided solid or liquid material with an aerodynamic diameter smaller than 100 microns.  
(Adopted October 7, 1998)
- 2-1-229** **PM<sub>10</sub>:** Particulate matter with aerodynamic diameter smaller than or equal to a nominal 10 microns. PM<sub>10</sub> emissions shall include gaseous emissions from a source or activity that condense to form particulate matter at ambient temperatures.  
(Adopted October 7, 1998)
- 2-1-230** **Functionally Equivalent:** Performing the same, or equivalent, function as the object of comparison. A functionally equivalent replacement source performs the same

function for the process as the source being replaced, although emissions and other characteristics may differ. A replacement that performs additional functions is not considered to be functionally equivalent.

*(Adopted October 7, 1998)*

**2-1-231 Semiconductor Fabrication Area:** A physically identifiable area in a semiconductor manufacturing facility where one or more specific operations in the fabrication of semiconductors or related solid state devices occurs and the equipment used to perform those operations. The semiconductor fabrication area shall not include crystal growth, circuit separation, or encapsulation. All semiconductor fabrication equipment may be grouped into a single fabrication area, or multiple fabrication areas may be established to correspond to product lines or clean room environments.

*(Adopted October 20, 1999)*

**2-1-232 New Source:** Any source that has not been in existence before, including any source that meets at least one of the following criteria (except sources that lose a permit exemption or exclusion in accordance with Regulation 2-1-424:

- 232.1 Any source constructed or proposed to be constructed after March 7, 1979, but which never had a valid District authority to construct or permit to operate.
- 232.2 Any source which was not in operation for a period of one year or more and did not hold a valid District permit to operate during this period of non-operation, occurring after March 7, 1979.
- 232.3 Any relocation of an existing source to a non-contiguous property, except for a portable source.
- 232.4 Any replacement of a source, including an identical replacement of a source, occurring after March 7, 1979, regardless of when the original source was constructed.
- 232.5 Any replacement of an identifiable source within a group of sources permitted together under a single source number for the purpose of District permitting convenience.
- 232.6 "Rebricking" of a glass furnace where changes to the furnace design result in a change in heat generation or absorption.

*(Adopted May 17, 2000)*

**2-1-233 Alter:** To make any physical change, change in the method of operation, or other similar change at an existing source that may affect air pollutant emissions and that does not qualify as a modification under the criteria set forth in Section 2-1-234. The APCO may impose permit conditions in an authority to construct or permit to operate for an alteration to ensure that the change authorized by the authority to construct or permit to operate will not result in a modification under Section 2-1-234. Other forms of the word alter, including altered and alteration, shall be defined based on the meaning of the root word "alter".

*(Adopted 5/17/00; Amended 11/15/00)*

**2-1-234 Modify:** To make any physical change, change in method of operation, change in throughput or production, or other similar change at an existing source, that results in an increase in emissions that is either of the following:

- 234.1 Increase in Potential To Emit: An increase in the source's daily or annual potential to emit, determined according to the definition in Section 2-1-217 and the following requirements.
  - 1.1 Any legally enforceable limitation on a source's operations that has the effect of limiting emissions may be taken into account in determining a source's potential to emit, as provided for in Section 2-2-217. Such limits may include direct limitations on the source's emissions and surrogate limits on operating conditions such as production rate or capacity that have the effect of limiting emissions. An hourly emissions limit may be multiplied by 24 to determine daily potential to emit and a daily emissions limit may be multiplied by 365 to determine annual potential to emit, unless the source cannot operate at its full permitted limit for 24 hours per day or 365 days per year or there is some other reason why short-term permit limits do not accurately represent longer-term potential to emit. A permit limit that applies to combined emissions from multiple sources does not establish an individual source's potential to emit, unless the limit

imposes an effective, legally enforceable limitation specifically on the emissions from the individual source.

- 1.2 For sources whose emissions are not limited by any legally enforceable limitation (or that cannot physically operate to the full extent of such limitation), the source's potential to emit shall be determined by the source's actual physical ability to emit air pollution. A source's potential to emit shall be determined by the most relevant and reliable technical information available regarding the source's operation, which may include design information, engineering specifications, or other information. A source's potential to emit shall take into account any limitation on the effective capacity of the source as a result of the capacity of any upstream or downstream process that acts as a "bottleneck" (i.e., a limit on the ability of the source to operate at maximum capacity).
- 1.3 For emissions toxic air contaminants and hazardous air pollutants, a change is not a modification unless the increase in the source's potential to emit results in an increase in cancer risk (as defined in Regulation 2-5-206) greater than 1.0 in a million ( $10^{-6}$ ) or an increase in chronic hazard index (as defined in Regulation 2-5-208) greater than 0.20. An increase in emissions of less than the trigger levels specified in Table 2-5-1 in Regulation 2, Rule 5 shall be presumed not to cause an increase in cancer risk of greater than 1.0 in a million or an increase in chronic hazard index of greater than 0.20.

234.2 Increase Over Actual Emissions Baseline: An increase that is a "major modification" under either of the following definitions:

- 2.1 Non-Attainment NSR Pollutants: For NO<sub>x</sub>, VOC, PM<sub>2.5</sub>, and SO<sub>2</sub>, a "major modification" as defined in 40 C.F.R. section 51.165(a)(1)(v);
- 2.2 Other Federal NSR Pollutants: For other pollutants, a "major modification" as defined in 40 C.F.R. section 51.166(b)(2).

For purposes of determining whether an increase in emissions constitutes a "major modification" under Sections 234.2.1 and 234.2.2, all provisions of the major NSR requirements under 40 C.F.R. Sections 51.165 and 51.166, respectively, are incorporated by reference and shall be used in implementing this Section, including (but not limited to): all definitions in Sections 51.165(a)(1) and 51.166(b); the applicability provisions in subsections 51.165(a)(2) and 51.166(a)(7); and the documentation, monitoring, recordkeeping, and reporting requirements in subsections 51.165(a)(6) and (a)(7) and subsections 51.166(r)(6) and (r)(7).

Other forms of the word modify, including modified and modification, shall be defined based on the meaning of the root word "modify".

*(Adopted 5/17/00; Amended 11/15/00; 6/15/05)*

**2-1-235** [Deleted, \_\_\_ 2012]

**2-1-236** [Deleted, \_\_\_ 2012]

**2-1-237** **BACT/TBACT Workbook**: District guidelines setting forth emission limitations and/or control technologies constituting BACT and TBACT for a number of source types or categories.

*(Adopted June 15, 2005)*

**2-1-238** **Clean Air Act**: The federal Clean Air Act, as amended in 1990, including the implementing regulations.

*(Adopted June 15, 2005)*

**2-1-239** **Agricultural Source**: A source of air pollution, or group of sources, used in the production of crops, or the raising of fowl or animals located on contiguous property under common ownership or control that meets any of the following criteria:

- 239.1 Is a confined animal facility as defined under Regulation 2, Rule 10;
- 239.2 Is an internal combustion engine used in the production of crops or the raising of fowl or animals, including, but not limited to, an engine subject to Article 1.5 (commencing with Section 41750) of Chapter 3 of Part 4 of Division 26 of the California Health and Safety Code, except an engine that is used to propel implements of husbandry as that term is defined in Section 36000 of the Vehicle Code, as that section existed on January 1, 2003;

239.3 Is a Major Facility, as that term is defined in Regulation 2, Rule 6, or that is a source that is otherwise subject to regulation by the District pursuant to Division 26 of the California Health and Safety Code or the federal Clean Air Act (42 U.S.C. Sec. 7401 eq.).

*(Adopted July 19, 2006)*

**2-1-240 Graphic Arts Operation:** Any gravure, flexographic printing, digital printing, screen printing, letterpress, and lithographic printing operation; any associated coating laminating, and adhesive operation to produce a printed product; and the use of solvents for any surface preparation and cleanup for any operation stated above.

*(Adopted November 19, 2008)*

**2-1-241 PM<sub>2.5</sub>:** Particulate matter with aerodynamic diameter smaller than or equal to a nominal 2.5 microns. PM<sub>2.5</sub> emissions shall include gaseous emissions from a source or activity that condense to form particulate matter at ambient temperatures.

**2-1-242 Support Facility:** A facility that conveys, stores, or otherwise significantly assists in the production of the principal product of another facility. Per Section 2-1-213, a support facility is considered part of the principal facility that it supports for permitting purposes under Regulation 2.

## **2-1-300 STANDARDS**

**2-1-301 Authority to Construct:** Any person who, after July, 1972, puts in place, builds, erects, installs, modifies, modernizes, alters or replaces any article, machine, equipment or other contrivance, the use of which may cause, reduce or control the emission of air contaminants, shall first secure written authorization from the APCO in the form of an authority to construct. Routine repairs, maintenance, or cyclic maintenance that includes replacement of components with identical components is not considered to be an alteration, modification or replacement for the purpose of this Section unless the APCO determines the changes to be non-routine. The use or operation of the source shall initiate the start-up period in accordance with Section 2-1-411.

*(Amended 3/17/82; 10/19/83; 7/17/91; 5/17/00)*

**2-1-302 Permit to Operate:** Before any person, as described in Section 2-1-401, uses or operates any article, machine, equipment or other contrivance, the use of which may cause, reduce or control the emission of air contaminants, such person shall first secure written authorization from the APCO in the form of a permit to operate.

302.1 Permit to Operate, MFR: Any facility subject to the requirements of Regulation 2, Rule 6, Major Facility Review, shall comply with the permitting requirements included in that Rule in addition to securing a permit to operate under this Rule.

302.2 Permit to Operate, Accelerated Permitting Program: Unless subject to any of the provisions of Sections 2-1-316 through 319, a temporary permit to operate may be obtained to authorize operation of a new source or a modification or alteration of an existing source under this Section pending full review for the following categories of operation:

2.1 A new source or a modification of an existing source if the following conditions are satisfied:

1.1 The source will not have the potential to emit POC, NPOC, NO<sub>x</sub>, SO<sub>2</sub>, PM<sub>2.5</sub>, PM<sub>10</sub>, or CO in an amount of 10 pounds or more on any day, determined without taking into account the effect of any abatement device or equipment; or the source has been pre-certified under Section 2-1-415; and

1.2 The source will not have the potential to emit toxic air contaminants in an amount that exceeds any of the trigger levels set forth in Table 2-5-1 of Regulation 2, Rule 5, determined without taking into account the effect of any abatement device or equipment; and

1.3 The source is not subject to the public notice requirements of Section 2-1-412.

2.2 An abatement device that is a replacement for an existing abatement device, provided that the replacement will not increase the potential to emit any regulated air pollutant from the abatement device and the source(s) whose emissions it abates.

2.3 An alteration of an existing source, as defined in Section 2-1-233.

An applicant seeking a permit for a new, modified or altered source that is in any of the preceding categories may apply for a temporary permit to operate under the Accelerated Permitting Program by submitting (i) a permit application form and source data form(s) properly filled out with all required information; (ii) payment of applicable fees (the minimum permit fee required to install and operate each source); (iii) a statement explaining which of the categories in subsections 2.1 through 2.3 above the source is in; (iv) a certification that the source meets all of the requirements of that category; (v) a certification that the source is not subject to Sections 2-1-316 through 2-1-319; and (vi) a certification that the applicant has reviewed all applicable New Source Performance Standards and has determined that the application will comply. The APCO shall issue a temporary Permit to Operate promptly upon determining that the application contains all of the elements required by (i)-(vi) of the preceding sentence. The owner or operator of the source may begin construction or operation of the source, or of the modification or alteration of the source, immediately upon receipt of the temporary Permit to Operate. The APCO shall complete a full review of the application and take final action in accordance with Section 2-1-408 within the time period provided for in that section. Any applicable offset requirements under Regulation 2, Rule 2, Sections 302 and 303 shall be satisfied before final permit issuance. The temporary Permit to Operate shall cease to be effective upon final action by the APCO under Section 2-1-408 (or if the permit application is canceled or withdrawn prior to such final action). During periods that the source is operating under the temporary Permit to Operate, the operator shall keep records sufficient to demonstrate that emissions do not exceed applicable qualifying levels for the Accelerated Permitting Program as set forth in subsections 2.1 through 2.3 above.

302.3 Permit to Operate, Temporary Operation: A temporary permit may be obtained to allow an operator to test equipment, processes, or new formulations. A temporary permit may also be obtained for a temporary source which replaces critical equipment during scheduled maintenance. The APCO may issue a non-renewable temporary Permit to Operate a temporary operation at any source, subject to the following:

3.1 The proposed operation will comply with all requirements of Regulation 1 and Regulations 5 through 12.

3.2 The permit shall expire 3 months after issuance.

3.3 The operator shall provide offsets, at a ratio of 1.15 to 1, for all increased emissions of NO<sub>x</sub>, POC, SO<sub>2</sub>, PM<sub>2.5</sub>, and PM<sub>10</sub> resulting from the use of the temporary permit.

3.4 The operator shall certify that the temporary operation is for one of the following purposes:

4.1 Equipment testing

4.2 Process testing, including new formulations

4.3 Temporary replacement of an existing permitted source with an identical or functionally equivalent source

3.5 The operator shall comply with the provisions of Regulation 2-2-301, except that the cost-effectiveness analysis shall consider the short duration of the operation.

*(Amended 11/3/93; 6/7/95; 10/7/98; 11/15/00)*

**2-1-303 Fees:** Persons subject to this Regulation shall pay the fees required, as set forth in Regulation 3.

**2-1-304 Denial, Failure to Comply With Applicable Requirements:** The APCO shall deny an authority to construct or a permit to operate if the APCO finds that the subject of the application would not or does not comply with any emission limitations or other regulations of the District (including but not limited to the BACT and offsets



requirements in Regulations 2-2-301 through 2-2-303), or with applicable permit conditions or federal or California laws or regulations, or if any required fees have not been paid. Such denial shall not be based solely on the type of construction or design of equipment.

*(Amended March 17, 1982)*

**2-1-305 Conformance with Authority to Construct:** A person shall not put in place, build, erect, install, modify, modernize, alter or replace any article, machine, equipment, or other contrivance for which an authority to construct has been issued except in a manner substantially in conformance with the authority to construct. If the APCO finds, prior to the issuance of a permit to operate, that the subject of the application was not built substantially in conformance with the authority to construct, the APCO shall deny the permit to operate.

*(Amended December 21, 2004)*

**2-1-306 Mandated Reductions Not Applicable:** Emission reductions resulting from requirements of federal, state or District laws, rules or regulations shall not be banked or allowed as emission offsets or emission reduction credits unless a complete application for such banking or emission reduction credits was filed with the District at least 90 days prior to the adoption date of such laws, rules or regulations. Only emission reduction credits exceeding the emission reductions required by measures described in the Air Quality Management Plan or required by permits or orders; and reductions achieved by measures not specified in the Air Quality Management Plan shall be banked or allowed as emission offsets or emission reduction credits.

*(Amended 10/7/81; 7/17/91; 6/15/94)*

**2-1-307 Failure to Meet Permit Conditions:** A person shall not operate any article, machine, equipment or other contrivance, for which an authority to construct or permit to operate has been issued, in violation of any permit condition imposed pursuant to Section 2-1-403.

*(Adopted 3/17/82; Amended 7/17/91)*

**2-1-308 Fugitive Emissions:** Fugitive emissions shall be included as emissions from a source or facility except as required under this Regulation.

*(Adopted 10/19/83; Amended 7/17/91)*

**2-1-309 Canceled Application:** The APCO may cancel an application for an authority to construct and a permit to operate if, within 90 days after the application was deemed incomplete, the applicant fails to furnish the requested information or pay all appropriate fees. The 90 day period may be extended for an additional 90 days upon receipt of a written request from the applicant and written approval thereof by the APCO. The APCO shall notify the applicant in writing of a cancellation, and the reasons therefore. A cancellation shall become effective 10 days after the applicant has been notified. The cancellation shall be without prejudice to any future applications.

*(Adopted April 6, 1988)*

**2-1-310 Applicability of CEQA:** Except for permit applications which will be reviewed as ministerial projects under Section 2-1-311 or which are exempt from CEQA pursuant to Section 2-1-312, all proposed new and modified sources for which an authority to construct must be obtained from the District shall be reviewed in accordance with the requirements of CEQA.

310.1 For those District permit applications which must be reviewed in accordance with the requirements of CEQA, the District will not normally be a Lead Agency under CEQA. Rather, pursuant to CEQA, the Lead Agency will normally be an agency with general governmental powers, such as a city or county, rather than a special purpose agency such as the District.

310.2 The issuance of an authority to construct and of a permit to operate for the same new or modified source or stationary source are considered to be parts of the same project for the purposes of CEQA.

310.3 The APCO shall not authorize, on an interim basis or otherwise, the installation or operation of any proposed new or modified source, the permitting of which is subject to the requirements of CEQA, until all of the requirements of CEQA have been satisfied.

*(Adopted 7/17/91; Amended 10/21/92)*

**2-1-311 Ministerial Projects:** An application for a proposed new or modified source or stationary source will be classified as ministerial and will accordingly be exempt from the CEQA requirement of Section 2-1-310 if the District's engineering evaluation and basis for approval or denial of the permit application for the project is limited to the criteria set forth in Section 2-1-428 of this rule and to the specific procedures, fixed standards and objective measurements set forth in the District's Permit Handbook and BACT/TBACT Workbook. The method for determining whether a given permit application will be classified as ministerial is set forth in Section 2-1-427.

*(Adopted 7/17/91; Amended 10/7/98)*

**2-1-312 Other Categories of Exempt Projects:** In addition to ministerial projects, the following categories of projects subject to permit review by the District will be exempt from the CEQA review, either because the category is exempted by the express terms of CEQA (subsections 2-1-312.1 through 312.9) or because the project has no potential for causing a significant adverse environmental impact (subsections 2-1-312.10 and 312.11). Any permit applicant wishing to qualify under any of the specific exemptions set forth in this Section 2-1-312 must include in its permit application CEQA-related information in accordance with subsection 2-1-426.1. In addition, the CEQA-related information submitted by any permit applicant wishing to qualify under subsection 2-1-312.11 must demonstrate to the satisfaction of the APCO that the proposed project has no potential for resulting in a significant environmental effect in connection with any of the environmental media or resources listed in Section II of Appendix I of the State CEQA Guidelines.

- 312.1 Applications to modify permit conditions for existing or permitted sources or facilities that do not involve any increases in emissions or physical modifications.
- 312.2 Permit applications to install air pollution control or abatement equipment.
- 312.3 Permit applications for projects undertaken for the sole purpose of bringing an existing facility into compliance with newly adopted regulatory requirements of the District or of any other local, state or federal agency.
- 312.4 Permit applications submitted by existing sources or facilities pursuant to a loss of a previously valid exemption from the District's permitting requirements.
- 312.5 Permit applications submitted pursuant to the requirements of an order for abatement issued by the District's Hearing Board or of a judicial enforcement order.
- 312.6 Permit applications relating exclusively to the repair, maintenance or minor alteration of existing facilities, equipment or sources involving negligible or no expansion of use beyond that previously existing.
- 312.7 Permit applications for the replacement or reconstruction of existing sources or facilities where the new source or facility will be located on the same site as the source or facility replaced and will have substantially the same purpose and capacity as the source or facility replaced.
- 312.8 Permit applications for cogeneration facilities which meet the criteria of Section 15329 of the State CEQA Guidelines.
- 312.9 Any other project which is exempt from CEQA review pursuant to the State CEQA Guidelines.
- 312.10 Applications to deposit emission reductions in the emissions bank pursuant to Regulation 2, Rule 4 or Regulation 2, Rule 9.
- 312.11 Permit applications for a proposed new or modified source or sources or for process changes which will satisfy the "No Net Emission Increase" provisions of District Regulation 2, Rule 2, and for which there is no possibility that the project may have any significant environmental effect in connection with any environmental media or resources other than air quality. Examples of such projects include, but are not necessarily limited to, the following:
  - 11.1 Projects at an existing stationary source for which there will be no net increase in the emissions of air contaminants from the stationary source and for which there will be no other significant environmental effect;

- 11.2 A proposed new source or stationary source for which full offsets are provided in accordance with Regulation 2, Rule 2, and for which there will be no other significant environmental effect;
- 11.3 A proposed new source or stationary source at a small facility for which full offsets are provided from a small facility bank established by the APCO pursuant to Regulation 2-4-414, and for which there will be no other significant environmental effect;
- 11.4 Projects satisfying the "no net emission increase" provisions of District Regulation 2, Rule 2 for which there will be some increase in the emissions of any toxic air contaminant, but for which the District staff's health risk screening analysis shows that the project will not result in a cancer risk (as defined in Regulation 2-5-206) greater than 1.0 in a million ( $10^{-6}$ ) and will not result in a chronic hazard index (as defined in Regulation 2-5-208) greater than 0.20, and for which there will be no other significant environmental effect.

*(Adopted 7/17/91; Amended 5/17/00; 12/21/04; 6/15/05)*

**2-1-313 Projects Not Exempt From CEQA Review:** Notwithstanding the exemptions from CEQA review set forth in Section 2-1-312, such exemptions shall not apply to any project covered by the categories set forth in subsections 2-1-312.1 through 312.9 where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances, or due to cumulative impacts of successive projects of the same type in the same place over time. Such projects shall be reviewed in accordance with the requirements of CEQA.

*(Adopted 7/17/91; Amended 6/15/05)*

**2-1-314 Case-by-Case CEQA Determinations:** Notwithstanding the requirement of Section 2-1-311, the District shall, for any permit applications which were deemed complete by the District on or before July 17, 1991, review said permit applications on a case-by-case basis in order to determine whether the District's evaluation of the permit application will involve any element of discretion. If as a result of this case-by-case-review, the District determines that the evaluation of the permit application will not involve any element of discretion on its part, then the application may be treated as a ministerial project so long as all of the following conditions are met:

- 314.1 The District makes a specific written finding to this effect as part of its determination that the permit application is complete;
- 314.2 The District will merely apply the law to the facts as presented in the permit application; and
- 314.3 The District's evaluation of the permit application and its decision regarding whether to issue the permit will be limited to the criteria set forth in Section 2-1-428.

*(Adopted July 17, 1991)*

**2-1-315 Denial, Failure to Mitigate Significant Adverse Environmental Impacts:** For any application for which the District is a Lead Agency under CEQA, where significant adverse environmental impacts have been identified in the District's review of, or in the course of the public comment period on, said application, the APCO shall deny an authority to construct to such new or modified stationary source, as proposed, unless:

- 315.1 The applicant agrees to implement or carry out such available alternatives or mitigation measures which would, to the extent feasible, avoid or substantially lessen any such significant adverse environmental impacts as a condition for issuance of an authority to construct; or
- 315.2 The APCO finds that any such available, feasible alternatives or mitigation measures are within the responsibility and jurisdiction of another public agency, and such measures have been adopted by such other agency, or can and should be adopted by such other agency; or
- 315.3 The APCO finds that there are no feasible alternatives or measures to substantially mitigate the unavoidable adverse environmental effects associated with the project, but that the benefits of the project outweigh such unavoidable adverse environmental effects, and the APCO states in writing the reasons and overriding considerations to support the issuance of the authority to construct based on the Final EIR and other information in the

record notwithstanding the unavoidable adverse environmental effects associated with the project.

*(Adopted November 20, 1991)*

**2-1-316 New or Modified Sources of Toxic Air Contaminants or Hazardous Air Pollutants:** Notwithstanding any exemption contained in Section 2-1-103 or Section 114 through 128, any new or modified source meeting any of the following criteria shall be subject to the requirements of Regulation 2, Rule 1, Section 301 and/or 302.

316.1 If a new or modified source emits one or more toxic air contaminants in quantities that exceed the trigger levels listed in Table 2-5-1 of Regulation 2-5 and the source did not have a valid exemption from Regulation 2-1-302 when the source was constructed or modified, then the source shall be subject to the requirements of Sections 2-1-301 and 302, unless the owner or operator of the source can demonstrate to the satisfaction of the APCO that the source:

- 1.1 Will comply with the TBACT requirement of Regulation 2-5-301 (if applicable); and
- 1.2 Will comply with the project risk limits of Regulation 2-5-302 (if applicable).

316.2 If a new or modified source, or group of related sources in a proposed construction or modification will emit 2.5 or more tons per year of any single hazardous air pollutant or 6.25 or more tons per year of any combination of hazardous air pollutants, then the source or group of sources shall be subject to the requirements of Sections 2-1-301 and 302.

*(Adopted 4/16/86; Amended 7/17/91; Renumbered and Amended 6/7/95; Amended 5/17/00; 6/15/05)*

**2-1-317 Public Nuisance Sources:** Notwithstanding any exemption contained in Section 2-1-103 or Section 114 through 128, any new or modified source meeting any of the following criteria shall be subject to the requirements of Regulation 2, Rule 1, Section 301 and/or 302. If any exempt source receives two or more public nuisance violations, under Regulation 1, Section 301 or Section 41700 of the California Health & Safety Code, within any consecutive 180-day period, then the source shall be subject to the requirements of Section 2-1-301 and 302. Such a source will be treated as loss of exemption source under Section 2-1-414, and will be subject to the annual permit to operate fee specified in Regulation 3. This section does not apply to a source that is exempt per section 2-1-113.

*(Adopted 6/7/95; Amended 5/17/00)*

**2-1-318 Hazardous Substances:** Notwithstanding any exemption contained in Section 2-1-103 or Section 114 through 128, any new or modified source meeting any of the following criteria shall be subject to the requirements of Regulation 2, Rule 1, Section 301 and/or 302. If a new or modified source at a facility in one of the 28 categories listed in Section 169(1) of the Clean Air Act that emits 100 tons per year of any PSD Pollutant as defined in Section 2-2-223, or at a facility not listed in any such category that emits 250 tons per year or more of any PSD Pollutant as defined in Section 2-2-223, emits any of the following air contaminants in excess of the quantities listed below, then it is subject to the requirements of Sections 2-1-301 and 302.

- 318.1 0.6 ton per year of lead,
- 318.2 0.007 ton per year of asbestos (excepting demolition, renovation, and waste disposal),
- 318.3 0.0004 ton per year of beryllium,
- 318.4 0.1 ton per year of mercury,
- 318.5 1 ton per year of vinyl chloride,
- 318.6 3 tons per year of fluorides,
- 318.7 7 tons per year of sulfuric acid mist, and
- 318.8 10 tons per year of reduced sulfur compounds (including hydrogen sulfide).

*(Adopted 10/19/83; Renumbered and Amended 6/7/95; Amended 5/17/00)*

**2-1-319 Source Expressly Subject to Permitting Requirements:** Notwithstanding any exemption contained in Section 2-1-103 or Sections 2-1-114 through 2-1-128, any source meeting any of the following criteria shall be subject to the requirements of Section 2-1-302:

319.1 The emission rate of any regulated air pollutant from the source is greater than 5 tons per year, after abatement.

319.2 The source is subject to the requirements of Section 2-1-316, 317, or 318.

*(Adopted May 17, 2000)*

**2-1-320 Compliance With Material Representations Made In Connection With Permit Applications:** In addition to the explicit conditions contained in an authority to construct and/or permit to operate, the owner and operator of a source of air pollutant emissions shall construct and operate the source in conformance with any representations made or information submitted to the APCO in connection with the application for such authority to construct and/or permit to operate, provided such representations or information were material to the APCO's decision to issue the authority to construct and/or permit to operate. Construction or operation of the source not in conformance with such material representations or information shall be a violation of this Regulation.

**2-1-321 Compliance With Provisions of State Implementation Plan and Other Requirements of Local, California and Federal Law:** Issuance of an authority to construct and/or permit to operate for a facility under this Rule shall not relieve the owner and operator of the facility from the responsibility to comply fully with all applicable provisions of the state implementation plan for California and all other requirements under local, California and federal law.

#### **2-1-400 ADMINISTRATIVE REQUIREMENTS**

**2-1-401 Persons Affected:** Any person who has been granted or requires an authority to construct shall secure a permit to operate. Any person who is not required to obtain an authority to construct and who is required to obtain a permit to operate shall secure a permit to operate. In addition, the following shall apply for a permit to operate for any source which is not subject to an exemption per Sections 2-1-103, 105, or 113 through 2-1-129:

401.1 On or before July 1, 1980, persons who operate a facility causing emissions of 2.5 tons per year or more of a regulated air pollutant.

401.2 On or before July 1, 1980, persons who operate gasoline terminals, bulk plants and facilities that dispense gasoline for sale or dispense more than 60,000 gallons of gasoline per year.

401.3 Persons who operate coating, adhesive, dipping, laminating, printing, screening, masking, electrodeposition, resist application, or similar source or equipment at any facility whose coating, adhesive, dipping, laminating, printing, screening, masking, electrodeposition, resist application, or similar source or equipment consume greater than 30 gallons of coating and emit 150 pounds of VOC per year or more on a facility wide basis, resulting from the applications of coatings. Upon request of the applicant, the APCO may group coating operations which individually emit less than 150 lb/yr into a single facility-wide source, or other convenient grouping.

401.4 Persons who operate surface preparation and cleaning equipment or operations which use unheated solvent solutions containing more than 10 percent VOC and which contain more than 1 gallon of solvent or have a liquid surface area of more than 1 ft.<sup>2</sup>, including wipe cleaning operations with a net solvent usage greater than 20 gallons per year, and that emit 150 pounds of VOC per year or more, on a facility-wide basis. Upon request of the applicant, the APCO may group wipe cleaning operations into a single facility-wide source, or other convenient groupings.

401.5 Persons who plan to modify an existing source or install a new source which qualifies for the Accelerated Permitting Program in Section 2-1-106 shall first submit a complete permit application, in accordance with Section 2-1-302.2.

401.6 Persons who operate a source that is subject to either loss of exemption or exclusion per section 2-1-414 or 2-1-424.

401.7 Persons who operate a source constructed after July 1, 1972.

401.8 On or before July 1, 2005, any person who operates a crematorium for the cremation of human remains.

*(Amended 4/16/86; 1/7/87; 7/17/91; 6/7/95; 10/7/98; 5/17/00; 12/21/04)*

- 2-1-402 Applications:** Every application for an authority to construct or a permit to operate shall be submitted to the APCO on the forms specified, and shall contain all of the following information:
- 402.1 Sufficient information for the APCO to determine the emissions from the sources that are the subject of the application, and to quantify emissions from the sources of any emission reduction credits that will be relied upon as part of the application.
  - 402.2 Any information requested by the APCO in order to determine the air quality impact from sources that are the subject of the application.
  - 402.3 All applicable fees, as described in Regulation 3.
  - 402.4 If the application is subject to the New Source Review requirements of Regulation 2, Rule 2, all information required under Section 2-2-401.
  - 402.5 CEQA-related information that satisfies the requirements of Section 2-1-426.
  - 402.6 A certification stating whether the source triggers the requirements of Section 2-1-412.
  - 402.7 A specific designation of any information contained in the application that the applicant asserts is trade secret pursuant to Section 6254.7 of the Government Code. The applicant shall submit two copies of each page containing trade secret information. One copy shall be clearly labeled "Trade Secret," and each trade secret item shall be clearly marked. The second copy shall be clearly labeled "Public Copy," and each trade secret item shall be redacted. The applicant shall include, for each item which it asserts to be a trade secret, a statement signed by a responsible representative of the applicant identifying that portion of Government Code Section 6254.7(d) upon which the assertion is based and a brief statement setting forth the basis for this assertion.
  - 402.8 Any other information requested by the APCO as necessary to determine whether the new, modified or altered source will comply with applicable regulatory requirements.

The application must contain sufficient information to enable the APCO to make a decision or a preliminary decision on the application and/or on any exemptions authorized by this Regulation. The APCO may consult with appropriate local and regional agencies to determine whether the application conforms with adopted plans and with local permit requirements.

- 2-1-403 Permit Conditions:** Except as to permit applications reviewed in accordance with Section 2-1-311, the APCO may impose any permit condition that he deems reasonably necessary to insure compliance with federal or California law or District regulations. For any permit application which was reviewed as a ministerial project in accordance with Section 2-1-311, the APCO shall only impose permit conditions as set forth in the District's Permit Handbook for the type of source being permitted. The APCO may require the installation of devices for measurement or analysis of source emissions or ground-level concentrations of air contaminants.

*(Amended 7/17/91; 10/7/98)*

- 2-1-404 Changes in Throughput and Hours of Operation:** After a permit to operate has been issued, in accordance with subsections 2-1-401.1 through 401.4, changes in hours of operation, fuels, process materials or throughput are allowed only if emissions resulting from such changes are not of such quantity as would cause denial of an authority to construct after an air quality permit analysis made pursuant to the provisions of Rule 2 of this Regulation. "Change" is the use of a process or fuel not used in the prior 12 months, or a throughput level higher than the highest level in the prior 12 months or total monthly operating hours higher than any month in the prior 12 months.

- 404.1 The holder of a permit to operate shall advise the APCO not more than 30 days after any changes in hours of operation, fuels, process materials or throughput which might increase emissions.
- 404.2 The APCO shall act to revoke the permit to operate of any person who fails to comply with the requirements of this Section.

*(Amended July 17, 1991)*

- 2-1-405 Posting of Permit to Operate:** A copy of the permit to operate, including all relevant permit conditions, shall be accessible to personnel who operate the equipment for

which the permit has been issued. These documents shall be included on site in the operator's manual, or shall be accessible to the operators electronically.

*(Amended 5/17/00; 11/15/00)*

**2-1-406 Transfer:** An authority to construct or a permit to operate shall not be transferable from one facility to another. An authority to construct or a permit to operate shall not be transferable from one person to another without obtaining written permission of the APCO.

**2-1-407 Authority to Construct Expiration:** An authority to construct shall expire two years after the date of issuance, unless the authority to construct has been renewed. Upon receipt of a written request and any required fees prior to the expiration of the authority to construct, the APCO shall renew the authority to construct in writing if the APCO determines that the renewal complies with this section and that the holder of the authority to construct is not violating any provision or condition of the authority. If the APCO does not act on such a request prior to expiration of the authority to construct, the authority shall remain in effect until the APCO has acted to approve or deny the renewal request (up to a maximum of an additional 12 months).

407.1 The following requirements shall apply to renewals:

1.1 Except as provided in Sections 2-1-407.2 and 407.3, an authority to construct may be renewed one time for an additional two years.

1.2 Except for renewals pursuant to Section 2-1-407.3, renewal is contingent upon meeting the current BACT and offset requirements of Regulation 2-2-301, 302 and 303.

1.3 Except as provided in Sections 2-1-407.2 and 407.3, an authority to construct that has been renewed shall expire four years after the date of original issuance.

407.2 If the authority to construct was issued pursuant to an environmental impact report (EIR) that explicitly covered a construction period longer than four years, the authority to construct shall, upon request by the applicant, be renewed for additional two-year terms throughout the construction period covered by the EIR.

407.3 If substantial use of the authority to construct has begun, either during the initial term or during a renewal term, the authority to construct shall, upon request by the applicant, be renewed for additional two-year terms until the permit to operate is issued, or, if a term of less than two years is requested, for such term as is requested.

*(Amended 7/17/91; Amended 10/7/98; 6/1/05)*

**2-1-408 Action on Applications:** Except for applications subject to Section 2-1-412, the publication and public notice requirements of Section 2-2-404 or Section 2-10-402, or to the provisions of Rule 6 of this Regulation, the APCO shall notify the applicant in writing of approval, approval with conditions, or denial of the application within 35 working days of receipt of a completed application, unless the time is extended with the written consent of the applicant.

408.1 Notwithstanding this 35-working-day limit, the APCO shall not take final action for any project for which an Environmental Impact Report or a Negative Declaration has been prepared until a Final EIR for that project has been certified or a Negative Declaration for that project has been approved, and the APCO has considered the information in that Final EIR or Negative Declaration. For cases in which the 35 working-day time period has elapsed, the APCO shall take final action on the application within 30 days after the certification of the Final EIR or approval of the Negative Declaration, or after final resolution of any appeals from such certification or approval. This subsection shall not apply to any project that is exempt from the District's CEQA requirements pursuant to Section 2-1-311 or 2-1-312. Any substantive change to an application which occurs after the evaluation period has begun shall allow the APCO to start a new completeness review period, and to reset the 35 working-day limit after the application has been deemed complete.

*(Amended 11/1/89; 7/17/91; 11/20/91; 11/3/93; 6/7/95; 10/7/98; 12/21/04; 7/19/06)*

**2-1-409 Regulations in Force Govern:** The decision as to whether an authority to construct shall be granted or denied shall be based on federal, state and District BACT, offset,

TBACT, and project risk regulations or standards in force on the date the application is declared by the APCO to be complete.

*(Amended June 15, 2005)*

**2-1-410 Appeal:** The following actions of the APCO may be appealed:

- 410.1 In accordance with Section 42302 of the Health and Safety Code an applicant for an authority to construct which has been denied may request, within 30 days after receipt of the written notice to deny, the Hearing Board of the District to hold a hearing on whether or not the authority to construct was properly denied.
- 410.2 In accordance with Section 42302.1 of the Health and Safety Code, within 30 days of any decision of the APCO, pertaining to the issuance of an authority to construct, any aggrieved person who, in person or through a representative, appeared, submitted written testimony, or otherwise participated in the action before the District may request the Hearing Board of the District to hold a public hearing to determine whether the authority to construct was properly issued or for an order modifying or reversing that decision. Such appeals shall be filed in writing and contain a summary of the issues to be raised. The Hearing Board shall consider the appeal at a public hearing within 30 days of the filing of the appeal. The Hearing Board may reverse or modify the decision of the APCO if it determines that the decision was erroneous.
- 410.3 In accordance with Section 40724.6(g) of the Health and Safety Code, a permit holder of a large confined animal facility may appeal any District determination or decision made under Regulation 2, Rule 10, in accordance with Section 2-1-410.2.

*(Amended 7/17/91; 11/20/91; 5/17/00; 7/19/06)*

**2-1-411 Permit to Operate, Final Action:** The APCO shall take final action to approve, approve with conditions, or disapprove a permit to operate a source subject to this rule within 90 days after the initial date of the start-up period of the new or modified source, unless such time period is extended with the written concurrence of the APCO and the applicant. An authority to construct authorizes operation of the source during the start-up period. All conditions, specific or implied, of the authority to construct are in effect during the entire start-up period.

- 411.1 Notwithstanding the above, final action taken on permits issued pursuant to Rule 6 of this Regulation shall be in accordance with the provisions of Section 2-6-410.
- 411.2 A permit approved under this section must be signed by the permit holder or by a person authorized to sign on behalf of the permit holder.

*(Adopted 10/19/83; Amended 7/17/91; 11/3/93; 10/7/98; 12/21/04)*

**2-1-412 Public Notice, Schools:** Prior to approving an application for an authority to construct or permit to operate for a new or modified source located within 1000 feet of the outer boundary of a K-12 schoolsite and which results in the increase in emissions of any substance into the ambient air which has been identified by the California Air Resources Board or the APCO as a toxic air contaminant or a hazardous air contaminant or which is on the list required to be prepared pursuant to subdivision (a) of Section 25532 or Section 44321 subsections (a) to (f) inclusive of the Health and Safety Code, the APCO shall:

- 412.1 Prepare a public notice in which the proposed new or modified source, and the proposed emissions, are fully described.
- 412.2 Distribute the notice, prepared in accordance with subsection 2-1-412.1 at the expense of the applicant, to the parents or guardians of children enrolled in any school within one-quarter mile of the source and to each address within a radius of 1000 feet of the source. This notice shall be distributed at least 30 days prior to the date final action on the application is to be taken by the APCO. The APCO shall review and consider all comments received during the 30 days after the notice is distributed, and shall include written responses to the comments in the permit application file prior to taking final action on the application.



412.3 Failure of any person to receive the notice shall not affect the validity of the authority to construct or permit to operate issued by the APCO, if the APCO or applicant responsible for giving the notice has made a good faith effort to follow the procedures for giving the notice prescribed by law.

*(Adopted 11/1/89; Amended 10/7/98; 5/17/00)*

**2-1-413 Permits for Operation of Equipment at Multiple Locations Within the District:**

Any person required to obtain an authority to construct and/or permit to operate under Sections 2-1-301 and/or 302 for a source that may be operated at multiple locations within the District can apply for a single multiple-location permit that will allow the source to operate at more than one location in the District. The APCO shall issue the permit, upon payment of standard filing, initial and permit to operate fees as set forth in Regulation 3, if the source satisfies all of the following requirements:

413.1 The source will not emit more than 10 tons per year of any regulated air pollutant, including POC, CO, NO<sub>x</sub>, PM<sub>2.5</sub>, PM<sub>10</sub>, NPOC or SO<sub>2</sub>. For PM<sub>2.5</sub> and PM<sub>10</sub>, fugitive particulate emissions from haul road traffic shall not be counted toward the annual limit.

413.2 The source will comply with all applicable provisions of Regulation 2, Rule 5.

413.3 The source will not be operated within 1000 feet of the outer boundary of any K-12 school site, unless the applicable notice requirements of Health and Safety Code Section 42301.6 have been met.

413.4 Operation of the source will not cause a public nuisance per Regulation 1-301.

413.5 The operation must be exempt from CEQA, or must be covered by a chapter in the District's Permit Handbook.

413.6 The equipment will not cause a Synthetic Minor Facility to exceed a federally enforceable emission limit.

If the source no longer satisfies any of these requirements, it shall be subject to the requirements of Regulation 2, Rules 1, 2, and 5, as if it were a new source.

*(Adopted June 7, 1995)*

**2-1-414 Loss of Exemption, Public Nuisance:** Any source subject to Section 2-1-317 shall be subject to permit conditions deemed necessary by the District to minimize the potential for future violations. If the owner/operator can demonstrate that the source has neither received a public nuisance violation nor received a confirmed complaint for a two year period after the permit was issued, then the owner/operator may submit a written petition to the APCO to remove the permit requirement. Such a petition is subject to APCO approval.

*(Adopted June 7, 1995)*

**2-1-415 Source Pre-Certification Procedure:** Any person may submit a written request to pre-certify a source as complying with applicable BACT requirements, for the purposes of qualifying the source for the Accelerated Permitting Program under Section 2-1-302.2.1.1. Such a request will be evaluated within 60 days of receipt of the information listed below. The APCO may also independently pre-certify a source. The APCO shall maintain a list of pre-certified equipment, and shall make this list available to industry through the Public Information & Education Division. A pre-certification request shall include all of the following:

415.1 A complete description of the source, including make, model number, rated capacity and emission calculations at maximum operating rate;

415.2 Applicable BACT requirements;

415.3 Proposed permit conditions governing operation of the source; and

415.4 Applicable fees, as described in Regulation 3, Section 323.

*(Adopted June 7, 1995)*

**2-1-416 Temporary Amnesty for Unpermitted Sources:** The APCO has the authority to declare an amnesty period, during which the District may waive all or part of the penalty fees, including late fees and retroactive permit fees, for sources that are currently operating without valid Permits to Operate.

*(Adopted 6/7/95; 12/21/04)*

**2-1-420 Suspension:** The APCO may suspend a permit if, within a reasonable time, the holder of the permit willfully fails or refuses to furnish requested information, analyses, plans or specifications relating to emissions from the source for which the permit was

issued. The APCO shall serve notice in writing of a suspension, and the reasons therefor, on the holder of the permit. A suspension shall become effective 5 days after notice has been served.

**2-1-421 Appeal from Suspension:** Within 10 days after the receipt of the notice of suspension, the permit holder may request the Hearing Board to hold a hearing to determine whether or not the permit was properly suspended.

**2-1-422 Revocation:** The APCO may request the Hearing Board to hold a hearing to determine whether an authority to construct and/or permit to operate should be revoked if it is found that the holder of an authority to construct or permit to operate is violating any applicable order, rule or regulation of the District, or is violating any provision or condition of the authority to construct or permit to operate.

*(Amended May 17, 2000)*

**2-1-423 Hearings:** Within 30 days after receipt of requests submitted pursuant to Sections 2-1-421 and 422, the Hearing Board shall hold a hearing as provided by Section 42308 of the California Health and Safety Code and may take action as authorized by Section 42309 of the California Health and Safety Code.

*(Amended July 17, 1991)*

**2-1-424 Loss of Exemption or Exclusion:** Within 90 days of written notification by the APCO of the need for a permit any person who operates a source which does not require a District permit or, for a large confined animal facility subject to Regulation 2, Rule 10 in existence on July 17, 2006, within 180 days of that date, who loses an exemption or exclusion because of changes in federal, California or District laws or regulations shall submit a complete permit application for the subject source, as defined Section 2-1-202. A person who holds a valid permit to operate for the subject source need not reapply.

*(Adopted 4/16/86; Amended 6/7/95; 10/7/98; 7/19/06)*

**2-1-425 Sources of Toxic Air Contaminants:** Any person who does not hold a valid permit to operate in accordance with Section 2-1-401 and emits, in quantities determined to be appropriate by the APCO, any toxic air contaminant, shall within 90 days of written notice by the APCO of the need for a permit to operate, complete a permit application for the subject source, in accordance with the applicable requirements of Section 2-1-202 or Section 2-1-302.2.

*(Amended June 7, 1995)*

**2-1-426 CEQA-Related Information Requirements:** Unless a project for which an authority to construct is sought is exempt from the District's CEQA requirements pursuant to Section 2-1-311 or 2-1-312 of this Rule, applicants for authorities to construct shall provide, as part of a complete application, the following CEQA-related information:

426.1 A preliminary environmental study which shall describe the proposed project and discuss any potential significant adverse environmental impacts, alternatives to the project, and any necessary mitigation measures to minimize adverse impacts. The preliminary environmental study shall include all activities involved in the project and shall not be limited to those activities affecting air quality. In preparing the preliminary environmental study, the applicant may utilize the Environmental Information Form in Appendix H of the State CEQA Guidelines or an equivalent format specified by the APCO. (see also Appendix G, Significant Effects.) The preliminary environmental study shall list all other local, state and federal governmental agencies that require permits for the project and indicate any environmental documentation required by such agencies; or

426.2 When an agency other than the District is to be the Lead Agency under CEQA, either:

- 2.1 A Draft or Final Environmental Impact Report prepared by or under the supervision of the Lead Agency; or
- 2.2 A contract for the preparation of a Draft Environmental Impact Report executed by the Lead Agency together with the Initial Study prepared by the Lead Agency; or
- 2.3 A Negative Declaration prepared by the Lead Agency; or
- 2.4 A Notice of Preparation of a Draft EIR prepared by the Lead Agency;
- 2.5 A copy of the Initial Study prepared by the Lead Agency, or

- 2.6 A commitment in writing from another agency indicating that it has assumed the role of Lead Agency for the project in question.

*(Adopted 11/20/91; Amended 10/7/98)*

**2-1-427 Procedure for Ministerial Evaluations:** The District shall review each permit application prior to finding that it is complete in order to determine whether its evaluation of the permit application is covered by the specific procedures, fixed standards and objective measurements set forth in the District's Permit Handbook and BACT/TBACT Workbook. If the District determines that its evaluation of the permit application is covered by specific procedures, fixed standards and objective measurements set forth in the District's Permit Handbook and BACT/TBACT Workbook, the District's evaluation of that permit application will be classified as ministerial and the engineering evaluation of the permit application by the District will be limited to the use of said specific procedures, fixed standards and objective measurements. For such projects, the District will merely apply the law to the facts as presented in the permit application, and the District's decision regarding whether to issue the permit will be based only on the criteria set forth in Section 2-1-428 and in the District's Permit Handbook and BACT/TBACT Workbook.

*(Adopted 11/20/91; Amended 10/7/98)*

**2-1-428 Criteria for Approval of Ministerial Permit Applications:** If the District classifies a permit application as ministerial pursuant to Section 2-1-427, and as a result of its evaluation of that permit application, the District determines that all of the following criteria are met, the issuance by the District of an Authority to Construct for the proposed new or modified source will be a mandatory ministerial duty.

- 428.1 The proposed new or modified source will comply with all applicable provisions of the District's Rules and Regulations and with all applicable provisions of state and federal law and regulations which the District has the duty to enforce;
- 428.2 The emissions from the proposed project can be calculated using standardized emission factors from published governmental sources, District source test results, established formulas from published engineering and scientific handbooks, material safety data sheets or other similar published literature, manufacturer's warranties or other fixed standards as set forth in the District's Permit Handbook and BACT/TBACT Workbook;
- 428.3 Where Best Available Control Technology is required, BACT for the proposed new or modified source can be determined based on the latest edition of the ARB's BACT/LAER Clearinghouse, on the District's own compilations of BACT levels for specific types of sources as set forth in the District's Permit Handbook and BACT/TBACT Workbook or on a more stringent BACT level proposed by the project proponent; and
- 428.4 If the proposed new or modified source involves the shutdown of an existing source, the Reasonably Available Control Technology applicable to the source to be shut down can be determined from existing provisions of the District's Rules and Regulations or from the District's own compilations of BACT levels for specific types of sources as set forth in District's Permit Handbook and BACT/TBACT Workbook.
- 428.5 For proposed new and modified sources that are subject to Regulation 2, Rule 5, the project meets the project risk requirement of Regulation 2-5-302.
- 428-6 Where Best Available Control Technology for Toxics (TBACT) is required pursuant to Regulation 2-5-301, TBACT for the proposed new or modified source can be determined based on TBACT determinations in the District's BACT/TBACT Workbook, an EPA MACT standard, a CARB ATCM, or a more stringent TBACT level proposed by the applicant that is applicable to the specific source type or source category being evaluated.

In addition, when the District has issued an authority to construct for a proposed new or modified source as a ministerial project, the issuance of the permit to operate for that source will also be a mandatory ministerial duty if the source will meet all the conditions imposed in connection with the issuance of the authority to construct and all applicable laws, rules and regulations enforced by the District.

*(Adopted 11/20/91; Amended 10/7/98; 6/15/05)*

**2-1-429 Federal Emissions Statement:** The owner or operator of any facility that emits or may emit oxides of nitrogen or volatile organic compounds shall provide the APCO with a written statement, in such form as the APCO prescribes, showing actual emissions of oxides of nitrogen and volatile organic compounds from that facility. At a minimum the emission statement shall contain all of the information contained in the Air Resources Board's Emission Inventory Turn Around Document as described in Instructions for the Emission Data System Review and Update Report. The statement shall also contain a certification by a responsible official of the company or facility that the information contained in the statement is accurate to the best knowledge of the individual certifying the statement. Effective November 1, 1994, the statement shall be submitted to the District each year with the annual permit renewal. The APCO may waive this requirement for any class or category of facilities that emit less than 25 tons per year of oxides of nitrogen and volatile organic compounds, each taken separately, if the District provides the Air Resources Board with emission inventories of facilities emitting greater than 10 tons per year of either oxides of nitrogen or volatile organic compounds based on the use of emission factors acceptable to the Air Resources Board and the U.S. Environmental Protection Agency (EPA). A current list of classes and categories of facilities for which this requirement has been waived by the APCO will be kept by the District and made available upon request. Also, for purposes of reporting emission data to the Air Resources Board and to the EPA, the District will provide calendar year and peak ambient ozone season data determined through weighted averaging of current and prior year (if available) company/facility reported certified information. This Section is required by the provisions of Section 182(a)(3)(B) of the Clean Air Act.

*(Adopted 11/4/92; Amended 6/15/94; 6/7/95; 12/21/04)*

**2-1-430 Maintenance of the Permit Handbook and BACT/TBACT Workbook:** The APCO shall publish and maintain the Permit Handbook and BACT/TBACT Workbook as needed to reflect the current procedure for review and issuance of permits, and the most recent determination of BACT/TBACT for a given source category.

*(Adopted October 7, 1998)*

**2-1-431 Date of Completion:** The APCO shall deem an application to be complete on the date that the information and fees required to complete the application were received by the District.

*(Adopted May 17, 2000)*

**2-1-432 Determination of Complete Application:** Except for an application which is subject to the publication and public comment requirements of Section 2-2-404, the APCO shall determine whether an application for an authority to construct is complete not later than 15 working days following receipt of the application, or after a longer time period agreed upon by both the applicant and the APCO. If the APCO determines that the application is not complete, the applicant shall be notified in writing of the decision, specifying the information that is required. Upon receipt of any resubmittal of the application a new 15 working day period to determine completeness shall begin. For an application which is subject to the publication and public comment requirements of Section 2-2-404 or Section 2-10-402, the completeness review period(s) shall be 30 days. The application shall be deemed complete on the date of receipt of all information required for completeness. Upon determination that the application is complete, the APCO shall notify the applicant in writing. If applicable, such written notification shall include the District's determination that its evaluation of the application will be covered by the specific procedures, fixed standards and objective measurements set forth in the District's Permit Handbook and that the District's evaluation of that permit application will be classified as ministerial and will accordingly be exempt from CEQA review. Thereafter only information regarding offsets, or information to clarify, correct or otherwise supplement the information submitted in the application may be requested.

*(Adopted 12/21/04; Amended 6/19/06)*

## **2-1-500 MONITORING AND RECORDS**

**2-1-501 Monitors:** Continuous emission monitors required pursuant to Section 2-1-403 shall comply with the provisions of Volume V of the Manual of Procedures.

(Adopted March 17, 1982)

**2-1-502 Burden of Proof:** Any person asserting that a source is exempt from the requirements of Regulation 2, Rule 1, Section 301 and/or 302, shall, upon the request of the APCO, provide substantial credible evidence proving to the APCO that the source meets all requirements necessary to qualify for the exemption.

(Adopted May 17, 2000)

**2-1-600 MANUAL OF PROCEDURES**

**2-1-601 Engineering Permitting Procedures:** The specific procedures for the engineering evaluation of particular types of sources as well as specific fixed standards and objective measurements upon which the District will rely in its evaluation of ministerial permit applications are set forth in the District's Permit Handbook and BACT/TBACT Workbook.

(Adopted 7/17/91; Amended 10/7/98)

**2-1-602 CEQA Guidelines:** The District's Guidelines for Environmental Processes under CEQA for those cases in which the District assumes the role of Lead Agency are set forth in Volume VII to the District's Manual of Procedures and in the Permit Handbook.

(Adopted 11/20/91; Amended 6/7/95)

**2-1-603 Particulate Matter Measurements:** PM<sub>2.5</sub> and PM<sub>10</sub> shall be measured as prescribed in EPA Methods 201A and 202 (for measurements of emissions from specific sources) and in 40 C.F.R. Parts 50, 53 and 58 (for measurements of ambient concentrations). If such test methods cannot be used because the physical characteristics of the emissions being measured render such methods inappropriate (e.g., because of the emissions' high moisture content or high temperature), then another appropriate test method may be used upon prior written approval of the APCO and EPA.

(Adopted \_\_\_\_\_)

**2-1-604 Determining Compliance With Historical PM<sub>10</sub> and PM<sub>2.5</sub> Emission Limits:** For purposes of determining a source's compliance with any PM<sub>10</sub> or PM<sub>2.5</sub> emission limit established as a permit condition pursuant to Regulation 2 prior to <insert effective date of regulation>, the condensable portion of the source's PM<sub>10</sub> or PM<sub>2.5</sub> emissions shall not be included, unless there is an affirmative indication that such condensable portion was intended to be included at the time the permit condition was adopted.

(Adopted \_\_\_\_\_)

**2-1-605 Finality of Historical PM<sub>10</sub> and PM<sub>2.5</sub> Regulatory Determinations:** Regulatory determinations regarding the applicability of or compliance with any of the requirements of Regulation 2 made before <insert effective date of regulation> shall be final and shall not be invalid because they did not take into account the condensable portion of a source's PM<sub>2.5</sub> or PM<sub>10</sub> emissions. Such historical determinations include (but are not limited to) prior determinations whether BACT and offsets requirements apply, prior determinations of the amount of a facility's cumulative increase, and prior determinations whether Title V permit requirements applied to a facility's operation. All such determinations made on or after <insert effective date of regulation> shall include the condensable portion per the requirements of Sections 2-1-229 and 2-1-241, including (but not limited to) determinations regarding whether an existing facility's ongoing operations are subject to any applicable operating requirements such as Title V Major Facility Review requirements.

(Adopted \_\_\_\_\_)

Regulation 2, Rule 1  
Permit / Exemption Flow Chart

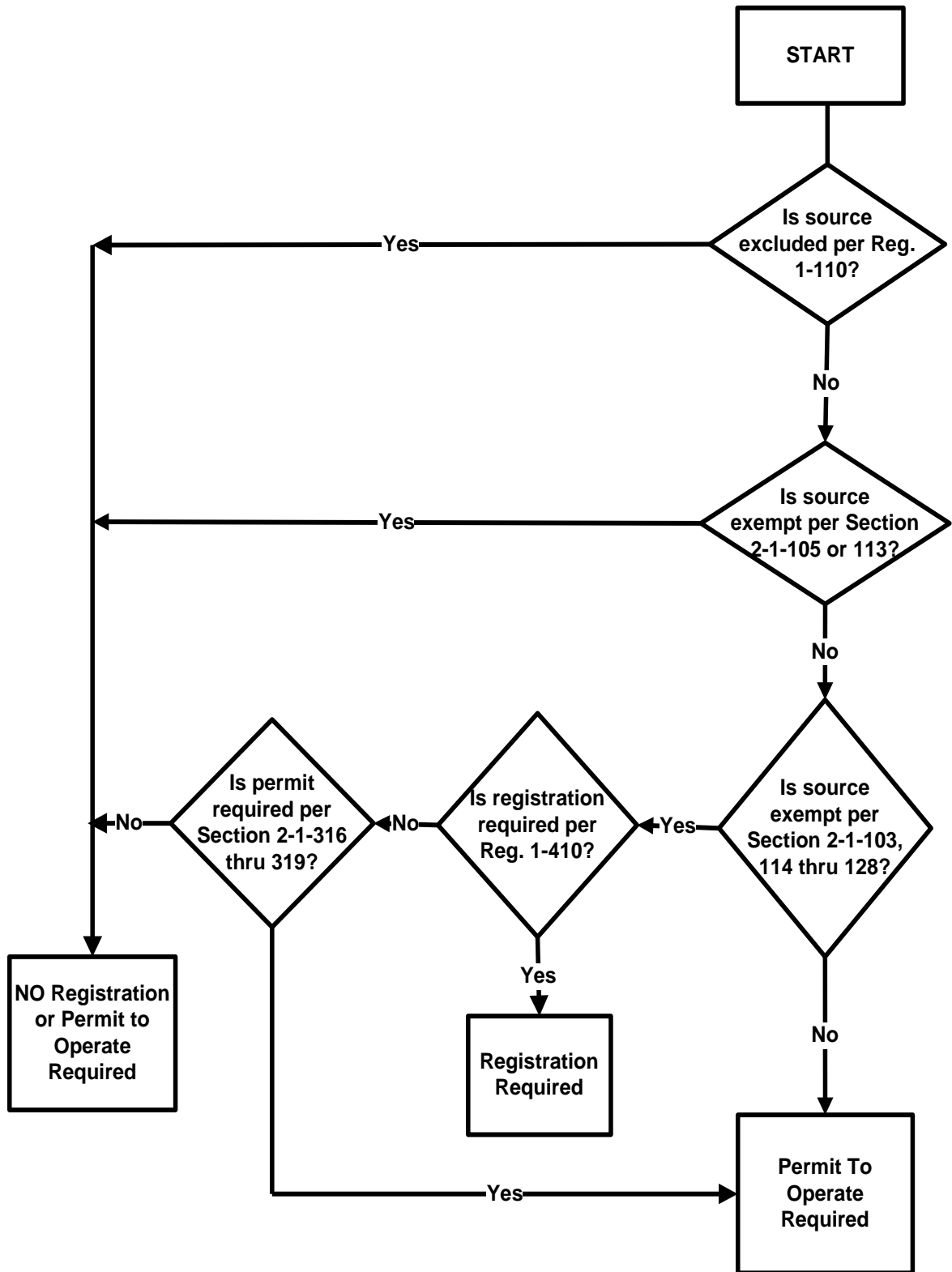


Figure 2-1-101



**REGULATION 2  
PERMITS  
RULE 1  
GENERAL REQUIREMENTS**

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**REGULATION 2**  
**PERMITS**  
**RULE 1**  
**GENERAL REQUIREMENTS**

(Adopted January 1, 1980)

**2-1-100 GENERAL**

**2-1-101 Description:** The purpose of Regulation 2 is to provide an orderly procedure for the review of new sources of air pollution, and of the modification and operation of existing sources, and of associated air pollution control devices, through the issuance of authorities to construct and permits to operate. The applicability of Regulation 2, Rule 1 is illustrated by Figure 2-1-101, Permit/Exemption Flow Chart. An applicant may choose to obtain a permit to operate for a source that is exempt from permit requirements. In that case, the affected source is deemed to be subject to the requirements of Section 2-1-302 until such time as an application for return to exempt status is approved.

*(Amended 7/17/91; 6/7/95; 5/17/00; 12/21/04)*

**2-1-102** ~~Applicable Requirements~~**Applicability to Other Rules in Regulation 2:** The ~~requirements provisions~~ of this Rule, including the definitions, shall apply to the other Rules 2, 3, and 6 of this Regulation, where applicable, unless superseded by specific ~~requirements provisions~~ in those other Rules 2, 3, and 6.

*(Amended November 3, 1993)*

**2-1-103 Exemption, Source not Subject to any District Rule:** Any source that is not already exempt from the requirements of Section 2-1-301 and 302 as set forth in Sections 2-1-105 to 2-1-128, is exempt from Section 2-1-301 and 302 if the source meets all of the following criteria:

103.1 The source is not in a source category subject to any of the provisions of Regulation 6<sup>(1)</sup>, Regulation 8<sup>(2)</sup> excluding Rules 1 through 4, or Regulations 9 through 12; and

103.2 The source is not subject to any of the provisions of Sections 2-1-316 through 319; and

103.3 Actual emissions of precursor organic compounds (POC), non-precursor organic compounds (NPOC), nitrogen oxides (NOx), sulfur dioxide (SO<sub>2</sub>), PM<sub>2.5</sub>, PM<sub>10</sub> and carbon monoxide (CO) from the source are each (i) less than 10 pounds per highest day. ~~A source also satisfies this criterion; or (ii) if actual emissions of each pollutant are greater than 10 lb/pounds per highest day, but total emissions are less than 150 pounds per year, per pollutant;~~ and

103.4 The source is not an ozone generator (a piece of equipment designed to generate ozone) emitting 1 lb/day or more of ozone.

*Note 1: Typically, any source may be subject to Regulation 6, Particulate Matter and Visible Emissions. For the purposes of this section, Regulation 6 applicability shall be limited to the following types of sources that emit PM<sub>2.5</sub> and PM<sub>10</sub>: combustion source; material handling/processing; sand, gravel or rock processing; cement, concrete and asphaltic concrete production; tub grinder; or similar PM<sub>2.5</sub> and PM<sub>10</sub>-emitting source sources, as deemed by the APCO.*

*Note 2: If an exemption in a Regulation 8 Rule indicates that the source is subject to Regulation 8, Rules 1 through 4, then the source must comply with all applicable provisions of Regulation 8, Rules 1 through 4, to qualify for this exemption.*

~~103.4 The source is not an ozone generator (a piece of equipment designed to generate ozone) emitting 1 lb/day or more of ozone.~~

*(Adopted 6/7/95; Amended 5/17/00; 12/21/04)*

**2-1-104 Deleted October 7, 1998**

**2-1-105 Exemption, Registered Statewide Portable Equipment:** ~~The following portable equipment is exempt from the requirements of Sections 2-1-301 and 302, provided~~Equipment that the equipment complies with all applicable requirements of and is registered under the Statewide Portable Equipment Registration Program (California Code of Regulations Title 13, Division 3, Chapter 3, Article 5~~-~~) is exempt from the requirements of Sections 2-1-301 and 302. If the equipment ceases to

qualify for this exemption for any reason (for example, if it remains at any fixed location for more than twelve months or otherwise ceases to be portable as defined by the Program), the equipment shall be subject to the requirements of Regulation 2 as if it were a new source.

~~105.1—Confined-abrasive-blasting~~

~~105.2—Portland-concrete-batch-plants~~

~~105.3—Spark-ignition-or-diesel-fired-internal-combustion-engines-used-in-conjunction-with-the-following-types-of-operations:~~

~~3.1—Well-drilling-service-or-workover-rigs;~~

~~3.2—Power-generation,-excluding-cogeneration;~~

~~3.3—Pumps;~~

~~3.4—Compressors;~~

~~3.5—Pile-drivers;~~

~~3.6—Welding;~~

~~3.7—Cranes;and~~

~~3.8—Wood-chippers~~

~~105.4—Sand-and-Gravel-screening,-rock-crushing,-pavement-crushing-and-recycling-operations;~~

~~105.5—Unconfined-abrasive-blasting.~~

*(Adopted 6/7/95; Amended 10/7/98; 5/17/00)*

**2-1-106**

**Limited Exemption, Accelerated Permitting Program:** Unless subject to any of the provisions of Sections 2-1-316 through 319, any new source or modified/modification or alteration of an existing source is exempt from the Authority to Construct requirements of Section 2-1-301, ~~provided that the owner or operator submits, if it has received a complete application-temporary Permit to Operate under the Accelerated Permitting Program.~~ ~~A complete permit application under this program consists of: a completed permit application form and source data form(s); payment of applicable fees (the minimum permit fee required to install and operate each source); and certification that the source meets all of the criteria set forth in Sections 2-1-106.1 through 106.3. Such a source is still subject to the Permit to Operate requirements of Section 2-1-302, but will be evaluated under the Accelerated Permitting Program, as described in Section 2-1-302.2.~~

~~106.1—Uncontrolled-emissions-of-POC,-NPOC,-NOx,-SO2,-PM10,-and-CO-are-each-less-than-10-pounds-per-highest-day;-or-the-source-is-pre-certified-per-Section-2-1-415;and~~

~~106.2—Emissions-of-toxic-compounds-do-not-exceed-the-trigger-levels-identified-in-Table-2-5-1-of-Regulation-2,-Rule-5;and~~

~~106.3—The-source-is-not-subject-to-the-public-notice-requirements-of-Section-2-1-412.~~

~~In addition to the above, the replacement of any abatement device is exempt from the Authority to Construct requirements of Section 2-1-301 and will be evaluated under the Accelerated Permitting Program in Section 2-1-302.2, provided that the owner or operator certifies for all pollutants that the abatement device is as efficient as, or more efficient than, the abatement device being replaced. In addition to the above, any alteration of a source is exempt from the Authority to Construct requirements of Section 2-1-301 and will be evaluated under the Accelerated Permitting Program in Section 2-1-302.2, provided that the owner or operator certifies for all pollutants that the alteration does not result in an increase in emissions.~~

*(Adopted 6/7/95; Amended 10/7/98; 5/17/00; 6/15/05; / /12)*

**2-1-109**

**Deleted June 7, 1995**

**2-1-110**

**Deleted June 7, 1995**

**2-1-111**

**Deleted June 7, 1995**

**2-1-112**

**Deleted June 7, 1995**

**2-1-113**

**Exemption, Sources and Operations:**

113.1 The following sources and operations are exempt from the requirements of Sections 2-1-301 and 302, in accordance with the California Health and Safety Code:

1.1 Single and multiple family dwellings used solely for residential purposes.

- 1.2 Agricultural sources with actual emissions of each regulated air pollutant, excluding fugitive dust, less than 50 tons per year, except for large confined animal facilities subject to Regulation 2, Rule 10. Agricultural sources engaged in composing and other similar biomass processing that primarily process green materials or animal waste products derived from agricultural operations shall not become ineligible for this exemption for processing material from non-agricultural operations as long as the facility processes less than 500 tons per year of such material from non-agricultural operations.
- 1.3 Any vehicle. Equipment temporarily or permanently attached to a vehicle is not considered to be a part of that vehicle unless the combination is a vehicle as defined in the Vehicle Code. Specialty vehicles may include temporarily or permanently attached equipment including, but are not limited to, the following: oil well production service unit; special construction equipment; and special mobile equipment.
- 1.4 Tank vehicles with vapor recovery systems subject to state certification, in accordance with the Health and Safety Code.
- 113.2 The following sources and operations are exempt from the requirements of Sections 2-1-301 and 302:
  - 2.1 Road construction, widening and rerouting.
  - 2.2 Restaurants, cafeterias and other retail establishments for the purpose of preparing food for human consumption.
  - 2.3 Structural changes which do not change the quality, nature or quantity of air contaminant emissions.
  - 2.4 Any abatement device which is used solely to abate equipment that does not require an Authority to Construct or Permit to Operate.
  - 2.5 Architectural and industrial maintenance coating operations that are exclusively subject to Regulation 8, Rules 3 or 48, because coatings are applied to stationary structures, their appurtenances, to mobile homes, to pavements, or to curbs. This does not apply to coatings applied by the manufacturer prior to installation, nor to the coating of components removed from such structures and equipment.
  - 2.6 Portable abatement equipment exclusively used to comply with the tank degassing or vacuum truck control requirements of Regulation 8, Rules 5, 40 or 53.
  - 2.7 Equipment that transports, holds or stores California Public Utilities Commission regulated natural gas, excluding drivers.
  - 2.8 Deleted May 17, 2000
  - 2.9 Deleted May 17, 2000
  - 2.10 Deleted May 17, 2000
  - 2.11 Teaching laboratories used exclusively for classroom experimentation and/or demonstration.
  - 2.12 Laboratories located in a building where the total laboratory floor space within the building is less than 25,000 square feet, or the total number of fume hoods within the building is less than 50, provided that Responsible Laboratory Management Practices, as defined in Section 2-1-224, are used. Buildings connected by passageways and/or corridors shall be considered as separate buildings, provided that structural integrity could be maintained in the absence of the passageways and/or corridors and the buildings have their own separate and independently operating HVAC and fire suppression systems. For the purposes of this subsection, teaching laboratories that are exempt per Section 2-1-113.2.11 are not included in the floor space or fume hood totals. In addition, laboratory units for which the owner or operator of the source can demonstrate that toxic air contaminant emissions would not occur, except under accidental or upset conditions, are not included in the floor space or fume hood totals.
  - 2.13 Maintenance operations on natural gas pipelines and associated equipment, provided that emissions from such operations consist solely

of residual natural gas that is vented after the equipment is isolated or shut down.

~~2.14 Space heating units that are not subject to Regulation 9, Rule 7, where emissions result solely from the combustion of natural gas or liquefied petroleum gas (e.g. propane, butane, isobutane, propylene, butylenes, and their mixtures) of less than 20 million BTU per hour heat input. Incinerators operated in conjunction with such sources are not exempt.~~

~~2.14 [Deleted 2012]~~

- 2.15 Asbestos and asbestos containing material renovation or removal conducted in compliance with Regulation 11, Rule 2 and Regulation 3.
- 2.16 Closed landfills that have less than 1,000,000 tons of decomposable solid waste in place and that do not have an operating landfill gas collection system.
- 2.17 Closed landfills that have not accepted waste for at least 30 years and that never had a landfill gas collection system.
- 2.18 Construction of a building or structure that is not itself a source requiring a permit.
- 2.19 Vacuum trucks subject to Regulation 8, Rule 53 and processing regulated material as defined in that rule.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00; 11/15/00; 5/2/01; 7/19/06; 4/18/12)*

2-1-114

**Exemption, Combustion Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, only if the source does not emit pollutants other than combustion products, and those combustion products are not caused by the combustion of a pollutant generated from another source, and the source does not require permitting pursuant to Section 2-1-319.

114.1 Boilers, Heaters, Steam Generators, Duct Burners, and Similar Combustion Equipment:

- 1.1 Any of the above equipment with less than 1 million BTU per hour rated heat input.
- 1.2 Any of the above equipment with less than 10 million BTU per hour rated heat input if fired exclusively with natural gas (including compressed natural gas), liquefied petroleum gas (e.g. propane, butane, isobutane, propylene, butylenes, and their mixtures), or any combination thereof.

114.2 Internal Combustion Engines and Gas Turbines:

- 2.1 Internal combustion (IC) engines and gas turbines with a maximum output rating less than or equal to 50 hp.
- 2.2 Internal combustion (IC) engines and gas turbines used solely for instructional purposes at research, teaching, or educational facilities.
- 2.3 Portable internal combustion engines which are at a location for less than 72 consecutive hours.
- 2.4 Any engine mounted on, within, or incorporated into any vehicle, train, ship, boat, or barge used to provide propulsion for the vehicle, train, ship, boat, or barge. ~~Facilities which include cargo loading or unloading from cargo carriers other than motor vehicles shall include the cargo carriers as part of the source which receives or loads the cargo.~~
- 2.5 Any engine mounted on, within, or incorporated into any vehicle, train, ship, boat, or barge used to provide propulsion for the vehicle, train, ship, boat, or barge and which is also used to supply mechanical or electrical power to ancillary equipment (e.g., crane, drill, winch, etc.) which is affixed to or is a part of the vehicle, train, ship, boat, or barge. ~~Facilities which include cargo loading or unloading from cargo carriers other than motor vehicles shall include the cargo carriers as part of the source which receives or loads the cargo.~~

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00; 8/1/01)*

**2-1-115 Exemption, Particulate Sources at Quarries, Mineral Processing and Biomass Facilities:** The following potential PM<sub>2.5</sub> and PM<sub>10</sub> sources are exempt from the requirements of sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 115.1 Sources located at quarrying; mineral or ore handling or processing; concrete production; asphaltic concrete production; marine bulk transfer stations; concrete or asphaltic concrete recycling; vehicle shredding; glass manufacturing; handling or processing of cement, coke, lime, flyash, fertilizer, or catalyst; or other similar facility which meets one of the following:
  - 1.1 Mixer and other ancillary sources at concrete or aggregate product production facilities with a maximum rated production capacity less than 15 cubic yards (yd<sup>3</sup>) per hour;
  - 1.2 Other source at a facility with a maximum throughput less than 5000 tons per year;
  - 1.3 Operating, loading and unloading a crusher or grinder which processes exclusively material with a moisture content greater than or equal to 20 percent by weight;
  - 1.4 Operating, loading and unloading the following sources which process exclusively material with a moisture content greater than or equal to 5 percent by weight:
    - 1.4.1 Screen or other size classification;
    - 1.4.2 Conveyor, screw, auger, stacker or bucket elevator;
    - 1.4.3 Grizzly, or other material loading or unloading;
    - 1.4.4 Storage silos;
    - 1.4.5 Storage or weigh hopper/bin system.
  - 1.5 Haul or access roads;
  - 1.6 Drilling or blasting.
- 115.2 Sources located at biomass recycling, composting, landfill, POTW, or related facilities ~~specializing in the operation of, including,~~ but not limited to, the following:
  - 2.1 Tub grinder powered by a motor with a maximum output rating less than 10 horsepower;
  - 2.2 Hogger, shredder or similar source powered by a motor with a maximum output rating less than 25 horsepower;
  - 2.3 Other biomass processing/handling sources at a ~~facilities~~facility with a total throughput less than 500 tons per year.

*\_(Amended 6/7/95; 5/17/00)*

**2-1-116 Exemption, Furnaces, Ovens and Kilns:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 116.1 Porcelain enameling furnaces, porcelain enameling drying ovens, vitreous enameling furnaces or vitreous enameling drying ovens.
- 116.2 Crucible furnaces, pot furnaces, induction furnaces, cupolas, electric arc furnaces, reverberatories, or blast furnaces with a capacity of 1000 lbs or less each.
- 116.3 Crucible furnaces, pot furnaces, or induction furnaces for sweating or distilling that process 100 tons per year of all metals or less.
- 116.4 Drying or heat-treating ovens with less than 10 million BTU per hour capacity provided that a) the oven does not emit pollutants other than combustion products and b) the oven is fired exclusively with natural gas (including compressed natural gas), liquefied petroleum gas (e.g. propane, butane, isobutane, propylene, butylenes, and their mixtures), or any combination thereof.
- 116.5 Ovens used exclusively for the curing of plastics which are concurrently being vacuum held to a mold, or for the softening and annealing of plastics.
- 116.6 Ovens used exclusively for the curing of vinyl plastisols by the closed mold curing process.
- 116.7 Ovens used exclusively for curing potting materials or castings made with epoxy resins.

- 116.8 Kilns used for firing ceramic ware, heated exclusively by natural gas, liquefied petroleum gas, electricity or any combination thereof.
- 116.9 Parts cleaning, bake-off, and similar ovens that meet both of the following:
  - 9.1 Oven is equipped with a secondary combustion chamber or abated by a fume incinerator; and
  - 9.2 Internal oven volume is 1 cubic yard or less.
- 116.10 Electric ovens used exclusively for curing or heat-treating where no significant off-gassing or evaporation of any air contaminants occurs.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*

**2-1-117 Exemption, Food and Agricultural Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 117.1 Smokehouses or barbecue units in which the maximum horizontal inside cross sectional area does not exceed 20 square feet.
- 117.2 Equipment at facilities other than restaurants, cafeterias or other retail operations, which is used to dry, cook, fry, bake, or grill less than 1000 tons per year of food products.
- 117.3 Any oven with a total production of yeast leavened bakery products of less than 10,000 pounds per operating day, averaged over any period of seven consecutive days, and which is heated either electrically or exclusively by natural gas firing with a maximum capacity of less than 10 million BTU per hour.
- 117.4 Equipment used exclusively to grind, blend, package, or store tea, cocoa, spices, or coffee.
- 117.5 Equipment used to dry, mill, grind, blend, or package less than 1000 tons per year of dry food products such as seeds, grains, corn, meal, flour, sugar, and starch.
- 117.6 Equipment used to convey, transfer, clean, or separate less than 1000 tons per year of dry food products or waste from food production operations.
- 117.7 Storage equipment or facilities containing dry food products; which are not vented to the outside atmosphere, or which handle less than 1000 tons per year.
- 117.8 Coffee, cocoa and nut roasters with a roasting capacity of less than 15 pounds of beans or nuts per hour; and any stoners or coolers operated in conjunction with these roasters.
- 117.9 Containers, reservoirs, tanks, or loading equipment used exclusively for the storage or loading of beer, wine or other alcoholic beverages.
- 117.10 Fermentation tanks for beer or wine. Fermentation tanks used for the commercial production of yeast for sale are not exempt.
- 117.11 Brewing operations at facilities producing less than 3 million gallons per year of beer.
- 117.12 Fruit sulfuring operations at facilities producing less than 10 tons per year of sulfured fruits and vegetables.

*(Adopted 10/19/83; Amended 4/16/86; 7/17/91; 6/7/95; 5/17/00)*

**2-1-118 Exemption, Surface Preparation and Cleaning Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 118.1 Permanent abrasive blasting source, as defined by Regulation 12, Rule 4, that has a confined volume less than 100 cubic feet (ft<sup>3</sup>) and is abated by a particulate filter.
- 118.2 Blast cleaning equipment using a suspension of abrasive in water.
- 118.3 Portable abrasive blasting equipment used on a temporary basis within the District.
- 118.4 Equipment, including solvent cold cleaners using an unheated solvent mixture for surface preparation, cleaning, wipe cleaning, fluxing or stripping by use of solutions with a VOC content less than or equal to 50 grams per liter (0.42 lb/gal).
- 118.5 Equipment using a heated solvent mixture for steam cleaning, surface preparation, fluxing, stripping, wipe cleaning, washing or drying products, provided that a) only solutions containing less than 2.5 percent VOC (wt) are



used; and b) any combustion sources used in the process are exempt under Section 2-1-114.

118.6 Equipment or operations which use unheated solvent and which contain less than 1 gallon of solvent or have a liquid surface area of less than 1 ft<sup>2</sup>. This exemption does not apply to solvent stations at semiconductor manufacturing operation fabrication areas or aerospace stripping operations.

118.7 Deleted December 21, 2004

118.8 Batch solvent recycling equipment where all of the following apply:

8.1 Recovered solvent is used primarily on site (more than 50% by volume); and

8.2 Maximum heat input (HHV) is less than 1 million BTU per hour; and

8.3 Batch capacity is less than 150 gallons.

118.9 Wipe cleaning at a facility ~~with a that meets one of the following:~~

9.1 net cleanup solvent usage less than 20 gallons per year; from all wipe cleaning operations; or which emits

9.2 emission to the atmosphere of less than 150 ~~lb~~/pounds per year of uncontrolled VOC from all wipe cleaning operations.

At a facility with total wipe cleaning emissions greater than 150 lb/yr, wipe cleaning operations may be grouped per Section 2-1-401.4.

118.10 Any solvent cleaning or surface preparation source which employs only non-refillable hand held aerosol cans.

118.11 Spray gun cleaning performed in compliance with Regulation 8, provided the cleaning is associated with a source, such as a spray booth, subject to the requirements of Section 2-1-301 and 302.

*(Adopted 10/19/83; Amended 4/16/86; 8/2/89; 7/17/91; 6/7/95; 5/17/00; 12/21/04)*

**2-1-119 Exemption, Surface Coating and Printing Equipment:** The following equipment and operations are exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

119.1 Any powder coating operation, or radiation cured coating operation where ultraviolet or electron beam energy is used to initiate a reaction to form a polymer network.

119.2 Any coating, adhesive, dipping, laminating, screening, masking, electrodeposition, resist application, or similar source or operation at any facility that is not operated or conducted as part of a graphic arts operation, which:

2.1 Consumes a total of less than 30 gallons of coating, adhesive, laminate or resist per year on a facility wide basis, or emits less than 150 pounds per year of uncontrolled VOC on a facility wide basis, resulting from the application of these materials; or

2.2 Uses exclusively materials that contain less than one percent VOC (wt).

At a facility with emissions from these sources or operations of greater than 150 lb/yr, these sources or operations may be grouped per Section 2-1-401.3.

119.3 Any coating source which employs only non-refillable hand held aerosol cans.

119.4 An oven associated with an exempt coating source, provided that the oven is electrically heated, or the oven is fired exclusively with natural gas, liquefied petroleum gas (e.g. propane, butane, isobutane, propylene, butylenes, and their mixtures) and the maximum firing rate is less than 10 million BTU per hour.

119.5 Any graphic arts operation that emits less than 400 pounds of uncontrolled VOC emissions per month on a facility-wide basis.

*(Adopted 10/19/83; Amended 4/16/86; 7/17/91; 6/7/95; 5/17/00; 12/21/04; 11/19/08)*

**2-1-120 Exemption, Dry Cleaning Equipment:** Any dry cleaning facility which uses (gross consumption) less than 200 gallons of petroleum solvent or any other non-halogenated solvent in any single year is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319; the facility is in compliance with the registration requirement in Regulation 8, Rule 17, Section 404; and the equipment does not use solvent that contains perchloroethylene or more than 1% by weight of any other halogenated compound.

**2-1-121 Exemption, Material Working and Handling Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 121.1 Equipment used for buffing, carving, cutting, drilling, grinding, machining, planing, routing, sanding, sawing, shredding, stamping or turning of wood, ceramic artwork, ceramic precision parts, leather, metals, plastics, rubber, fiberboard, masonry, glass, silicon, semiconductor wafers, carbon or graphite, provided that organic emissions from the use of coolant, lubricant, or cutting oil are 5 ton/yr or less.
- 121.2 Equipment used for pressing or storing sawdust, wood chips or wood shavings.
- 121.3 Equipment used exclusively to mill or grind coatings and molding compounds in a paste form provided the solution contains less than one percent VOC (wt).
- 121.4 Tumblers used for the cleaning or deburring of metal products without abrasive blasting.
- 121.5 Batch mixers with a rated working capacity of 55 gallons or less.
- 121.6 Mixing equipment provided no material in powder form is added and mixture contains less than one percent VOC (wt).
- 121.7 Equipment used exclusively for the mixing and blending of materials at ambient temperature to make water based adhesives.
- 121.8 Equipment used exclusively for the mixing and packaging of lubricants or greases.
- 121.9 Presses used exclusively for extruding metals, minerals, plastics or wood.
- 121.10 Presses used for the curing of rubber products and plastic products. The use of mold release products or lubricants is not exempt unless the VOC content of these materials is less than or equal to 1 percent, by weight, or unless the total facility-wide uncontrolled VOC emissions from the use of these materials are less than 150 lb/yr.
- 121.11 Platen presses used for laminating.
- 121.12 Roll mills or calendars for rubber or plastics.
- 121.13 Equipment used exclusively for forging, pressing, rolling, stamping or drawing metals or for heating metals immediately prior to forging, pressing, rolling, stamping or drawing, provided that: (1) maximum fuel use rate is less than 10 million BTU/hr; (2) no lubricant with an initial boiling point less than 400°F is used; and (3) organic emissions are 5 ton/yr or less.
- 121.14 Atmosphere generators used in connection with metal heat treating processes.
- 121.15 Equipment used exclusively for the sintering of glass or metals.
- 121.16 Equipment used exclusively for the melting or applying of wax containing less than one percent VOC (wt).
- 121.17 Equipment used exclusively for conveying and storing plastic pellets.
- 121.18 Solid waste transfer stations that receive or load out a total of all material less than 50 tons/day.
- 121.19 Inactive solid waste disposal sites which do not have an operating landfill gas collection system.

**2-1-122 Exemption, Casting and Molding Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

- 122.1 Molds used for the casting of metals.
- 122.2 Foundry sand mold forming equipment to which no heat is applied, except processes utilizing organic binders yielding in excess of 0.25% free phenol by weight of sand.
- 122.3 Shell core and shell-mold manufacturing machines.
- 122.4 Equipment used for extrusion, compression molding and injection molding of plastics. The use of mold release products or lubricants is not exempt unless the VOC content of these materials is less than or equal to 1 percent, by

weight, or unless the total facility-wide uncontrolled VOC emissions from the use of these materials are less than 150 lb/yr.

122.5 Die casting machines.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*

**2-1-123**

**Exemption, Liquid Storage and Loading Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

123.1 Storage tanks and storage vessels having a capacity of less than 260 gallons.

123.2 Tanks, vessels and pumping equipment used exclusively for the storage or dispensing of any aqueous solution which contains less than 1 percent (wt) organic compounds. Tanks and vessels storing the following materials are not exempt.

2.1 Sulfuric acid with an acid strength of more than 99.0% by weight.

2.2 Phosphoric acid with an acid strength of more than 99.0% by weight.

2.3 Nitric acid with an acid strength of more than 70.0% by weight.

2.4 Hydrochloric acid with an acid strength of more than 30.0% by weight.

2.5 Hydrofluoric acid with an acid strength of more than 30.0% by weight.

2.6 More than one liquid phase, where the top phase contains more than one percent VOC (wt).

123.3 Containers, reservoirs, tanks or loading equipment used exclusively for:

3.1 Storage or loading of liquefied gases.

3.2 Storage or loading of organic liquids or mixtures containing organic liquids; where the initial boiling point of the organics is greater than 302°F and exceeds the actual storage temperature by at least 180°F. This exemption does not apply to the storage or loading of asphalt or asphalt emulsion with a sulfur content equal to or greater than 0.5 wt%.

3.3 The storage or loading of petroleum oils with an ASTM D-93 (PMCC) flash point of 130°F or higher, when stored or loaded at a temperature at least 36°F below the flash point.

3.4 The storage or loading of lubricating oils.

3.5 The storage of fuel oils with a gravity of 40 API or lower and having a capacity of 10,000 gallons or less.

3.6 The storage or loading of liquid soaps, liquid detergents, tallow, or vegetable oils, waxes or wax emulsions.

3.7 The storage of asphalt or asphalt emulsion with a sulfur content of less than 0.5 wt%. This does not include the storage of asphalt cutback with hydrocarbons having an initial boiling point of less than 302°F.

3.8 The storage of wine, beer or other alcoholic beverages.

3.9 The storage of organic salts or solids in an aqueous solution or suspension, provided that no liquid hydrocarbon layer forms on top of the aqueous phase.

3.10 The storage or loading of fuel oils with a gravity of 25 API or lower.

3.11 The storage and/or transfer of an asphalt-water emulsion heated to 150°F or less.

123.4 Tank seal replacement. For any tank subject to Regulation 8, Rule 5, any new seal must comply with the applicable provisions of Regulation 8, Rule 5, and the District must receive written notification of the tank source number and seal type at least three days prior to the installation.

*(Adopted 10/19/83; Amended 7/11/84; 7/17/91; 6/7/95; 5/17/00)*

**2-1-124**

**Exemption, Semiconductor Manufacturing:** Semiconductor fabrication area(s) at a facility which complies with all of the following are exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

124.1 Net solvent usage is less than 20 gallons of VOC per year on a facility wide basis; or uncontrolled VOC emissions to the atmosphere resulting from the usage of solvent are less than 150 pounds per year of VOC on a facility wide basis, and

124.2 Maskant and/or coating usage is less than 30 gallons per year, on a facility wide basis; or uncontrolled VOC emissions from the application of maskant and coatings are less than 150 pounds per year on a facility wide basis.

*(Adopted 10/19/83; Amended 1/9/85; 4/16/86; 7/17/91; 6/7/95; 10/20/99; 5/17/00)*

**2-1-125 Exemption, Printed Circuit Board Manufacturing Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

125.1 Equipment used exclusively for:

- 1.1 Plating of printed circuit boards.
- 1.2 Buffing, polishing, carving, cutting, drilling, machining, routing, sanding, sawing, surface grinding or turning of printed circuit boards.
- 1.3 Soldering. This section does not exempt fluxing and finger cleaning (see Section 2-1-118.4).

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*

**2-1-126 Exemption, Testing Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

126.1 Equipment used for hydraulic or hydrostatic testing.

126.2 Bench scale laboratory equipment or processes used exclusively for chemical or physical analyses or experimentation, quality assurance and quality control testing, research and development, or similar bench scale equipment, excluding pilot plants.

126.3 Equipment used for inspection of metal products.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*

**2-1-127 Exemption, Chemical Processing Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

127.1 Equipment used exclusively for the dyeing or stripping (bleaching) of textiles provided that only solutions containing less than one percent VOC (wt) are used.

127.2 Photographic process equipment by which an image is reproduced upon material sensitized to radiant energy.

127.3 Containers, reservoirs, or tanks used exclusively for electrolytic plating with, or electrolytic polishing of, or electrolytic stripping of the following metals: aluminum, brass, bronze, cadmium, copper, iron, nickel, tin, zinc and precious metals.

127.4 Containers, reservoirs, or tanks used exclusively for etching (not chemical milling), except where ammonia or ammonium-based etchants are used.

*(Adopted 10/19/83; Amended 7/17/91; 6/7/95; 5/17/00)*

**2-1-128 Exemption, Miscellaneous Equipment:** The following equipment is exempt from the requirements of Sections 2-1-301 and 302, provided that the source does not require permitting pursuant to Section 2-1-319.

128.1 Comfort air conditioning or comfort ventilating systems which are not designed to remove air contaminants generated by or released from specific units of equipment.

128.2 Refrigeration units except those used as, or in conjunction with, air pollution control equipment.

128.3 Vacuum producing devices in laboratory operations which are used exclusively in connection with other equipment which is exempted by this Rule, and vacuum producing devices which do not remove or convey air contaminants from another source.

128.4 Water cooling towers and water cooling ponds not used for evaporative cooling of process water, or not used for evaporative cooling of water from barometric jets or from barometric condensers.

128.5 Natural draft hoods, natural draft stacks or natural draft ventilators.

128.6 Vacuum cleaning system used exclusively for industrial commercial or residential housekeeping purposes.

128.7 Equipment used to liquefy or separate oxygen, nitrogen or the rare gases from the air.

- 128.8 Equipment used exclusively to compress or hold dry natural gas, excluding drivers.
- 128.9 Equipment used exclusively for bonding lining to brake shoes.
- 128.10 Equipment used exclusively for the manufacture of water emulsions of waxes, greases or oils.
- 128.11 Brazing, soldering or welding equipment.
- 128.12 Pharmaceutical manufacturing equipment with annual VOC emissions less than 150 pounds per source. Material working and handling equipment such as mills, grinders, blenders, granulators, tablet presses, capsule fillers, packagers, and conveyors are only exempt if the source also processes less than 100 tons per year of pharmaceutical products.
- 128.13 Equipment used exclusively to blend or package cosmetics.
- 128.14 Any wastewater (oil-water) separator, as defined in Regulation 8, Rule 8, which processes less than 200 gallons per day of waste water containing organic liquids.
- 128.15 Exploratory drilling activities for methane recovery at waste disposal sites, for natural gas or for oil. Production wells for the above operations are not exempt.
- 128.16 Passive aeration of soil, only if:
- 16.1 The duration of the passive aeration operation will not exceed three months, and
  - 16.2 The soil is not being used as a cover material at a landfill.
- 128.17 Ozone generators which produce less than 1 pound per day of ozone.
- 128.18 Any source or operation which exclusively uses consumer products regulated by the California Air Resources Board (California Code of Regulations Title 17, Article 2, Sections 94507-94517).
- 128.19 Any source or operation deemed by the APCO to be equivalent to a source or operation which is expressly exempted by Sections 2-1-113 through 128.
- 128.20 Wastewater pumping stations where no treatment is performed, excluding any drivers.
- 128.21 Modification, replacement, or addition of ~~fugitive~~ components ~~(e.g. that have only fugitive emissions during routine operation (e.g. valves, flanges, pumps, compressors, relief valves, process drains) at existing permitted process unit equipment~~ at petroleum refineries, chemical plants, bulk terminals or bulk plants, provided that:
- 21.1 the cumulative modification, replacement or addition of the components will not result in any increase in emissions of any source at the facility (other than the fugitive emissions from the components being modified, replaced or added) in such a manner as to result in a modification of such source as defined in Section 2-1-234 (e.g., through debottlenecking of a source);
  - 21.2 the total allowable fugitive emissions from all additional components installed pursuant to this exemption at a given process unit during any consecutive twelve month period do not exceed 10 lb/day, and that (or, for components that are not associated with a process unit, the total allowable fugitive emissions from all additional components installed at the facility that are not associated with a process unit during any twelve-month period do not exceed 10 lb/day), based on the maximum fugitive emissions rate allowed under District regulations;
  - 21.3 the components installed satisfy the "typical control technology" listed in the BACT/TBACT Workbook;
  - 21.4 the components meet applicable requirements of Regulation 8 rules; and
  - 21.5 fugitive emissions from the components are included when calculating emissions from the equipment on which the components are installed for purposes of applying District regulations to that equipment (e.g., BACT and offsets requirements).
- 128.22 Fuel cells that use phosphoric acid, molten carbonate, proton exchange membrane, solid oxide or equivalent technologies.

128.23 Structure demolition that does not involve asbestos or asbestos containing materials.

*(Adopted 10/19/83; Amended 7/16/86; 7/17/91; 6/7/95; 5/17/00; 11/15/00; 12/21/04)*

**2-1-129 Major Facility Review:** Notwithstanding the exemptions listed in this section, every source exempted by this Rule shall be included in any application for a synthetic minor or major facility review permit required by Regulation 2, Rule 6.

*(Adopted 12/3/93; Amended 2/1/95; 5/17/00)*

**2-1-130 Effect of Explanatory Notes:** The explanatory notes that are included in italics following certain provisions in Regulation 2 are intended to help readers better understand the regulatory context of these provisions. They are not intended to be binding as regulatory requirements. Where such notes are provided, it is the text of the regulatory provision itself, and not the text of the notes, that establishes the binding legal requirements of the provision.

## 2-1-200 DEFINITIONS

~~**2-1-201 Emission Reduction Credits:** An emission reduction, calculated in accordance with Regulation 2-2-605, which exceeds the emission reductions required by measures in the Air Quality Management Plan or the Clean Air Plan approved by the BAAQMD or required by federal, state, or District laws, rules, and regulations. To qualify as an emission reduction credit the emission reduction must be in excess of the reductions achieved by the source using Reasonably Available Control Technology (RACT), and must also be real, permanent, quantifiable, and enforceable.~~

~~201.1 Unless calculated in accordance with the procedures of Regulation 2-2-605, that portion of an NSR emission cap, which was part of an APCO approved alternative baseline, shall not qualify as an emission reduction credit.~~

~~201.2 All emission reduction credits shall be enforceable by permit conditions in the authority to construct and permit to operate, except that in the case of source closures where no permit is required for the source being shut down, the emission reduction credit shall be enforceable through appropriate contractual provisions in a legally binding and irrevocable written agreement which provisions will be made expressly for the benefit of the District. The permanence of a closure shall be identified in a letter from the source and/or in a Banking Certificate.~~

*(Amended 7/17/91; 6/15/94)*

~~**2-1-201** [Deleted 2012.]~~

~~**2-1-202 Complete Application:** An application that contains *all of the following:*~~

~~202.1 Sufficient information for the APCO to determine the emissions from such new or modified source and to quantify emissions from the proposed source(s) of offsets or credits required under Regulation 2-1-402.~~

~~202.2 Any information requested by the APCO in order to determine the air quality impact of the application.~~

~~202.3 All applicable fees, as described in Regulation 3.~~

~~202.4 The information required by Regulation 2-2-414 and 417 provided the application is subject to the PSD requirements of Regulations 2-2-304, 305, 306, or 308.~~

~~202.5 CEQA-related information that satisfies the requirements of Section 2-1-426.~~

~~202.6 A certification, stating whether the source triggers the requirements of Section 2-1-412.~~

~~202.7 A specific designation of any information contained in the application which is asserted to be a trade secret pursuant to Section 6254.7 of the Government Code and not a public record. The applicant shall submit two copies of each page containing trade secret information. One copy shall be clearly labeled "Trade Secret," and each trade secret item shall be clearly marked. The second copy shall be clearly labeled "Public Copy," and each trade secret item shall be redacted. The applicant shall include, for each item which is asserted to be a trade secret, a statement signed by a responsible representative of the applicant identifying that portion of Government Code Section 6254.7 (d) upon which the assertion is based and a brief statement setting forth the basis for this assertion.~~

**2-1-203 Fugitive Emissions:** Fugitive emissions are all emissions from unintended openings in process equipment, emissions occurring from miscellaneous activities relating to the operation of a facility, and those emissions which could not reasonably pass through a stack, chimney, vent or other functionally equivalent opening.

(Adopted October 19, 1983)

~~2-1-204 Major Facility: A major facility is any of the following:~~

~~204.1 Major Facility, MFR (Regulated Air Pollutants): A facility that has the potential to emit 100 tons per year or more of any regulated air pollutant except total suspended particulate. For fugitive emissions of regulated air pollutants, only the fugitive emissions from facility categories listed in 40 CFR 70.2 "Definitions - Major source (2)" shall be included in determining whether the facility is a major facility. Once any facility is determined to be a major facility, all fugitive emissions from the facility shall be included in calculating the facility's emissions.~~

~~204.2 Major Facility, MFR (Hazardous Air Pollutants): A facility that has the potential to emit 10 tons per year or more of a single hazardous air pollutant, 25 tons per year or more of a combination of hazardous air pollutants, or such lesser quantity as the EPA Administrator may establish by rule. All fugitive emissions of hazardous air pollutants are included in determining a facility's potential to emit. For radionuclides, the definition of a major facility shall be specified by the EPA Administrator by rule.~~

~~204.3 A facility with permit conditions that limit emissions to a level that is greater than the above thresholds is defined as a major facility.~~

(Amended 7/17/91; 11/3/93; 5/17/00)

~~2-1-205 National Ambient Air Quality Standards (NAAQS): Levels of air pollution that have been established by the Environmental Protection Agency. All references to NAAQS shall be interpreted to include state ambient air quality standards.~~

(Amended 10/7/81; 4/6/88)

~~2-1-206 Organic Compound: Any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate and methane.~~

~~2-1-204 [Deleted, 2012]~~

~~2-1-205 [Deleted, 2012]~~

~~2-1-206 [Deleted, 2012]~~

**2-1-207 Organic Compound, Non-Precursor (NPOC):** The following are considered non-precursor organic compounds:

~~methylene chloride; chloropentafluoroethane (CFC-115); 1,1,1-trichloroethane; 1,1,1-trifluoro-2,2-dichloroethane (HFC-123); 2-chloro-1,1,1,2-tetrafluoroethane (HCFC-124); trichlorofluoromethane(CFC-11); 1,1,2-trichloro-1,2,2-trifluoroethane (CFC-113); pentafluoroethane (HFC-125); 1,1,2,2-tetrafluoroethane (HFC-134); 1,1,1,2-tetrafluoroethane (HFC-134a); dichlorodifluoromethane (CFC-12); 1,1-dichloro-1-fluoroethane (HFC-141b); 1-chloro-1,1-difluoroethane (HCFC-142b); 1,1,1-trifluoroethane (HFC-143a); 1,2-dichloro-1,1,2,2-tetrafluoroethane (CFC-114); 1,1-difluoroethane (CFC-152a); chlorodifluoromethane (HCFC-22); trifluoromethane (HFC-23), and perfluorocarbons which fall into these classes:~~

~~(1) methane; ethane; methylene chloride (dichloromethane); 1,1,1-trichloroethane (methyl chloroform); chloropentafluoroethane (CFC-115); 1,1,1-trifluoro-2,2-dichloroethane (HFC-123); 1,1,1,2-tetrafluoroethane (HFC-134a); 1,1-dichloro-1-fluoroethane (HCFC-141b); 1-chloro-1,1-difluoroethane (HCFC-142b); 2-chloro-1,1,1,2-tetrafluoroethane (HCFC-124); pentafluoroethane (HFC-125); 1,1,2,2-tetrafluoroethane (HFC-134); 1,1,1-trifluoroethane (HFC-143a); 1,1-difluoroethane (HFC-152a); perchlorobenzotrifluoride (PCBTF); cyclic, branched, or linear completely methylated siloxanes; acetone; perchloroethylene (tetrachloroethylene); 3,3-dichloro-1,1,1,2,2-pentafluoropropane (HCFC-225ca); 1,3-dichloro-1,1,2,2,3-pentafluoropropane (HCFC-225cb); 1,1,1,2,3,4,4,5,5,5-decafluoropentane (HFC-43-10mee); difluoromethane (HFC-32); ethylfluoride (HFC-161); 1,1,1,3,3,3-hexafluoropropane (HFC-236fa); 1,1,2,2,3-pentafluoropropane~~

(HFC-245ca); 1,1,2,3,3-pentafluoropropane (HFC-245ea); 1,1,1,2,3-pentafluoropropane (HFC-245eb); 1,1,1,3,3-pentafluoropropane (HFC-245fa); 1,1,1,2,3,3-hexafluoropropane (HFC-236ea); 1,1,1,3,3-pentafluorobutane (HFC-365mfc); chlorofluoromethane (HCFC-31); 1 chloro-1-fluoroethane (HCFC-151a); 1,2-dichloro-1,1,2-trifluoroethane (HCFC-123a); 1,1,1,2,2,3,3,4,4-nonafluoro-4-methoxy-butane (C<sub>4</sub>F<sub>9</sub>OCH<sub>3</sub> or HFE-7100); 2-(difluoromethoxymethyl)-1,1,1,2,3,3,3-heptafluoropropane ((CF<sub>3</sub>)<sub>2</sub>CFCF<sub>2</sub>OCH<sub>3</sub>); 1-ethoxy-1,1,2,2,3,3,4,4,4-nonafluorobutane (C<sub>4</sub>F<sub>9</sub>OC<sub>2</sub>H<sub>5</sub> or HFE-7200); 2-(ethoxydifluoromethyl)-1,1,1,2,3,3,3-heptafluoropropane ((CF<sub>3</sub>)<sub>2</sub>CFCF<sub>2</sub>OC<sub>2</sub>H<sub>5</sub>); methyl acetate, 1,1,1,2,2,3,3-heptafluoro-3-methoxy-propane (n-C<sub>3</sub>F<sub>7</sub>OCH<sub>3</sub>, HFE-7000), 3-ethoxy-1,1,1,2,3,4,4,5,5,6,6,6-dodecafluoro-2-(trifluoromethyl) hexane (HFE-7500), 1,1,1,2,3,3,3-heptafluoropropane (HFC 227ea), methyl formate (HCOOCH<sub>3</sub>), (1) 1,1,1,2,2,3,4,5,5,5-decafluoro-3-methoxy-4-trifluoromethyl-pentane (HFE-7300); propylene carbonate; dimethyl carbonate; and perfluorocarbon compounds which fall into these classes:

- (i) Cyclic, branched, or linear, completely fluorinated alkanes;
- (2) (ii) Cyclic, branched, or linear, completely fluorinated ethers with no unsaturations;
- (3) (iii) Cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations; and
- (4) (iv) Sulfur containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon

In addition, any compound designated as having a negligible contribution to photochemical reactivity by the U.S. Environmental Protection Agency as published in the Federal Register shall be considered a Non-Precursor Organic Compound.

*(Amended 7/17/91; 6/15/94)*

**2-1-208 Organic Compound, Precursor: (POC):** Any organic compound as defined in Regulation 1-233, excepting the non-precursor organic compounds, as defined in Section 2-1-207.

*(Adopted 3/17/82; Amended 7/17/91)*

~~**2-1-209 Reasonably Available Control Technology (RACT):** For sources that are to continue operating, RACT is the lowest emission limit that can be achieved by the specific source by the application of control technology taking into account technological feasibility and cost-effectiveness, and the specific design features or extent of necessary modifications to the source. For sources which are or will be shut-down, RACT is the lowest emission limit that can be achieved by the application of control technology to similar, but not necessarily identical categories of sources, taking into account technological feasibility and cost-effectiveness of the application of the control technology to the category of sources only and not to the shut-down source.~~

~~**2-1-209** [Deleted, 2012]~~

*(Adopted 3/17/82, Amended 10/19/83; 12/21/04)*

**2-1-210 Start-Up Period:** The period of time between initial operation and the issuance or denial of a permit to operate of a source or facility.

*(Adopted October 19, 1983)*

**2-1-211 CEQA:** The California Environmental Quality Act, Public Resources Code, Section 21000, et seq.

*(Adopted July 17, 1991)*

**2-1-212 EIR:** Environmental Impact Report, as defined in Public Resources Code Section 21000 et seq 21061.

*(Adopted 7/17/91; Amended 5/17/00)*

**2-1-213 Facility:** Any ~~property~~source, building, structure or installation ~~or that emits or may emit any air pollutant; or any aggregation of facilities such sources, buildings, structures or installations that are~~ (i) located on one or more contiguous or adjacent properties ~~and;~~ (ii) ~~are~~ under common ownership or control ~~of;~~ and (iii) ~~are considered to be in~~ the same person that emits or may emit any air pollutant and is ~~considered a single~~ major industrial grouping (identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*). ~~In addition, facilities that include cargo loading or unloading from cargo carriers other than motor vehicles shall include~~ For purposes of this definition, a Support Facility as defined in Section 2-1-242 is considered to be in the cargo carriers as part of the source which receives or loads the cargo. Accordingly, all emissions from such carriers while operating in the



~~District, or within California Coastal Waters adjacent to the District, shall be included same major industrial grouping as part of the source emission the facility it supports, regardless of what code may nominally apply under *The Standard Industrial Classification Manual*.~~

~~(Adopted 11/3/93; Amended 12/21/04)~~

**2-1-214 Federally Enforceable:** All limitations and conditions ~~which that~~ are enforceable by the Administrator of the U. S. EPA, including ~~but not limited to (i)~~ requirements developed pursuant to 40 CFR Parts 60 (NSPS), 61 (NESHAPS), 63 (HAP), 70 (State Operating Permit Programs) and 72 (Permits Regulation, Acid Rain); ~~(ii)~~ requirements contained in the State Implementation Plan (SIP) that are applicable to the District, ~~any District permit requirements established pursuant to 40 CFR 52.21 (PSD) or (iii)~~ District regulations approved pursuant to 40 CFR Part 51, Subpart I (NSR), ~~and~~; ~~(iv)~~ requirements in any operating ~~permits permit~~ issued under an EPA-approved program that is a part of the SIP and expressly requires adherence to any permit issued under such program, ~~including requirements of any District permit condition (excluding conditions that are not enforceable by the Administrator of the U.S. EPA); and (v) requirements in federal consent decrees that are enforceable by the Administrator of the U.S. EPA.~~

~~(Adopted November 3, 1993)~~

**2-1-215 Hazardous Air Pollutant (HAP):** Any pollutant that is listed pursuant to Section 112(b) of the federal Clean Air Act.

~~(Adopted 11/3/93; Amended 5/17/00)~~

~~**2-1-216 Major Facility Review (MFR):** Plantwide review of sources, emissions and regulatory requirements at facilities including, but not limited to, major facilities, phase II acid rain facilities, subject solid waste incinerator facilities, and designated facilities, which are potentially subject to the permitting requirements of Regulation 2, Rule 6, and Title V of the federal Clean Air Act.~~

~~(Adopted November 3, 1993)~~

~~**2-1-216** [Deleted / /2012]~~

**2-1-217 Potential to Emit:** The maximum capacity of a source or facility to emit a pollutant based on its physical and operational design. Any physical or operational limitation on the capacity of the source or facility to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as a part of its design only if the limitation, or the effect it would have on emissions, is enforceable by the District or EPA. ~~(or both)~~. A source or facility that exceeds an enforceable limitation is considered to have a potential to emit that is unconstrained by any such exceeded limit.

~~(Adopted 11/3/93; Amended 5/17/00)~~

**2-1-218 Regulated Air Pollutant:** ~~The following air pollutants (as defined~~ Except for purposes of major facility review in connection with Regulation 1) ~~are 2, Rule 6, for which the definition in Section 2-6-222 applies, a regulated:~~

~~218.1 Nitrogen oxides and volatile organic compounds;~~

~~218.2 Any air pollutant for which a national ambient is any air quality standard has been promulgated;~~

~~218.3 Any Class I or Class II ozone depleting substance subject to a standard promulgated under Title VI of the federal Clean Air Act;~~

~~218.4 Any pollutant that is subject to any standard promulgated under Section 111 of the federal Clean Air Act; and~~

~~218.5 Any pollutant that is subject to any standard promulgated under Section 112 of the federal Clean Air Act, except that a pollutant that is subject solely to Section 112(r) is not a regulated air pollutant a regulation.~~

~~(Adopted 11/3/93; Amended 5/17/00)~~

~~**2-1-219 Synthetic Minor Operating Facility:** A facility which by imposition of facilitywide federally enforceable permit conditions has its potential to emit limited to below the threshold levels for a major facility as defined by Sections 204.1 and 204.2 of this rule and in Section 212 of Regulation 2, Rule 6, and is not otherwise required to apply for a major facility review permit under Regulation 2, Rule 6.~~

~~(Adopted November 3, 1993)~~

- ~~2-1-220~~ **Portable Equipment:** This definition is provided exclusively for determining applicability of Section 2-1-413: Portable Equipment Operated Within the District. "Portable equipment" means any emission unit that, by itself or, in or on a piece of equipment, is portable, meaning designed to be and capable of being carried or moved from one location to another. Indications of portability include, but are not limited to, wheels, skids, carrying handles, dolly trailer, platform or mounting. A piece of equipment is portable, for purposes of obtaining a portable permit under Section 2-1-413, if all of the following are met:
- ~~220.1~~ The equipment will not remain at any single location for a period in excess of twelve consecutive months, following the date of initial operation. Any emission unit, such as back up or standby unit, which replaces an emission unit at that location and is intended to perform the same function as the unit being replaced, will be counted toward the time limitation.
- ~~220.2~~ The source (emission unit) remains or will remain at a location for no more than twelve months, following the date of initial operation, where such a period does not represent the full length of normal annual source operations, such as operations which are seasonal.
- ~~220.3~~ The equipment is not removed from, or stored at, one location for a period and then returned to the same location in an attempt to circumvent the portable equipment residence time requirement.
- ~~220.4~~ The equipment is not operated within 1000 feet of the outer boundary of any K-12 school site, unless the applicable notice requirements of Health and Safety Code Section 42301.6 have been met.
- ~~220.5~~ The operation complies with Regulation 2, Rule 5.
- ~~220.6~~ No air contaminant is released into the atmosphere in sufficient quantities as to cause a public nuisance per Regulation 1-301.
- ~~220.7~~ The operation of the portable equipment in the Air District shall emit no more than 10 tons per year of each pollutant, including POC, CO, NO<sub>x</sub>, PM<sub>10</sub>, NPOC or SO<sub>2</sub>. For PM<sub>10</sub>, fugitive particulate emissions from haul road traffic shall not be counted toward the annual limit.
- ~~220.8~~ The operation must be exempt from CEQA, or must be covered by a chapter in the District's Permit Handbook.
- ~~220.9~~ The equipment will not cause a Synthetic Minor Facility to exceed a federally enforceable emission limit.
- ~~220.10~~ If this equipment remains at any fixed location for more than twelve months, the portable permit will automatically revert to a conventional permanent location permit and will lose its portability. To obtain another portable permit for the equipment, the owner must re-permit the equipment for the next location of intended operations. Upon written request, the APCO may exclude reasonable storage periods before the date of initial operation and/or following the date of final operation from the twelve-month time limitation.
- (Adopted 6/7/95; Amended 10/7/98; 6/15/05)*

~~2-1-219~~ [Deleted, 2012]

~~2-1-220~~ [Deleted, 2012]

- 2-1-221** **Source:** Any article, machine, equipment, operation, contrivance or related groupings of such which may produce and/or emit air pollutants.
- (Adopted June 7, 1995)*
- 2-1-222** **Toxic Air Contaminant (TAC):** An air pollutant that may cause or contribute to an increase in mortality or in serious illness or that may pose a present or potential hazard to human health. For the purposes of this rule, TACs consist of the substances listed in Table 2-5-1 of Regulation 2, Rule 5.
- (Adopted 6/7/95; Amended 5/17/00; 6/15/05)*
- 2-1-223** **Year, Month and Day:** Unless otherwise specified by an operating rule of the District regulation or by a permit condition, a year shall be defined by an applicant or permit holder as one of the following:
- ~~223.1~~ Any consecutive any rolling 12-month period;
- ~~223.2~~ Any consecutive 4 quarter period, where a quarter is 3 consecutive months;
- ~~223.3~~ Any consecutive 52 week period;
- ~~223.4~~ Any consecutive 365 day period;
- ~~223.5~~ Any company fiscal year, provided the fiscal year is 12 consecutive months;

~~223.6 Calendar year;~~

~~223.7 Any other mutually acceptable period.~~

~~In the absence of a rule requirement, permit condition or other information to determine which yearly period applies, the District, a month shall use Section 2-1-223.1 be a calendar month, and a day shall be a calendar day.~~

*(Adopted June 7, 1995)*

**2-1-224 Responsible Laboratory Management Practices:** For the purposes of meeting the laboratory exemption of Section 2-1-113.2.12, Responsible Laboratory Management Practices include all of the following measures for minimizing the emissions of toxic air contaminants:

224.1 Open container procedures involving materials that contain volatile toxic air contaminants (TACs) shall be avoided where feasible.

224.2 Open container storage of volatile hazardous chemical wastes shall be avoided.

224.3 Training for laboratory employees handling hazardous materials shall include information about minimizing the emissions of volatile TACs. These employees shall be directed to avoid open container procedures involving volatile TACs where feasible, and to avoid open container storage of hazardous chemical waste.

224.4 Fume hoods shall be posted with notices reminding employees to avoid open container procedures using volatile TACs where feasible. Laboratories shall be inspected periodically, but not less than annually, to confirm that these notices are present.

224.5 Laboratory fume hoods shall be monitored periodically to assure proper face velocity.

224.6 Evaporation of any hazardous chemical waste containing TACs as a means of disposal shall be expressly forbidden.

*(Adopted June 7, 1995)*

~~**2-1-225 Health Risk Screening Analysis (HSRA):** An analysis that estimates the increased likelihood of health risk for individuals in the affected population that may be exposed to emissions of one or more toxic air contaminants, determined in accordance with Regulation 2-5-603.~~

*{Adopted 6/7/95; Amended 6/15/05}*

~~**2-1-225** [Deleted, 2012]~~

**2-1-226 Statewide Portable Equipment Registration Program:** A uniform system for statewide registration and regulation of portable internal combustion and associated equipment, implemented by the Air Resources Board pursuant to Section 41750 et seq. of the Health and Safety Code.

*(Adopted October 7, 1998)*

**2-1-227 Substantial Use:** Substantial use of an Authority to Construct consists of one or more of the following: purchase or acquisition of the equipment that constitutes the source; ongoing construction activities other than grading or installation of utilities or foundations; a contract or commitment to complete construction of the source within two years.

*(Adopted October 7, 1998)*

**2-1-228 Particulate Matter (PM):** Any airborne finely divided solid or liquid material with an aerodynamic diameter smaller than 100 microns.

*(Adopted October 7, 1998)*

**2-1-229 PM<sub>10</sub>:** Particulate matter with aerodynamic diameter smaller than or equal to a nominal 10 microns. PM<sub>10</sub> emissions shall include gaseous emissions from a source or activity that condense to form particulate matter at ambient temperatures.

*(Adopted October 7, 1998)*

**2-1-230 Functionally Equivalent:** Performing the same, or equivalent, function as the object of comparison. A functionally equivalent replacement source performs the same function for the process as the source being replaced, although emissions and other characteristics may differ. A replacement that performs additional functions is not considered to be functionally equivalent.

*(Adopted October 7, 1998)*

**2-1-231 Semiconductor Fabrication Area:** A physically identifiable area in a semiconductor manufacturing facility where one or more specific operations in the fabrication of semiconductors or related solid state devices occurs and the equipment used to

perform those operations. The semiconductor fabrication area shall not include crystal growth, circuit separation, or encapsulation. All semiconductor fabrication equipment may be grouped into a single fabrication area, or multiple fabrication areas may be established to correspond to product lines or clean room environments.

(Adopted October 20, 1999)

**2-1-232 New Source:** Any source that has not been in existence before, including any source that meets at least one of the following criteria, ~~(except sources which that lose a permit exemption or exclusion in accordance with Regulation 2-1-424; shall be considered a new source:~~

- 232.1 Any source constructed or proposed to be constructed after March 7, 1979, but which never had a valid District authority to construct or permit to operate.
- 232.2 Any source which was not in operation for a period of one year or more and did not hold a valid District permit to operate during this period of non-operation, occurring after March 7, 1979.
- 232.3 Any relocation of an existing source to a non-contiguous property, except for a portable source.
- 232.4 Any replacement of a source, including an identical replacement of a source, occurring after March 7, 1979, regardless of when the original source was constructed.
- 232.5 Any replacement of an identifiable source within a group of sources permitted together under a single source number for the purpose of District permitting convenience.
- 232.6 "Rebricking" of a glass furnace where changes to the furnace design result in a change in heat generation or absorption.

(Adopted May 17, 2000)

**2-1-233 Alter:** To make any physical change ~~to, or, change in the method of operation of, a, or other similar change at an existing source which that~~ may affect air pollutant emissions. ~~Such changes require a permit to operate, and and that does not qualify as a modification under the criteria set forth in Section 2-1-234. The APCO may requireimpose permit conditions, whether or not the in an authority to construct or permit to operate for an alteration results in an emission increase. A change in process stream composition isto ensure that the change authorized by the authority to construct or permit to operate will not an result in a modification under Section 2-1-234. Other forms of the word alter, including altered and alteration if the source's description in the permit and permit conditions allow for the change in process stream composition, and the change does not increase emissions beyond permitted levels. The following activities are specifically identified as "alterations."~~

~~233.1 Replacement of burners with non-identical burners.~~

~~233.2 Maintenance of glass furnaces involving component replacement, unless all replacements are with identical components.~~

~~233.3 Expansion, shall be defined based on the meaning of the physical boundaries of a semiconductor fabrication area.root word "alter".~~

(Adopted 5/17/00; Amended 11/15/00)

**2-1-234 Modified Source:** ~~Any existing source that undergoes a~~**Modify:** To make any physical change, change in method of operation, ~~increasechange~~ in throughput or production, or ~~addition and~~ other similar change at an existing source, that results ~~or may result in any~~ an increase in emissions that is either of the following:

~~234.1 Increase in Potential To Emit: An increase in either the source's daily or annual emission level of any regulated air pollutant, or an increase in the production rate or capacity that is usedpotential to estimate the emission level, that exceeds emission or production levels approved by the Districtemit, determined according to the definition in any authority to construct.~~

~~234.2 An increase in either the daily or annual emission level of any regulated air pollutant, or the production rate or capacity that is used to estimate the emission level, above levels contained in a permit condition in any current permit to operate or major facility review permit.~~

~~234.3 For sources that have never been issued a District authority to construct and that do not have conditions limiting daily or annual emissions, an increase in either daily or annual emission level of any regulated air pollutant, or the~~

~~production rate or capacity that is used to estimate the emission level, above the lower of the Section 2-1-217 and the following requirements.~~

~~3.1 The highest of the following:~~

~~3.1.1 The highest attainable design capacity, as shown in pre-construction design drawings, including process design drawings and vendor specifications.~~

~~3.1.2 The capacity listed in the District permit to operate.~~

~~3.1.3 The highest documented actual levels attained by the source prior to March 1, 2000.~~

~~3.2 The capacity of the source, as limited by the capacity of any upstream or downstream process that acts as a bottleneck (a grandfathered source with an emission increase due to debottlenecking is considered to be modified).~~

~~For the purposes of applying Section 234.3, only increases in annual emission levels shall be considered for storage vessels.~~

~~234.4 The emission of any regulated air pollutant or toxic air contaminant not previously emitted in a quantity that would result in a~~ 1.1 Any legally enforceable limitation and surrogate limits on operating conditions such as production rate or capacity that have the effect of limiting emissions. An hourly emissions limit may be multiplied by 24 to determine daily potential to emit and a daily emissions limit may be multiplied by 365 to determine annual potential to emit, unless the source cannot operate at its full permitted limit for 24 hours per day or 365 days per year or there is some other reason why short-term permit limits do not accurately represent longer-term potential to emit. A permit limit that applies to combined emissions from multiple sources does not establish an individual source's potential to emit, unless the limit imposes an effective, legally enforceable limitation specifically on the emissions from the individual source.

~~1.2 For sources whose emissions are not limited by any legally enforceable limitation (or that cannot physically operate to the full extent of such limitation), the source's potential to emit shall be determined by the source's actual physical ability to emit air pollution. A source's potential to emit shall be determined by the most relevant and reliable technical information available regarding the source's operation, which may include design information, engineering specifications, or other information. A source's potential to emit shall take into account any limitation on the effective capacity of the source as a result of the capacity of any upstream or downstream process that acts as a "bottleneck" (i.e., a limit on the ability of the source to operate at maximum capacity).~~

~~1.3 For emissions toxic air contaminants and hazardous air pollutants, a change is not a modification unless the increase in the source's potential to emit results in an increase in cancer risk (as defined in Regulation 2-5-206) greater than 1.0 in a million (10<sup>-6</sup>) or a~~ an increase in chronic hazard index (as defined in Regulation 2-5-208) greater than 0.20. An increase in emissions of less than the trigger levels specified in Table 2-5-1 in Regulation 2, Rule 5 shall be presumed not to cause an increase in cancer risk of greater than 1.0 in a million or an increase in chronic hazard index of greater than 0.20.

~~For the purposes of applying this definition, an hourly limit or capacity may be converted to a daily limit or capacity by multiplication by 24 hours/day; a daily capacity may be converted to an annual capacity or limit by multiplication by 365 days/year.~~

~~234.2 Increase Over Actual Emissions Baseline: An increase that is a "major modification" under either of the following definitions:~~

~~2.1 Non-Attainment NSR Pollutants: For NO<sub>x</sub>, VOC, PM<sub>2.5</sub>, and SO<sub>2</sub>, a "major modification" as defined in 40 C.F.R. section 51.165(a)(1)(v);~~

~~2.2 Other Federal NSR Pollutants: For other pollutants, a "major modification" as defined in 40 C.F.R. section 51.166(b)(2).~~

For purposes of determining whether an increase in emissions constitutes a “major modification” under Sections 234.2.1 and 234.2.2, all provisions of the major NSR requirements under 40 C.F.R. Sections 51.165 and 51.166, respectively, are incorporated by reference and shall be used in implementing this Section, including (but not limited to): all definitions in Sections 51.165(a)(1) and 51.166(b); the applicability provisions in subsections 51.165(a)(2) and 51.166(a)(7); and the documentation, monitoring, recordkeeping, and reporting requirements in subsections 51.165(a)(6) and (a)(7) and subsections 51.166(r)(6) and (r)(7).

Other forms of the word modify, including modified and modification, shall be defined based on the meaning of the root word “modify”.

*(Adopted 5/17/00; Amended 11/15/00; 6/15/05)*

**2-1-235** ~~**Shutdown:** An action that either: [Deleted, 2012]  
235.1 Causes an emission source to be removed from service temporarily; or  
235.2 Results in a transfer of an emission source’s emitting activity to another source within the control of the same operator.~~

*(Adopted May 17, 2000)*

~~**2-1-236** **Closure:** Permanent removal of a source from service.~~

*(Adopted May 17, 2000)*

~~**2-1-236** [Deleted, 2012]~~

**2-1-237** **BACT/TBACT Workbook:** ~~The District guidelines, which set~~ setting forth emission limitations and/or control technologies constituting BACT and TBACT for a number of source types or categories.

*(Adopted June 15, 2005)*

**2-1-238** **Clean Air Act:** The federal Clean Air Act, as amended in 1990, including the implementing regulations.

*(Adopted June 15, 2005)*

**2-1-239** **Agricultural Source:** A source of air pollution, or group of sources, used in the production of crops, or the raising of fowl or animals located on contiguous property under common ownership or control that meets any of the following criteria:

- 239.1 Is a confined animal facility as defined under Regulation 2, Rule 10;
- 239.2 Is an internal combustion engine used in the production of crops or the raising of fowl or animals, including, but not limited to, an engine subject to Article 1.5 (commencing with Section 41750) of Chapter 3 of Part 4 of Division 26 of the California Health and Safety Code, except an engine that is used to propel implements of husbandry as that term is defined in Section 36000 of the Vehicle Code, as that section existed on January 1, 2003;
- 239.3 Is a Major Facility, as that term is defined in Regulation 2, Rule 6, or that is a source that is otherwise subject to regulation by the District pursuant to Division 26 of the California Health and Safety Code or the federal Clean Air Act (42 U.S.C. Sec. 7401 eq.).

*(Adopted July 19, 2006)*

**2-1-240** **Graphic Arts Operation:** Any gravure, flexographic printing, digital printing, screen printing, letterpress, and lithographic printing operation; any associated coating laminating, and adhesive operation to produce a printed product; and the use of solvents for any surface preparation and cleanup for any operation stated above.

*(Adopted November 19, 2008)*

~~**2-1-241** **PM<sub>2.5</sub>:** Particulate matter with aerodynamic diameter smaller than or equal to a nominal 2.5 microns. PM<sub>2.5</sub> emissions shall include gaseous emissions from a source or activity that condense to form particulate matter at ambient temperatures.~~

~~**2-1-242** **Support Facility:** A facility that conveys, stores, or otherwise significantly assists in the production of the principal product of another facility. Per Section 2-1-213, a support facility is considered part of the principal facility that it supports for permitting purposes under Regulation 2.~~

## **2-1-300 STANDARDS**

**2-1-301 Authority to Construct:** Any person who, after July, 1972, puts in place, builds, erects, installs, modifies, modernizes, alters or replaces any article, machine, equipment or other contrivance, the use of which may cause, reduce or control the emission of air contaminants, shall first secure written authorization from the APCO in the form of an authority to construct. Routine repairs, maintenance, or cyclic maintenance that includes replacement of components with identical components is not considered to be an alteration, modification or replacement for the purpose of this Section unless the APCO determines the changes to be non-routine. The use or operation of the source shall initiate the start-up period in accordance with Section 2-1-411.

*(Amended 3/17/82; 10/19/83; 7/17/91; 5/17/00)*

**2-1-302 Permit to Operate:** Before any person, as described in Section 2-1-401, uses or operates any article, machine, equipment or other contrivance, the use of which may cause, reduce or control the emission of air contaminants, such person shall first secure written authorization from the APCO in the form of a permit to operate.

302.1 Permit to Operate, MFR: Any facility subject to the requirements of Regulation 2-, Rule 6, Major Facility Review, shall comply with the permitting requirements included herein that Rule in addition to securing a permit to operate under this ~~rule~~Rule.

302.2 Permit to Operate, Accelerated Permitting Program: ~~Installation and~~Unless subject to any of the provisions of Sections 2-1-316 through 319, a temporary permit to operate may be obtained to authorize operation of a new ~~or modified~~ source or a modification or alteration of an existing source under this Section pending full review for the following categories of operation:

2.1 A new source or a modification of an existing source if the following conditions are satisfied:

1.1 The source will not have the potential to emit POC, NPOC, NOx, SO<sub>2</sub>, PM<sub>2.5</sub>, PM<sub>10</sub>, or CO in an amount of 10 pounds or more on any day, determined without taking into account the effect of any abatement device which qualifies for the or equipment; or the source has been pre-certified under Section 2-1-415; and

1.2 The source will not have the potential to emit toxic air contaminants in an amount that exceeds any of the trigger levels set forth in Table 2-5-1 of Regulation 2, Rule 5, determined without taking into account the effect of any abatement device or equipment; and

1.3 The source is not subject to the public notice requirements of Section 2-1-412.

2.2 An abatement device that is a replacement for an existing abatement device, provided that the replacement will not increase the potential to emit any regulated air pollutant from the abatement device and the source(s) whose emissions it abates.

2.3 An alteration of an existing source, as defined in Section 2-1-233.

An applicant seeking a permit for a new, modified or altered source that is in any of the preceding categories may apply for a temporary permit to operate under the Accelerated Permitting Program under Section 2-1-406 may commence immediately following the submittal of a complete by submitting (i) a permit application; (ii) payment of applicable fees (the minimum permit fee required to install and operate each source); (iii) a statement explaining which of the categories in subsections 2.1 through 2.3 above the source is in; (iv) a certification that the source meets all of the requirements of that category; (v) a certification that the source is not subject to Sections 2-1-316 through 2-1-319; and (vi) a certification that the applicant has reviewed all applicable New Source Performance Standards and has determined that the application will comply. The APCO shall issue a temporary Permit to Operate will be issued as soon as the APCO determines that the application is complete. Action shall be taken on promptly upon determining that the application within 35 working days of contains all of the elements required by (i)-(vi) of the

preceding sentence. The owner or operator of the source may begin construction or operation of the source, or of the modification or alteration of the source, immediately upon receipt of a complete temporary Permit to Operate. The APCO shall complete a full review of the application, and take final action in accordance with Section 2-1-408, within the time period provided for in that the section. Any applicable offset provisions of requirements under Regulation 2, Rule 2, Sections 302 and 303 are satisfied shall be satisfied before final permit issuance. The temporary Permit to Operate shall cease to be effective upon final action by the APCO under Section 2-1-408 (or if the permit application is canceled or withdrawn prior to such final action). During periods that the source is operating without under the temporary Permit to Operate, the operator shall keep records sufficient to demonstrate that emissions do not exceed applicable qualifying levels for the Accelerated Permitting Program as set forth in subsections 2.1 through 2.3 above.

- 302.3 Permit to Operate, Temporary Operation: A temporary permit may be obtained to allow an operator to test equipment, processes, or new formulations. A temporary permit may also be obtained for a temporary source which replaces critical equipment during scheduled maintenance. The APCO may issue a non-renewable temporary Permit to Operate a temporary operation at any source, subject to the following:
- 3.1 The proposed operation will comply with all requirements of Regulation 1 and Regulations 5 through 12.
  - 3.2 The permit shall expire 3 months after issuance.
  - 3.3 The operator shall provide offsets, at a ratio of 1.15 to 1, for all increased emissions of NO<sub>x</sub>, POC, SO<sub>2</sub>, PM<sub>2.5</sub>, and PM<sub>10</sub> resulting from the use of the temporary permit.
  - 3.4 The operator shall certify that the temporary operation is for one of the following purposes:
    - 4.1 Equipment testing
    - 4.2 Process testing, including new formulations
    - 4.3 Temporary replacement of an existing permitted source with an identical or functionally equivalent source
  - 3.5 The operator shall comply with the provisions of Regulation 2-2-301, except that the cost-effectiveness analysis shall consider the short duration of the operation.

*(Amended 11/3/93; 6/7/95; 10/7/98; 11/15/00)*

- 2-1-303 Fees:** Persons subject to this Regulation shall pay the fees required, as set forth in Regulation 3.
- 2-1-304 Denial, Failure to ~~Meet Emission Limitations~~ Comply With Applicable Requirements:** The APCO shall deny an authority to construct or a permit to operate if the APCO finds that the subject of the application would not or does not comply with ~~the any~~ any emission limitations or other regulations of the District, (including but not limited to the BACT and offsets requirements in Regulations 2-2-301 through 2-2-303), or with applicable permit conditions, or federal or California laws or regulations, or if any required fees have not been paid. Such denial shall not be based solely on the type of construction or design of equipment.
- (Amended March 17, 1982)*
- 2-1-305 Conformance with Authority to Construct:** A person shall not put in place, build, erect, install, modify, modernize, alter or replace any article, machine, equipment, or other contrivance for which an authority to construct has been issued except in a manner substantially in conformance with the authority to construct. If the APCO finds, prior to the issuance of a permit to operate, that the subject of the application was not built substantially in conformance with the authority to construct, the APCO shall deny the permit to operate.
- (Amended December 21, 2004)*
- 2-1-306 Mandated Reductions Not Applicable:** Emission reductions resulting from requirements of federal, state or District laws, rules or regulations shall not be banked or allowed as emission offsets or emission reduction credits unless a complete application for such banking or emission reduction credits was filed with the District at



least 90 days prior to the adoption date of such laws, rules or regulations. Only emission reduction credits exceeding the emission reductions required by measures described in the Air Quality Management Plan or required by permits or orders; and reductions achieved by measures not specified in the Air Quality Management Plan shall be banked or allowed as emission offsets or emission reduction credits.

*(Amended 10/7/81; 7/17/91; 6/15/94)*

**2-1-307 Failure to Meet Permit Conditions:** A person shall not operate any article, machine, equipment or other contrivance, for which an authority to construct or permit to operate has been issued, in violation of any permit condition imposed pursuant to Section 2-1-403.

*(Adopted 3/17/82; Amended 7/17/91)*

**2-1-308 Fugitive Emissions:** Fugitive emissions shall be included as emissions from a facility. ~~Fugitive emissions shall be subject to all requirements of District Rules and Regulations, including BACT, RACT, offsets, PSD requirements, and Class I Air Quality Related Values and increment protection, to the same extent as emissions that are not fugitive in nature, source or facility except as required under this Regulation.~~

*(Adopted 10/19/83; Amended 7/17/91)*

**2-1-309 Canceled Application:** The APCO may cancel an application for an authority to construct and a permit to operate if, within 90 days after the application was deemed incomplete, the applicant fails to furnish the requested information or pay all appropriate fees. The 90 day period may be extended for an additional 90 days upon receipt of a written request from the applicant and written approval thereof by the APCO. The APCO shall notify the applicant in writing of a cancellation, and the reasons therefore. A cancellation shall become effective 10 days after the applicant has been notified. The cancellation shall be without prejudice to any future applications.

*(Adopted April 6, 1988)*

**2-1-310 Applicability of CEQA:** Except for permit applications which will be reviewed as ministerial projects under Section 2-1-311 or which are exempt from CEQA pursuant to Section 2-1-312, all proposed new and modified sources for which an authority to construct must be obtained from the District shall be reviewed in accordance with the requirements of CEQA.

310.1 For those District permit applications which must be reviewed in accordance with the requirements of CEQA, the District will not normally be a Lead Agency under CEQA. Rather, pursuant to CEQA, the Lead Agency will normally be an agency with general governmental powers, such as a city or county, rather than a special purpose agency such as the District.

310.2 The issuance of an authority to construct and of a permit to operate for the same new or modified source or stationary source are considered to be parts of the same project for the purposes of CEQA.

310.3 The APCO shall not authorize, on an interim basis or otherwise, the installation or operation of any proposed new or modified source, the permitting of which is subject to the requirements of CEQA, until all of the requirements of CEQA have been satisfied.

*(Adopted 7/17/91; Amended 10/21/92)*

**2-1-311 Ministerial Projects:** An application for a proposed new or modified source or stationary source will be classified as ministerial and will accordingly be exempt from the CEQA requirement of Section 2-1-310 if the District's engineering evaluation and basis for approval or denial of the permit application for the project is limited to the criteria set forth in Section 2-1-428 of this rule and to the specific procedures, fixed standards and objective measurements set forth in the District's Permit Handbook and BACT/TBACT Workbook. The method for determining whether a given permit application will be classified as ministerial is set forth in Section 2-1-427.

*(Adopted 7/17/91; Amended 10/7/98)*

**2-1-312 Other Categories of Exempt Projects:** In addition to ministerial projects, the following categories of projects subject to permit review by the District will be exempt from the CEQA review, either because the category is exempted by the express terms of CEQA (subsections 2-1-312.1 through 312.9) or because the project has no potential for causing a significant adverse environmental impact (subsections 2-1-

312.10 and 312.11). Any permit applicant wishing to qualify under any of the specific exemptions set forth in this Section 2-1-312 must include in its permit application CEQA-related information in accordance with subsection 2-1-426.1. In addition, the CEQA-related information submitted by any permit applicant wishing to qualify under subsection 2-1-312.11 must demonstrate to the satisfaction of the APCO that the proposed project has no potential for resulting in a significant environmental effect in connection with any of the environmental media or resources listed in Section II of Appendix I of the State CEQA Guidelines.

- 312.1 Applications to modify permit conditions for existing or permitted sources or facilities that do not involve any increases in emissions or physical modifications.
- 312.2 Permit applications to install air pollution control or abatement equipment.
- 312.3 Permit applications for projects undertaken for the sole purpose of bringing an existing facility into compliance with newly adopted regulatory requirements of the District or of any other local, state or federal agency.
- 312.4 Permit applications submitted by existing sources or facilities pursuant to a loss of a previously valid exemption from the District's permitting requirements.
- 312.5 Permit applications submitted pursuant to the requirements of an order for abatement issued by the District's Hearing Board or of a judicial enforcement order.
- 312.6 Permit applications relating exclusively to the repair, maintenance or minor alteration of existing facilities, equipment or sources involving negligible or no expansion of use beyond that previously existing.
- 312.7 Permit applications for the replacement or reconstruction of existing sources or facilities where the new source or facility will be located on the same site as the source or facility replaced and will have substantially the same purpose and capacity as the source or facility replaced.
- 312.8 Permit applications for cogeneration facilities which meet the criteria of Section 15329 of the State CEQA Guidelines.
- 312.9 Any other project which is exempt from CEQA review pursuant to the State CEQA Guidelines.
- 312.10 Applications to deposit emission reductions in the emissions bank pursuant to Regulation 2, Rule 4 or Regulation 2, Rule 9.
- 312.11 Permit applications for a proposed new or modified source or sources or for process changes which will satisfy the "No Net Emission Increase" provisions of District Regulation 2, Rule 2, and for which there is no possibility that the project may have any significant environmental effect in connection with any environmental media or resources other than air quality. Examples of such projects include, but are not necessarily limited to, the following:
  - 11.1 Projects at an existing stationary source for which there will be no net increase in the emissions of air contaminants from the stationary source and for which there will be no other significant environmental effect;
  - 11.2 A proposed new source or stationary source for which full offsets are provided in accordance with Regulation 2, Rule 2, and for which there will be no other significant environmental effect;
  - 11.3 A proposed new source or stationary source at a small facility for which full offsets are provided from a small facility bank established by the APCO pursuant to Regulation 2-4-414, and for which there will be no other significant environmental effect;
  - 11.4 Projects satisfying the "no net emission increase" provisions of District Regulation 2, Rule 2 for which there will be some increase in the emissions of any toxic air contaminant, but for which the District staff's health risk screening analysis shows that the project will not result in a cancer risk (as defined in Regulation 2-5-206) greater than 1.0 in a million ( $10^{-6}$ ) and will not result in a chronic hazard index (as defined in Regulation 2-5-208) greater than 0.20, and for which there will be no other significant environmental effect.

*(Adopted 7/17/91; Amended 5/17/00; 12/21/04; 6/15/05)*

**2-1-313 Projects Not Exempt From CEQA Review:** Notwithstanding the exemptions from CEQA review set forth in Section 2-1-312, such exemptions shall not apply to any project covered by the categories set forth in subsections 2-1-312.1 through 312.9 where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances, or due to cumulative impacts of successive projects of the same type in the same place over time. Such projects shall be reviewed in accordance with the requirements of CEQA.

*(Adopted 7/17/91; Amended 6/15/05)*

**2-1-314 Case-by-Case CEQA Determinations:** Notwithstanding the requirement of Section 2-1-311, the District shall, for any permit applications which were deemed complete by the District on or before July 17, 1991, review said permit applications on a case-by-case basis in order to determine whether the District's evaluation of the permit application will involve any element of discretion. If as a result of this case-by-case-review, the District determines that the evaluation of the permit application will not involve any element of discretion on its part, then the application may be treated as a ministerial project so long as all of the following conditions are met:

- 314.1 The District makes a specific written finding to this effect as part of its determination that the permit application is complete;
- 314.2 The District will merely apply the law to the facts as presented in the permit application; and
- 314.3 The District's evaluation of the permit application and its decision regarding whether to issue the permit will be limited to the criteria set forth in Section 2-1-428.

*(Adopted July 17, 1991)*

**2-1-315 Denial, Failure to Mitigate Significant Adverse Environmental Impacts:** For any application for which the District is a Lead Agency under CEQA, where significant adverse environmental impacts have been identified in the District's review of, or in the course of the public comment period on, said application, the APCO shall deny an authority to construct to such new or modified stationary source, as proposed, unless:

- 315.1 The applicant agrees to implement or carry out such available alternatives or mitigation measures which would, to the extent feasible, avoid or substantially lessen any such significant adverse environmental impacts as a condition for issuance of an authority to construct; or
- 315.2 The APCO finds that any such available, feasible alternatives or mitigation measures are within the responsibility and jurisdiction of another public agency, and such measures have been adopted by such other agency, or can and should be adopted by such other agency; or
- 315.3 The APCO finds that there are no feasible alternatives or measures to substantially mitigate the unavoidable adverse environmental effects associated with the project, but that the benefits of the project outweigh such unavoidable adverse environmental effects, and the APCO states in writing the reasons and overriding considerations to support the issuance of the authority to construct based on the Final EIR and other information in the record notwithstanding the unavoidable adverse environmental effects associated with the project.

*(Adopted November 20, 1991)*

**2-1-316 New or Modified Sources of Toxic Air Contaminants or Hazardous Air Pollutants:** Notwithstanding any exemption contained in Section 2-1-103 or Section 114 through 128, any new or modified source meeting any of the following criteria shall be subject to the requirements of Regulation 2, Rule 1, Section 301 and/or 302.

- 316.1 If a new or modified source emits one or more toxic air contaminants in quantities that exceed the trigger levels listed in Table 2-5-1 of Regulation 2-5 and the source did not have a valid exemption from Regulation 2-1-302 when the source was constructed or modified, then the source shall be subject to the requirements of Sections 2-1-301 and 302, unless the owner or operator of the source can demonstrate to the satisfaction of the APCO that the source:

- 1.1 Will comply with the TBACT requirement of Regulation 2-5-301 (if applicable); and

- 1.2 Will comply with the project risk limits of Regulation 2-5-302 (if applicable).
- 316.2 If a new or modified source, or group of related sources in a proposed construction or modification will emit 2.5 or more tons per year of any single hazardous air pollutant or 6.25 or more tons per year of any combination of hazardous air pollutants, then the source or group of sources shall be subject to the requirements of Sections 2-1-301 and 302.

*(Adopted 4/16/86; Amended 7/17/91; Renumbered and Amended 6/7/95; Amended 5/17/00; 6/15/05)*

**2-1-317 Public Nuisance Sources:** Notwithstanding any exemption contained in Section 2-1-103 or Section 114 through 128, any new or modified source meeting any of the following criteria shall be subject to the requirements of Regulation 2, Rule 1, Section 301 and/or 302. If any exempt source receives two or more public nuisance violations, under Regulation 1, Section 301 or Section 41700 of the California Health & Safety Code, within any consecutive 180-day period, then the source shall be subject to the requirements of Section 2-1-301 and 302. Such a source will be treated as loss of exemption source under Section 2-1-414, and will be subject to the annual permit to operate fee specified in Regulation 3. This section does not apply to a source that is exempt per section 2-1-113.

*(Adopted 6/7/95; Amended 5/17/00)*

**2-1-318 Hazardous Substances:** Notwithstanding any exemption contained in Section 2-1-103 or Section 114 through 128, any new or modified source meeting any of the following criteria shall be subject to the requirements of Regulation 2, Rule 1, Section 301 and/or 302. If a new or modified source at a facility in one of the 28 categories listed in Section 169(1) of the Clean Air Act that emits 100 tons per year of any PSD Major Facility, Pollutant as defined in Regulation Section 2, Rule 2, Section 220.3, emits-223, or at a facility not listed in any such category that emits 250 tons per year or more of any PSD Pollutant as defined in Section 2-2-223, emits any of the following air contaminants in excess of the quantities listed below, then it is subject to the requirements of Sections 2-1-301 and 302.

- 318.1 0.6 ton per year of lead,
- 318.2 0.007 ton per year of asbestos (excepting demolition, renovation, and waste disposal),
- 318.3 0.0004 ton per year of beryllium,
- 318.4 0.1 ton per year of mercury,
- 318.5 1 ton per year of vinyl chloride,
- 318.6 3 tons per year of fluorides,
- 318.7 7 tons per year of sulfuric acid mist, and
- 318.8 10 tons per year of reduced sulfur compounds (including hydrogen sulfide).

*(Adopted 10/19/83; Renumbered and Amended 6/7/95; Amended 5/17/00)*

**2-1-319 Source Expressly Subject to Permitting Requirements:** Notwithstanding any exemption contained in Section 2-1-103 or ~~Section Sections 2-1-114 through 2-1-128~~, any source meeting any of the following criteria shall be subject to the requirements of Section 2-1-302:

- 319.1 The emission rate of any regulated air pollutant from the source is greater than 5 tons per year, after abatement.
- 319.2 The source is subject to the requirements of Section 2-1-316, 317, or 318.

*(Adopted May 17, 2000)*

**2-1-320 Compliance With Material Representations Made In Connection With Permit Applications:** In addition to the explicit conditions contained in an authority to construct and/or permit to operate, the owner and operator of a source of air pollutant emissions shall construct and operate the source in conformance with any representations made or information submitted to the APCO in connection with the application for such authority to construct and/or permit to operate, provided such representations or information were material to the APCO's decision to issue the authority to construct and/or permit to operate. Construction or operation of the source not in conformance with such material representations or information shall be a violation of this Regulation.

**2-1-321 Compliance With Provisions of State Implementation Plan and Other Requirements of Local, California and Federal Law:** Issuance of an authority to

construct and/or permit to operate for a facility under this Rule shall not relieve the owner and operator of the facility from the responsibility to comply fully with all applicable provisions of the state implementation plan for California and all other requirements under local, California and federal law.

## **2-1-400 ADMINISTRATIVE REQUIREMENTS**

**2-1-401 Persons Affected:** Any person who has been granted or requires an authority to construct shall secure a permit to operate. Any person who is not required to obtain an authority to construct and who is required to obtain a permit to operate shall secure a permit to operate. In addition, the following shall apply for a permit to operate for any source which is not subject to an exemption per Sections 2-1-103, 105, or 113 through 2-1-129:

- 401.1 On or before July 1, 1980, persons who operate a facility causing emissions of 2.5 tons per year or more of a regulated air pollutant.
- 401.2 On or before July 1, 1980, persons who operate gasoline terminals, bulk plants and facilities that dispense gasoline for sale or dispense more than 60,000 gallons of gasoline per year.
- 401.3 Persons who operate coating, adhesive, dipping, laminating, printing, screening, masking, electrodeposition, resist application, or similar source or equipment at any facility whose coating, adhesive, dipping, laminating, printing, screening, masking, electrodeposition, resist application, or similar source or equipment consume greater than 30 gallons of coating and emit 150 pounds of VOC per year or more on a facility wide basis, resulting from the applications of coatings. Upon request of the applicant, the APCO may group coating operations which individually emit less than 150 lb/yr into a single facility-wide source, or other convenient grouping.
- 401.4 Persons who operate surface preparation and cleaning equipment or operations which use unheated solvent solutions containing more than 10 percent VOC and which contain more than 1 gallon of solvent or have a liquid surface area of more than 1 ft.<sup>2</sup>, including wipe cleaning operations with a net solvent usage greater than 20 gallons per year, and that emit 150 pounds of VOC per year or more, on a facility-wide basis. Upon request of the applicant, the APCO may group wipe cleaning operations into a single facility-wide source, or other convenient groupings.
- 401.5 Persons who plan to modify an existing source or install a new source which qualifies for the Accelerated Permitting Program in Section 2-1-106 shall first submit a complete permit application, in accordance with Section 2-1-302.2.
- 401.6 Persons who operate a source that is subject to either loss of exemption or exclusion per section 2-1-414 or 2-1-424.
- 401.7 Persons who operate a source constructed after July 1, 1972.
- 401.8 On or before July 1, 2005, any person who operates a crematorium for the cremation of human remains.

*(Amended 4/16/86; 1/7/87; 7/17/91; 6/7/95; 10/7/98; 5/17/00; 12/21/04)*

**2-1-402 Applications:** Every application for an authority to construct or a permit to operate shall be submitted to the APCO on the forms specified, and shall contain all of the ~~information required. Sufficient information must be received~~ following information:

- 402.1 Sufficient information for the APCO to determine the emissions from the sources that are the subject of the application, and to quantify emissions from the sources of any emission reduction credits that will be relied upon as part of the application.
- 402.2 Any information requested by the APCO in order to determine the air quality impact from sources that are the subject of the application.
- 402.3 All applicable fees, as described in Regulation 3.
- 402.4 If the application is subject to the New Source Review requirements of Regulation 2, Rule 2, all information required under Section 2-2-401.
- 402.5 CEQA-related information that satisfies the requirements of Section 2-1-426.
- 402.6 A certification stating whether the source triggers the requirements of Section 2-1-412.

402.7 A specific designation of any information contained in the application that the applicant asserts is trade secret pursuant to Section 6254.7 of the Government Code. The applicant shall submit two copies of each page containing trade secret information. One copy shall be clearly labeled "Trade Secret," and each trade secret item shall be clearly marked. The second copy shall be clearly labeled "Public Copy," and each trade secret item shall be redacted. The applicant shall include, for each item which it asserts to be a trade secret, a statement signed by a responsible representative of the applicant identifying that portion of Government Code Section 6254.7(d) upon which the assertion is based and a brief statement setting forth the basis for this assertion.

402.8 Any other information requested by the APCO as necessary to determine whether the new, modified or altered source will comply with applicable regulatory requirements.

The application must contain sufficient information to enable the APCO to make a decision or a preliminary decision on the application and/or on any exemptions authorized by this Regulation. The APCO may consult with appropriate local and regional agencies to determine whether the application conforms with adopted plans and with local permit requirements.

**2-1-403 Permit Conditions:** Except as to permit applications reviewed in accordance with Section 2-1-311, the APCO may impose any permit condition that he deems reasonably necessary to insure compliance with federal or California law or District regulations. For any permit application which was reviewed as a ministerial project in accordance with Section 2-1-311, the APCO shall only impose permit conditions as set forth in the District's Permit Handbook for the type of source being permitted. The APCO may require the installation of devices for measurement or analysis of source emissions or ground-level concentrations of air contaminants.

*(Amended 7/17/91; 10/7/98)*

**2-1-404 Changes in Throughput and Hours of Operation:** After a permit to operate has been issued, in accordance with subsections 2-1-401.1 through 401.4, changes in hours of operation, fuels, process materials or throughput are allowed only if emissions resulting from such changes are not of such quantity as would cause denial of an authority to construct after an air quality permit analysis made pursuant to the provisions of Rule 2 of this Regulation. "Change" is the use of a process or fuel not used in the prior 12 months, or a throughput level higher than the highest level in the prior 12 months or total monthly operating hours higher than any month in the prior 12 months.

404.1 The holder of a permit to operate shall advise the APCO not more than 30 days after any changes in hours of operation, fuels, process materials or throughput which might increase emissions.

404.2 The APCO shall act to revoke the permit to operate of any person who fails to comply with the requirements of this Section.

*(Amended July 17, 1991)*

**2-1-405 Posting of Permit to Operate:** A copy of the permit to operate, including all relevant permit conditions, shall be accessible to personnel who operate the equipment for which the permit has been issued. These documents shall be included on site in the operator's manual, or shall be accessible to the operators electronically.

*(Amended 5/17/00; 11/15/00)*

**2-1-406 Transfer:** An authority to construct or a permit to operate shall not be transferable from one facility to another. An authority to construct or a permit to operate shall not be transferable from one person to another without obtaining written permission of the APCO.

**2-1-407 Authority to Construct Expiration:** An authority to construct shall expire two years after the date of issuance, unless the authority to construct has been renewed. Upon receipt of a written request and any required fees prior to the expiration of the authority to construct, the APCO shall renew the authority to construct in writing if the APCO determines that the renewal complies with this section and that the holder of the authority to construct is not violating any provision or condition of the authority. If the APCO does not act on such a request prior to expiration of the authority to

construct, the authority shall remain in effect until the APCO has acted to approve or deny the renewal request: (up to a maximum of an additional 12 months).

407.1 The following requirements shall apply to renewals:

1.1 Except as provided in Sections 2-1-407.2 and 407.3, an authority to construct may be renewed one time for an additional two years; ;

1.2 Except for renewals pursuant to Section 2-1-407.3, renewal is contingent upon meeting the current BACT and offset requirements of Regulation 2-2-301, 302 and 303; and.

1.3 Except as provided in Sections 2-1-407.2 and 407.3, an authority to construct that has been renewed shall expire four years after the date of original issuance.

407.2 If the authority to construct was issued pursuant to an environmental impact report (EIR) that explicitly covered a construction period longer than four years, the authority to construct shall, upon request by the applicant, be renewed for additional two-year terms throughout the construction period covered by the EIR.

407.3 If substantial use of the authority to construct has begun, either during the initial term or during a renewal term, the authority to construct shall, upon request by the applicant, be renewed for additional two-year terms until the permit to operate is issued, or, if a term of less than two years is requested, for such term as is requested.

*(Amended 7/17/91; Amended 10/7/98; 6/1/05)*

**2-1-408 Action on Applications:** Except for applications subject to Section 2-1-412, the publication and public notice requirements of Section 2-2-~~405~~404 or Section 2-10-402, or to the provisions of Rule 6 of this Regulation, the APCO shall notify the applicant in writing of approval, approval with conditions, or denial of the application within 35 working days of receipt of a completed application, unless the time is extended with the written consent of the applicant.

408.1 Notwithstanding this 35-working-day limit, the APCO shall not take final action for any project for which an Environmental Impact Report or a Negative Declaration has been prepared until a Final EIR for that project has been certified or a Negative Declaration for that project has been approved, and the APCO has considered the information in that Final EIR or Negative Declaration. For cases in which the 35 working-day time period has elapsed, the APCO shall take final action on the application within 30 days after the certification of the Final EIR or approval of the Negative Declaration; or after final resolution of any appeals from such certification or approval. This subsection shall not apply to any project that is exempt from the District's CEQA requirements pursuant to Section 2-1-311 or 2-1-312. Any substantive change to an application which occurs after the evaluation period has ~~commenced~~begun shall allow the APCO to start a new completeness review period, and to reset the 35 working-day limit after the application has been deemed complete.

*(Amended 11/1/89; 7/17/91; 11/20/91; 11/3/93; 6/7/95; 10/7/98; 12/21/04; 7/19/06)*

**2-1-409 Regulations in Force Govern:** The decision as to whether an authority to construct shall be granted or denied shall be based on federal, state and District BACT, offset, TBACT, and project risk regulations or standards in force on the date the application is declared by the APCO to be complete.

*(Amended June 15, 2005)*

**2-1-410 Appeal:** The following actions of the APCO may be appealed:

410.1 In accordance with Section 42302 of the Health and Safety Code an applicant for an authority to construct which has been denied may request, within 30 days after receipt of the written notice to deny, the Hearing Board of the District to hold a hearing on whether or not the authority to construct was properly denied.

410.2 In accordance with Section 42302.1 of the Health and Safety Code, within 30 days of any decision of the APCO, pertaining to the issuance of an authority to construct, any aggrieved person who, in person or through a representative, appeared, submitted written testimony, or otherwise participated in the action before the District may request the Hearing Board of

the District to hold a public hearing to determine whether the authority to construct was properly issued or for an order modifying or reversing that decision. Such appeals shall be filed in writing and contain a summary of the issues to be raised. The Hearing Board shall consider the appeal at a public hearing within 30 days of the filing of the appeal. The Hearing Board may reverse or modify the decision of the APCO if it determines that the decision was erroneous.

- 410.3 In accordance with Section 40724.6(g) of the Health and Safety Code, a permit holder of a large confined animal facility may appeal any District determination or decision made under Regulation 2, Rule 10, in accordance with Section 2-1-410.2.

*(Amended 7/17/91; 11/20/91; 5/17/00; 7/19/06)*

**2-1-411 Permit to Operate, Final Action:** The APCO shall take final action to approve, approve with conditions, or disapprove a permit to operate a ~~facility~~ source subject to this rule within 90 days after the initial date of the start-up period of the new or modified source. ~~This, unless such~~ time period ~~may be~~ is extended ~~upon~~ with the written ~~request~~ concurrence of the APCO and the applicant ~~stating the reasons why further start-up time is needed. In no case shall. An authority to construct authorizes operation of the APCO allows~~ source during the start-up period ~~to be greater than 180 days.~~ All conditions, specific or implied, of the authority to construct are in effect during the entire start-up period.

- 411.1 Notwithstanding the above, final action taken on permits issued pursuant to Rule 6 of this Regulation shall be in accordance with the provisions of Section 2-6-410.
- 411.2 A permit approved under this section must be signed by the permit holder or by a person authorized to sign on behalf of the permit holder.

*(Adopted 10/19/83; Amended 7/17/91; 11/3/93; 10/7/98; 12/21/04)*

**2-1-412 Public Notice, Schools:** Prior to approving an application for an authority to construct or permit to operate for a new or modified source located within 1000 feet of the outer boundary of a K-12 school site and which results in the increase in emissions of any substance into the ambient air which has been identified by the California Air Resources Board or the APCO as a toxic air contaminant or a hazardous air contaminant or which is on the list required to be prepared pursuant to subdivision (a) of Section 25532 or Section 44321 subsections (a) to (f) inclusive of the Health and Safety Code, the APCO shall:

- 412.1 Prepare a public notice in which the proposed new or modified source, and the proposed emissions, are fully described.
- 412.2 Distribute the notice, prepared in accordance with subsection 2-1-412.1 at the expense of the applicant, to the parents or guardians of children enrolled in any school within one-quarter mile of the source and to each address within a radius of 1000 feet of the source. This notice shall be distributed at least 30 days prior to the date final action on the application is to be taken by the APCO. The APCO shall review and consider all comments received during the 30 days after the notice is distributed, and shall include written responses to the comments in the permit application file prior to taking final action on the application.
- 412.3 Failure of any person to receive the notice shall not affect the validity of the authority to construct or permit to operate issued by the APCO, if the APCO or applicant responsible for giving the notice has made a good faith effort to follow the procedures for giving the notice prescribed by law.

*(Adopted 11/1/89; Amended 10/7/98; 5/17/00)*

**2-1-413 Portable Permits for Operation of Equipment Operated at Multiple Locations Within the District:** Any person required to obtain an authority to construct and/or permit to operate under Sections 2-1-301 and/or 302 for a ~~portable~~ source that may be operated at multiple locations within the District can elect to receive apply for a single ~~portable~~ multiple-location permit ~~which that~~ will allow the source to operate ~~anywhere at more than one location~~ in the District, ~~provided the.~~ The APCO ~~approve~~ shall issue the permit, ~~and the source meets the definition of portable equipment set forth in Section 2-1-220. Such a source is subject to the upon payment~~



of standard filing, initial and permit to operate fees as set forth in Regulation 3-, if the source satisfies all of the following requirements:

413.1 The source will not emit more than 10 tons per year of any regulated air pollutant, including POC, CO, NOx, PM<sub>2.5</sub>, PM<sub>10</sub>, NPOC or SO<sub>2</sub>. For PM<sub>2.5</sub> and PM<sub>10</sub>, fugitive particulate emissions from haul road traffic shall not be counted toward the annual limit.

413.2 The source will comply with all applicable provisions of Regulation 2, Rule 5.

413.3 The source will not be operated within 1000 feet of the outer boundary of any K-12 school site, unless the applicable notice requirements of Health and Safety Code Section 42301.6 have been met.

413.4 Operation of the source will not cause a public nuisance per Regulation 1-301.

413.5 The operation must be exempt from CEQA, or must be covered by a chapter in the District's Permit Handbook.

413.6 The equipment will not cause a Synthetic Minor Facility to exceed a federally enforceable emission limit.

If the source no longer satisfies any of these requirements, it shall be subject to the requirements of Regulation 2, Rules 1, 2, and 5, as if it were a new source.

*(Adopted June 7, 1995)*

**2-1-414 Loss of Exemption, Public Nuisance:** Any source subject to Section 2-1-317 shall be subject to permit conditions deemed necessary by the District to minimize the potential for future violations. If the owner/operator can demonstrate that the source has neither received a public nuisance violation nor received a confirmed complaint for a two year period after the permit was issued, then the owner/operator may submit a written petition to the APCO to remove the permit requirement. Such a petition is subject to APCO approval.

*(Adopted June 7, 1995)*

**2-1-415 Source Pre-Certification Procedure:** Any person may submit a written request to pre-certify a source as complying with applicable BACT requirements, for the purposes of qualifying the source for the Accelerated Permitting Program under Section 2-1-302.2.1.1. Such a request will be evaluated within 60 days of receipt of the information listed below. The APCO may also independently pre-certify a source. The APCO shall maintain a list of pre-certified equipment, and shall make this list available to industry through the Public Information & Education Division. A pre-certification request shall include all of the following:

415.1 A complete description of the source, including make, model number, rated capacity and emission calculations at maximum operating rate;

415.2 Applicable BACT requirements;

415.3 Proposed permit conditions governing operation of the source; and

415.4 Applicable fees, as described in Regulation 3, Section 323.

*(Adopted June 7, 1995)*

**2-1-416 Temporary Amnesty for Unpermitted Sources:** The APCO has the authority to declare an amnesty period, during which the District may waive all or part of the penalty fees, including late fees and retroactive permit fees, for sources that are currently operating without valid Permits to Operate.

*(Adopted 6/7/95; 12/21/04)*

**2-1-420 Suspension:** The APCO may suspend a permit if, within a reasonable time, the holder of the permit willfully fails or refuses to furnish requested information, analyses, plans or specifications relating to emissions from the source for which the permit was issued. The APCO shall serve notice in writing of a suspension, and the reasons therefor, on the holder of the permit. A suspension shall become effective 5 days after notice has been served.

**2-1-421 Appeal from Suspension:** Within 10 days after the receipt of the notice of suspension, the permit holder may request the Hearing Board to hold a hearing to determine whether or not the permit was properly suspended.

**2-1-422 Revocation:** The APCO may request the Hearing Board to hold a hearing to determine whether an authority to construct and/or permit to operate should be revoked if it is found that the holder of an authority to construct or permit to operate is

violating any applicable order, rule or regulation of the District, or is violating any provision or condition of the authority to construct or permit to operate.

*(Amended May 17, 2000)*

**2-1-423 Hearings:** Within 30 days after receipt of requests submitted pursuant to Sections 2-1-421 and 422, the Hearing Board shall hold a hearing as provided by Section 42308 of the California Health and Safety Code and may take action as authorized by Section 42309 of the California Health and Safety Code.

*(Amended July 17, 1991)*

**2-1-424 Loss of Exemption or Exclusion:** Within 90 days of written notification by the APCO of the need for a permit any person who operates a source which does not require a District permit or, for a large confined animal facility subject to Regulation 2, Rule 10 in existence on July 17, 2006, within 180 days of that date, who loses an exemption or exclusion because of changes in federal, California or District laws or regulations shall submit a complete permit application for the subject source, as defined Section 2-1-202. A person who holds a valid permit to operate for the subject source need not reapply.

*(Adopted 4/16/86; Amended 6/7/95; 10/7/98; 7/19/06)*

**2-1-425 Sources of Toxic Air Contaminants:** Any person who does not hold a valid permit to operate in accordance with Section 2-1-401 and emits, in quantities determined to be appropriate by the APCO, any toxic air contaminant, shall within 90 days of written notice by the APCO of the need for a permit to operate, complete a permit application for the subject source, in accordance with the applicable requirements of Section 2-1-202 or Section 2-1-302.2.

*(Amended June 7, 1995)*

**2-1-426 CEQA-Related Information Requirements:** Unless a project for which an authority to construct is sought is exempt from the District's CEQA requirements pursuant to Section 2-1-311 or 2-1-312 of this Rule, applicants for authorities to construct shall provide, as part of a complete application, the following CEQA-related information:

426.1 A preliminary environmental study which shall describe the proposed project and discuss any potential significant adverse environmental impacts, alternatives to the project, and any necessary mitigation measures to minimize adverse impacts. The preliminary environmental study shall include all activities involved in the project and shall not be limited to those activities affecting air quality. In preparing the preliminary environmental study, the applicant may utilize the Environmental Information Form in Appendix H of the State CEQA Guidelines or an equivalent format specified by the APCO. (see also Appendix G, Significant Effects.) The preliminary environmental study shall list all other local, state and federal governmental agencies that require permits for the project and indicate any environmental documentation required by such agencies; or

426.2 When an agency other than the District is to be the Lead Agency under CEQA, either:

2.1 A Draft or Final Environmental Impact Report prepared by or under the supervision of the Lead Agency; or

2.2 A contract for the preparation of a Draft Environmental Impact Report executed by the Lead Agency together with the Initial Study prepared by the Lead Agency; or

2.3 A Negative Declaration prepared by the Lead Agency; or

2.4 A Notice of Preparation of a Draft EIR prepared by the Lead Agency;

2.5 A copy of the Initial Study prepared by the Lead Agency, or

2.6 A commitment in writing from another agency indicating that it has assumed the role of Lead Agency for the project in question.

*(Adopted 11/20/91; Amended 10/7/98)*

**2-1-427 Procedure for Ministerial Evaluations:** The District shall review each permit application prior to finding that it is complete in order to determine whether its evaluation of the permit application is covered by the specific procedures, fixed standards and objective measurements set forth in the District's Permit Handbook and BACT/TBACT Workbook. If the District determines that its evaluation of the permit application is covered by specific procedures, fixed standards and objective measurements set forth in the District's Permit Handbook and BACT/TBACT

Workbook, the District's evaluation of that permit application will be classified as ministerial and the engineering evaluation of the permit application by the District will be limited to the use of said specific procedures, fixed standards and objective measurements. For such projects, the District will merely apply the law to the facts as presented in the permit application, and the District's decision regarding whether to issue the permit will be based only on the criteria set forth in Section 2-1-428 and in the District's Permit Handbook and BACT/TBACT Workbook.

*(Adopted 11/20/91; Amended 10/7/98)*

**2-1-428 Criteria for Approval of Ministerial Permit Applications:** If the District classifies a permit application as ministerial pursuant to Section 2-1-427, and as a result of its evaluation of that permit application, the District determines that all of the following criteria are met, the issuance by the District of an Authority to Construct for the proposed new or modified source will be a mandatory ministerial duty.

428.1 The proposed new or modified source will comply with all applicable provisions of the District's Rules and Regulations and with all applicable provisions of state and federal law and regulations which the District has the duty to enforce;

428.2 The emissions from the proposed project can be calculated using standardized emission factors from published governmental sources, District source test results, established formulas from published engineering and scientific handbooks, material safety data sheets or other similar published literature, manufacturer's warranties or other fixed standards as set forth in the District's Permit Handbook and BACT/TBACT Workbook;

428.3 Where Best Available Control Technology is required, BACT for the proposed new or modified source can be determined based on the latest edition of the ARB's BACT/LAER Clearinghouse, on the District's own compilations of BACT levels for specific types of sources as set forth in the District's Permit Handbook and BACT/TBACT Workbook or on a more stringent BACT level proposed by the project proponent; and

428.4 If the proposed new or modified source involves the shutdown of an existing source, the Reasonably Available Control Technology applicable to the source to be shut down can be determined from existing provisions of the District's Rules and Regulations or from the District's own compilations of BACT levels for specific types of sources as set forth in District's Permit Handbook and BACT/TBACT Workbook.

428.5 For proposed new and modified sources that are subject to Regulation 2, Rule 5, the project meets the project risk requirement of Regulation 2-5-302.

428-6 Where Best Available Control Technology for Toxics (TBACT) is required pursuant to Regulation 2-5-301, TBACT for the proposed new or modified source can be determined based on TBACT determinations in the District's BACT/TBACT Workbook, an EPA MACT standard, a CARB ATCM, or a more stringent TBACT level proposed by the applicant that is applicable to the specific source type or source category being evaluated.

In addition, when the District has issued an authority to construct for a proposed new or modified source as a ministerial project, the issuance of the permit to operate for that source will also be a mandatory ministerial duty if the source will meet all the conditions imposed in connection with the issuance of the authority to construct and all applicable laws, rules and regulations enforced by the District.

*(Adopted 11/20/91; Amended 10/7/98; 6/15/05)*

**2-1-429 Federal Emissions Statement:** The owner or operator of any sourcefacility that emits or may emit oxides of nitrogen or volatile organic compounds shall provide the APCO with a written statement, in such form as the APCO prescribes, showing actual emissions of oxides of nitrogen and volatile organic compounds from that sourcefacility. At a minimum the emission statement shall contain all of the information contained in the Air Resources Board's Emission Inventory Turn Around Document as described in Instructions for the Emission Data System Review and Update Report. The statement shall also contain a certification by a responsible official of the company or facility that the information contained in the statement is accurate to the best knowledge of the individual certifying the statement. Effective November 1, 1994, the statement shall be submitted to the District each year with the

annual permit renewal. The APCO may waive this requirement for any class or category of ~~sources~~facilities that emit less than 25 tons per year of oxides of nitrogen and volatile organic compounds, each taken separately, if the District provides the Air Resources Board with emission inventories of ~~sources~~facilities emitting greater than 10 tons per year of either oxides of nitrogen or volatile organic compounds based on the use of emission factors acceptable to the Air Resources Board and the U.S. Environmental Protection Agency (EPA). A current list of classes and categories of ~~stationary sources~~facilities for which this requirement has been waived by the APCO will be kept by the District and made available upon request. Also, for purposes of reporting emission data to the Air Resources Board and to the EPA, the District will provide calendar year and peak ambient ozone season data determined through weighted averaging of current and prior year (if available) company/facility reported certified information. This Section is required by the provisions of Section 182(a)(3)(B) of the Clean Air Act.

*(Adopted 11/4/92; Amended 6/15/94; 6/7/95; 12/21/04)*

**2-1-430 Maintenance of the Permit Handbook and BACT/TBACT Workbook:** The APCO shall publish and maintain the Permit Handbook and BACT/TBACT Workbook as needed to reflect the current procedure for review and issuance of permits, and the most recent determination of BACT/TBACT for a given source category.

*(Adopted October 7, 1998)*

**2-1-431 Date of Completion:** The APCO shall deem an application to be complete on the date that the information and fees required to complete the application were received by the District.

*(Adopted May 17, 2000)*

**2-1-432 Determination of Complete Application:** Except for an application which is subject to the publication and public comment requirements of Section 2-2-405404, the APCO shall determine whether an application for an authority to construct is complete not later than 15 working days following receipt of the application, or after a longer time period agreed upon by both the applicant and the APCO. If the APCO determines that the application is not complete, the applicant shall be notified in writing of the decision, specifying the information that is required. Upon receipt of any resubmittal of the application a new 15 working day period to determine completeness shall begin. For an application which is subject to the publication and public comment requirements of Section 2-2-405404 or Section 2-10-402, the completeness review period(s) shall be 30 days. The application shall be deemed complete on the date of receipt of all information required for completeness. Upon determination that the application is complete, the APCO shall notify the applicant in writing. If applicable, such written notification shall include the District's determination that its evaluation of the application will be covered by the specific procedures, fixed standards and objective measurements set forth in the District's Permit Handbook and that the District's evaluation of that permit application will be classified as ministerial and will accordingly be exempt from CEQA review. Thereafter only information regarding offsets, or information to clarify, correct or otherwise supplement the information submitted in the application may be requested.

*(Adopted 12/ 21/04; Amended 6/19/06)*

## **2-1-500 MONITORING AND RECORDS**

**2-1-501 Monitors:** Continuous emission monitors required pursuant to Section 2-1-403 shall comply with the provisions of Volume V of the Manual of Procedures.

*(Adopted March 17, 1982)*

**2-1-502 Burden of Proof:** Any person asserting that a source is exempt from the requirements of Regulation 2, Rule 1, Section 301 and/or 302, shall, upon the request of the APCO, provide substantial credible evidence proving to the APCO that the source meets all requirements necessary to qualify for the exemption.

*(Adopted May 17, 2000)*

## **2-1-600 MANUAL OF PROCEDURES**

**2-1-601 Engineering Permitting Procedures:** The specific procedures for the engineering evaluation of particular types of sources as well as specific fixed standards and objective measurements upon which the District will rely in its evaluation of ministerial permit applications are set forth in the District's Permit Handbook and BACT/TBACT Workbook.

(Adopted 7/17/91; Amended 10/7/98)

**2-1-602 CEQA Guidelines:** The District's Guidelines for Environmental Processes under CEQA for those cases in which the District assumes the role of Lead Agency are set forth in Volume VII to the District's Manual of Procedures and in the Permit Handbook.

(Adopted 11/20/91; Amended 6/7/95)

**2-1-603 Particulate Matter Measurements:** PM<sub>2.5</sub> and PM<sub>10</sub> shall be measured as prescribed in EPA Methods 201A and 202 (for measurements of emissions from specific sources) and in 40 C.F.R. Parts 50, 53 and 58 (for measurements of ambient concentrations). If such test methods cannot be used because the physical characteristics of the emissions being measured render such methods inappropriate (e.g., because of the emissions' high moisture content or high temperature), then another appropriate test method may be used upon prior written approval of the APCO and EPA.

(Adopted \_\_\_\_\_)

**2-1-604 Determining Compliance With Historical PM<sub>10</sub> and PM<sub>2.5</sub> Emission Limits:** For purposes of determining a source's compliance with any PM<sub>10</sub> or PM<sub>2.5</sub> emission limit established as a permit condition pursuant to Regulation 2 prior to <insert effective date of regulation>, the condensable portion of the source's PM<sub>10</sub> or PM<sub>2.5</sub> emissions shall not be included, unless there is an affirmative indication that such condensable portion was intended to be included at the time the permit condition was adopted.

(Adopted \_\_\_\_\_)

**2-1-605 Finality of Historical PM<sub>10</sub> and PM<sub>2.5</sub> Regulatory Determinations:** Regulatory determinations regarding the applicability of or compliance with any of the requirements of Regulation 2 made before <insert effective date of regulation> shall be final and shall not be invalid because they did not take into account the condensable portion of a source's PM<sub>2.5</sub> or PM<sub>10</sub> emissions. Such historical determinations include (but are not limited to) prior determinations whether BACT and offsets requirements apply, prior determinations of the amount of a facility's cumulative increase, and prior determinations whether Title V permit requirements applied to a facility's operation. All such determinations made on or after <insert effective date of regulation> shall include the condensable portion per the requirements of Sections 2-1-229 and 2-1-241, including (but not limited to) determinations regarding whether an existing facility's ongoing operations are subject to any applicable operating requirements such as Title V Major Facility Review requirements.

(Adopted \_\_\_\_\_)

Regulation 2, Rule 1  
Permit / Exemption Flow Chart

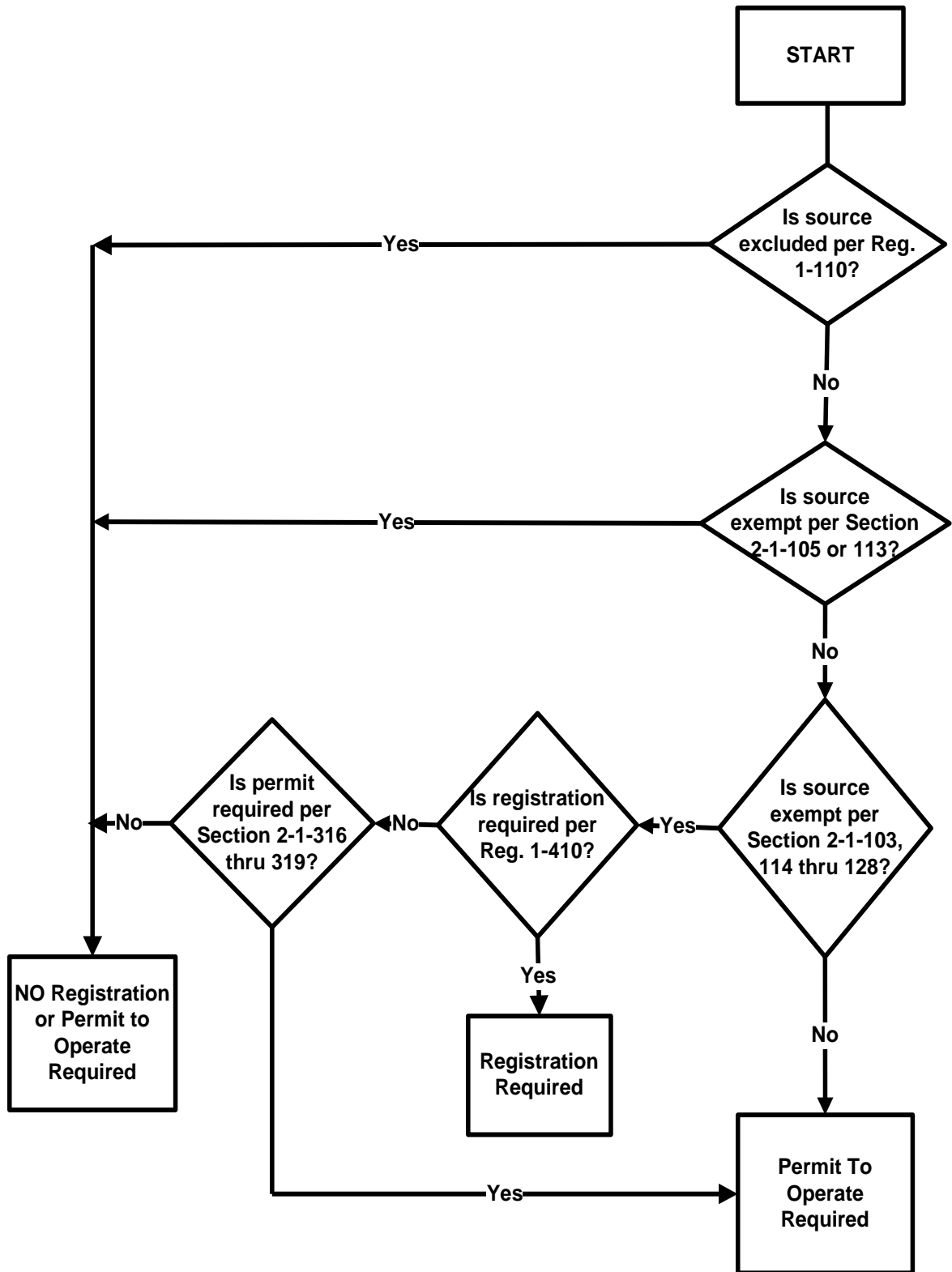


Figure 2-1-101

~~Table 2-1-316  
Toxic Air Contaminant Trigger Levels~~

~~This table has been superceded by Table 2-5-1 in Regulation 2, Rule 5.~~

~~(Amended 5/17/00; 11/15/00; 6/15/05)~~

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**REGULATION 2  
PERMITS  
RULE 2  
NEW SOURCE REVIEW**

(Adopted \_\_\_\_\_, 2012)

**2-2-100 GENERAL**

**2-2-101 Description:** This Rule applies to all new and modified sources that are subject to the requirements of Section 2-1-301 and/or 2-1-302. The purpose of this Rule is to implement the New Source Review provisions of the federal and California Clean Air Acts (including the federal non-attainment New Source Review, Prevention of Significant Deterioration, and Minor New Source Review provisions) and the no-net-increase requirements of the California Health and Safety Code, among other requirements.

**2-2-102 Exemption, Emissions From Operation of Abatement Devices And Techniques:** The BACT requirements of Section 2-2-301 shall not apply to emissions of secondary pollutants that are the direct result of the use of an abatement device or emission reduction technique implemented to comply with the BACT or BARCT requirements for control of another pollutant. However, the APCO shall require the use of Reasonably Available Control Technology (RACT) for control of emissions of such pollutants.

**2-2-103 Incorporation by Reference of Federal PSD Provisions:** Where federal PSD provisions in 40 C.F.R. Section 52.21 are incorporated by reference in this Rule, all associated procedures, definitions, and other regulatory provisions in the Code of Federal Regulations applicable for implementing such provisions are also incorporated by reference and shall be followed and applied by the APCO in implementing such provisions, including but not limited to all of the implementing definitions set forth in 40 C.F.R. Section 52.21(b), which include the definitions in Sections 52.21(b)(13) (baseline concentration), 52.21(b)(14) (major source baseline date), 52.21(b)(15) (baseline area), 52.21(b)(18) (secondary emissions), and 52.21(b)(50) (subject to regulation). Where such regulatory provisions are incorporated by reference, the incorporation is to the version of that regulatory provision in effect upon **<date of adoption of proposed amendments>**.

**2-2-200 DEFINITIONS**

**2-2-201 Adjustment to Emission Reductions for Federal Purposes:** An adjustment made, for purposes of the equivalence demonstration in 2-2-412, to an emission reduction due to changes in federal requirements between issuance of a banking certificate and its use. The adjustment is made as if the source providing the offsets were in operation, at the original baseline levels, on the date of credit use.

**2-2-202 Best Available Control Technology (BACT):** An emission limitation, control device, or control technique applied at a source that is the most stringent of:

202.1 The most effective emission control device or technique that has been successfully utilized for the type of equipment comprising such a source; or

202.2 The most stringent emission limitation achieved by an emission control device or technique for the type of equipment comprising such a source; or

202.3 The most effective control device or technique or most stringent emission limitation that the APCO has determined to be technologically feasible for a source, taking into consideration cost-effectiveness, any ancillary health and environmental impacts, and energy requirements; or

202.4 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, unless the applicant demonstrates to the satisfaction of the APCO that such limitation is not achievable.

Under no circumstances shall BACT be less stringent than any emission control required by any applicable provision of federal, state or District laws, rules or regulations.

- 2-2-203 Best Available Retrofit Control Technology (BARCT):** An emission limitation that has been adopted or proposed to be adopted as part of the current Clean Air Plan approved by the District pursuant to the California Clean Air Act of 1988 as implementing the maximum degree of emissions reduction achievable by a class or category of source, taking into account environmental, energy and economic impacts.
- 2-2-204 California Coastal Waters:** The area bounded by (i) the coast of the State of California and (ii) the line established by starting at the point on the California coast at the California-Oregon border, and proceeding:  
thence to 40.0°N, 125.5°W;  
thence to 39.0°N, 125.5°W;  
thence to 38.0°N, 124.0°W;  
thence to 37.0°N, 123.5°W;  
thence to 36.0°N, 122.5°W;  
thence to 35.0°N, 121.5°W;  
thence to 34.0°N, 120.5°W;  
thence to 33.0°N, 119.5°W;  
thence to 32.5°N, 118.5°W;  
and thence to an ending point on the California coast at the California-Mexico border.
- 2-2-205 Class I Area:** Point Reyes National Seashore and any other area designated as a Class I Area under Part C of the Clean Air Act. All other areas in the District are Class II Areas.
- 2-2-206 Contemporaneous:** Occurring (i) within a five year period of time immediately prior to the date of a complete application for an authority to construct or permit to operate for a source; or (ii) on or after the date of a complete application for an authority to construct or permit to operate but prior to initial operation of the source (or for a source that is a replacement unit, as defined in 40 C.F.R. Section 51.165(a)(1)(xxi), that will replace an existing source in whole or in part, with respect to emission reduction credits being generated by the shutdown of the existing source being replaced, 90 days after initial operation of the replacement unit).
- 2-2-207 Creditable:** For purposes of determining the net emissions increase associated with a new or modified source (or group of sources) under Section 2-2-220, an emission increase or decrease is creditable if it has not been relied on by a permitting agency in issuing a PSD permit, including a federal PSD permit or an authority to construct applying the PSD provisions of Sections 2-2-304 through 2-2-307, which permit is still in effect at the time of initial operation of the source(s).
- 2-2-208 Cumulative Increase:** The increase in the potential to emit a pollutant authorized by an authority to construct or permit to operate measured against prior actual or potential emissions, less any contemporaneous onsite emission reduction credits credited to the authority to construct or permit to operate, calculated in accordance with the procedures set forth in Section 2-2-607.
- 2-2-209 Cumulative Increase Baseline Date:** April 5, 1991, for all pollutants except PM<sub>2.5</sub>; and **<effective date of revised regulation>** for PM<sub>2.5</sub>.
- 2-2-210 District BACT Pollutant:** Precursor organic compounds (POC), non-precursor organic compounds (NPOC), oxides of nitrogen (NOx), sulfur dioxide (SO<sub>2</sub>), PM<sub>10</sub>, PM<sub>2.5</sub>, and carbon monoxide (CO).
- 2-2-211 Emission Reduction Credit:** Emission reductions associated with a physical change, change in method of operation, change in throughput or production, or other similar change at a source that are in excess of the reductions required by applicable regulatory requirements, and that are real, permanent, quantifiable, and enforceable, as calculated in accordance with Section 2-2-605.
- 2-2-212 Federal Land Manager:** With respect to any lands in the United States, the Secretary of the department with authority over such lands, or a subordinate acting under the authority of such Secretary.
- 2-2-213 Fully Offset Source:** A source with an emission cap or emission rate contained in a permit condition for which the permit applicant provided offsets and/or contemporaneous on-site emission reduction credits for the entire amount of the

emission cap or emission rate. A source for which the District provided offsets from the Small Facility Banking Account is not a fully offset source (except where the District has been fully reimbursed for any offsets from the Small Facility Banking Account).

**2-2-214 Greenhouse Gases (GHGs):** The air pollutant that is defined in 40 C.F.R. Section 86.1818-12(a), which is a single air pollutant made up of a combination of the following six constituents: carbon dioxide, nitrous oxide, methane, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride. GHG emissions shall be measured (i) based on total mass for purposes of determining whether a facility exceeds the 100/250 ton major PSD facility thresholds under Section 2-2-224.1; and (ii) as CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e) according to the methodology set forth in 40 C.F.R. Section 52.21(b)(49)(ii) for determining whether the emissions constitute a PSD pollutant as defined in Section 2-2-223, are regulated NSR pollutants as defined in 40 C.F.R. Section 52.21(b)(50), or constitute significant emissions as defined in Section 2-2-227.1.

**2-2-215 Hazardous Air Pollutant (HAP):** Any pollutant that is listed pursuant to Section 112(b) of the federal Clean Air Act.

**2-2-216 Indian Governing Body:** The governing body of any tribe, band, or group of Indians subject to the jurisdiction of the United States and recognized by the United States as possessing power of self-government.

**2-2-217 Major Facility:** For purposes of the New Source Review requirements of Regulation 2, Rule 2, a major facility is a facility that has the potential to emit 100 tons per year or more of POC, NO<sub>x</sub>, SO<sub>2</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>, and/or CO. Fugitive emissions shall be included in calculating the facility's potential to emit under this Section if and only if the facility is in one of the 28 categories listed in Section 169(1) of the Clean Air Act. A physical change at a facility that does not otherwise qualify as a major facility is a new major facility if the change would constitute a major facility by itself.

**2-2-218 Major Modification\*:** A new source as defined in Section 2-1-232, or a modified source as defined in Section 2-1-234, or any combination of such new and modified sources at a facility that are part of a single common project, that (i) are or will be located at an existing major facility and (ii) will cause an increase in emissions of a pollutant for which the facility is a major facility, calculated according to Section 2-2-604, of the following amounts or more:

POC:	40 tons per year
NO <sub>x</sub> :	40 tons per year
SO <sub>2</sub> :	40 tons per year
PM <sub>10</sub> :	15 tons per year
PM <sub>2.5</sub> :	10 tons per year
CO:	100 tons per year

*\*Note that the term "Major Modification" is not used in Regulation 2, Rule 2 for purposes of applying the Rule's PSD requirements. The term "PSD Project" is used instead to define new facilities and modifications to existing facilities that are subject to the Rule's PSD requirements. See Section 2-2-224.*

**2-2-219 Net Air Quality Benefit:** A net improvement of air quality as determined by the APCO resulting from emission reduction credits impacting the same general area affected by the new or modified source and which will be consistent with reasonable further progress towards the attainment of the applicable air quality standard.

**2-2-220 Net Emissions Increase:** For purposes of applying the PSD provisions and NAAQS Protection requirements of this Rule, a net emissions increase from a new source or modified source (or group of such sources) is the sum of the new emissions from the new source(s) and/or the increase in emissions from the modified source(s), plus any other creditable contemporaneous emissions increases at the facility calculated according to Section 2-2-604, less any other creditable contemporaneous emissions decreases at the facility calculated according to Section 2-2-604.

**2-2-221 Offsets:** Offsets are any of the following:

- 221.1 banked emission reduction credits approved in accordance with District Regulation 2, Rule 4; or
- 221.2 banked emission reduction credits from adjacent Districts if the applicant demonstrates that the requirements of Clean Air Act Section 173(c)(1) (42 U.S.C. Section 7503(c)(1)) and Health and Safety Code Section 40709.6 have been met or do not apply;

that are provided to compensate for cumulative increases in emissions pursuant to Section 2-2-302 or 2-2-303.

**2-2-222 Pollutant-Specific Basis:** A term used to describe a regulatory requirement governing multiple pollutants. If a regulatory requirement applies on a pollutant-specific basis, the requirement applies only for the individual pollutant(s) for which a source or facility meets the relevant applicability criteria, and does not apply for pollutant(s) for which the source or facility does not meet the relevant applicability criteria.

**2-2-223 PSD Pollutant:** Any Regulated NSR Pollutant as defined in EPA's PSD Regulations at 40 C.F.R. Section 52.21(b)(50), except pollutants for which the San Francisco Bay Area has been designated as non-attainment of a California or National Ambient Air Quality Standard. If a pollutant is subject to both federal and California ambient air quality standards, the pollutant shall be treated as a PSD Pollutant for (and only for) the ambient air quality standard(s) for which the San Francisco Bay Area has not been designated as non-attainment.

**2-2-224 PSD Project:** A new source as defined in Section 2-1-232, or a modified source as defined in Section 2-1-234, or a combination of such new or modified sources that are part of a single common project, that meets all of the following criteria:

- 224.1 **Major PSD Facility:** The source(s) are or will be located at a facility that has the potential to emit 100 tons or more per year of any PSD pollutant\* (including fugitive emissions) if it is in one of the 28 categories listed in Section 169(1) of the Clean Air Act, or 250 tons or more of any PSD Pollutant\* (not including fugitive emissions) if it is not in a listed category; and
- 224.2 **Significant Increase in Emissions of PSD Pollutant:** The new emissions from the new source(s) and/or the increase in emissions from the modified source(s) calculated according to Section 2-2-604 constitute significant emissions of any PSD pollutant as defined in Section 2-2-227.1; and
- 224.3 **Significant Net Increase in Emissions of PSD Pollutant:** The net emissions increase associated with the new or modified source(s), as defined in Section 2-2-220, constitute significant emissions of any PSD pollutant as defined in Section 2-2-227.1.

Any physical change or change in method of operation that takes place at a facility that does not meet the Major PSD Facility criteria specified in subsection 224.1, but which change would constitute a Major PSD Facility under the criteria in subsection 224.1 by itself, is a PSD Project.

*\*Note that for purposes of applying the 100/250 ton-per-year major PSD facility threshold in Section 2-2-224.1, the term PSD pollutant is defined to exclude GHGs where they are emitted in an amount of less than 100,000 tons CO<sub>2</sub>e per year. Thus, for a facility to satisfy the major PSD facility test in Section 2-2-224.1 based on its GHG emissions, the GHG emissions (i) must be over 100,000 tons per year CO<sub>2</sub>e for the emissions to constitute a PSD pollutant, and (ii) must be over the 100/250 ton absolute mass threshold for the facility to constitute a major emitter of that pollutant. See Section 2-2-223; see also 40 C.F.R. § 52.21(b)(50)(iv) and 40 C.F.R. § 52.21(b)(49)(iv)&(v).*

**2-2-225 Reasonably Available Control Technology (RACT):** For sources that are to continue operating, RACT is the lowest emission limit that can be achieved by the specific source by the application of control technology taking into account technological feasibility and cost-effectiveness, and the specific design features or extent of necessary modifications to the source. For sources which are or will be shut-down, RACT is the lowest emission limit that can be achieved by the application of control technology to similar, but not necessarily identical categories of sources, taking into account technological feasibility and cost-effectiveness of the application of the control technology to the category of sources only and not to the shut-down source.

**2-2-226 Related Sources:** Two or more sources where the operation of one is dependent upon, supports or affects the operation of the other(s).

**2-2-227 Significant:** The term "significant" has the following meanings when used in the following contexts:

- 227.1 For determining whether an increase in emissions of a PSD pollutant is "significant" for purposes of the PSD provisions of this Rule, the increase is significant:

- 1.1 if it exceeds the values specified in the following table, or for a PSD pollutant that is not listed in the following table, if it is greater than zero; or
- 1.2 if it is from a source that is or would be located within 10 kilometers of a Class I area, and it would have an impact in such Class I area equal to or greater than 1 µg/m<sup>3</sup> (24-hour average).
- 227.2 For determining whether an increase in emissions is “significant” for purposes of the NAAQS Protection Requirement in Section 2-2-308 and the public notice requirement in Section 2-2-404, the increase is significant if it exceeds the values specified in the following table.

Pollutant	Significant Emissions Rate	
	kg/yr	(ton/yr)
Carbon monoxide	90,500	(100)
Nitrogen oxides	36,200	(40)
Sulfur dioxide	36,200	(40)
Total particulate matter	22,680	(25)
PM <sub>10</sub>	13,575	(15)
PM <sub>2.5</sub> *	9050	(10)
VOC*	36,200	(40)
GHGs**	67,875,000**	(75,000**)
Lead	530	(0.6)
Fluorides	2720	(3)
Sulfuric Acid Mist	6350	(7)
Hydrogen Sulfide	9050	(10)
Total Reduced Sulfur	9050	(10)
Reduced Sulfur Compounds	9050	(10)
Municipal waste combustor organics	3.2 x 10 <sup>-3</sup>	(3.5 x 10 <sup>-6</sup> )
Municipal waste combustor metals	13,575	(15)
Municipal waste combustor acid gases	36,200	(40)
Municipal solid waste landfill emissions	45,250	(50)

*\*Pollutants for which the Bay Area is designated as non-attainment of a NAAQS are not subject to the PSD requirements in Sections 2-2-304 through 2-2-307 by operation of 40 C.F.R. Section 52.21(i)(2). PM<sub>2.5</sub> and VOC (as an ozone precursor) are therefore not subject to these PSD requirements as long as the Bay Area remains non-attainment for any PM<sub>2.5</sub> or ozone NAAQS, respectively.*

*\*\*Per Section 2-2-214, emissions of GHGs are measured as CO<sub>2</sub>e for purposes of determining whether an emissions increase exceeds this significance threshold. Per Section 2-2-223 and 40 C.F.R. Sections 52.21(b)(50)(iv) and 52.21(b)(49)(iv)&(v), increases in GHG emissions of less than 75,000 tons per year CO<sub>2</sub>e are excluded from the definition of PSD pollutant and are not subject to the PSD requirements of Regulation 2, Rule 2.*

## 2-2-300 STANDARDS

**2-2-301 Best Available Control Technology Requirement:** An authority to construct and/or permit to operate for a new or modified source shall require BACT to control emissions of District BACT pollutants under the following conditions:

301.1 New Source: An authority to construct and/or permit to operate for a new source shall require BACT to control emissions of a District BACT pollutant if

the source will have the potential to emit that pollutant in an amount of 10.0 or more pounds on any day as defined in Regulation 2-1-217;

301.2 **Modified Source:** An authority to construct and/or permit to operate for a modified source shall require BACT to control emissions of each District BACT pollutant for which the source is "modified" as defined in Section 2-1-234 for which:

2.1 the source, after the modification, will have the potential to emit that pollutant in an amount of 10.0 or more pounds on any day as defined in Regulation 2-1-217; and

2.2 the modification will result in an increase in emissions of that pollutant above baseline levels calculated pursuant to Section 2-2-604.

The BACT requirements in this Section shall apply on a pollutant-specific basis.

**2-2-302 Offset Requirements, Precursor Organic Compounds and Nitrogen Oxides:**

Before the APCO may issue an authority to construct or permit to operate for a new or modified source at any facility that will have the potential to emit more than 10 tons per year of NO<sub>x</sub> or POC after the new or modified source is constructed (including emissions from cargo carriers per Section 2-2-610), offsets must be provided according to the following requirements:

302.1 If the facility will have the potential to emit more than 10 tons per year but less than 35 tons per year of NO<sub>x</sub> or POC after the new or modified source is constructed, offsets must be provided at a 1:1 ratio for any un-offset cumulative increase in emissions at the facility and any related sources since the baseline date determined in accordance with Section 2-2-608.

1.1 The APCO shall provide any required offsets from the Small Facility Banking Account in the District's Emissions Bank in accordance with Section 2-4-414, unless the Small Facility Banking Account is exhausted or the applicant (or any entity controlling, controlled by, or under common control with the applicant) owns or controls offsets.

1.2 If the Small Facility Banking Account is exhausted, or if the applicant owns or controls offsets, the applicant shall provide any required offsets.

1.3 A permit limit for which offsets have been provided from the Small Facility Banking account may not be higher than the source's maximum physical/design capacity to emit air pollutants, and may not be higher than is reasonably necessary to satisfy the applicant's operational requirements (including sufficient flexibility to allow for future changes in operational requirements).

302.2 If the facility will have the potential to emit 35 tons per year or more of NO<sub>x</sub> or POC after the new or modified source is constructed, the applicant shall:

2.1 Reimburse the Small Facility Banking Account for any cumulative increase for which offsets were previously provided from the Small Facility Banking Account; and

2.2 Provide federally-enforceable offsets at a 1.15:1 ratio for any un-offset cumulative increase in emissions at the facility and any related sources since the baseline date determined in accordance with Section 2-2-608.

302.3 An applicant may reimburse the Small Facility Banking Account under subsection 302.2.1 by reducing the cumulative increase associated with the permitting action(s) for which the District provided the Small Facility Banking Account credits. To do so, the applicant must request a lower emissions limit in a permit for which the Small Facility Banking Account credits were provided. Upon approval by the APCO, the amount by which the applicant must reimburse the Small Facility Banking Account shall be reduced by the difference between the old permit limit and the new permit limit.

302.4 The offset requirements in this Section shall be applied on a pollutant-specific basis.

**2-2-303 Offset Requirements, PM<sub>2.5</sub>, PM<sub>10</sub> and Sulfur Dioxide:** Before the APCO may issue an authority to construct or permit to operate for a new or modified source at a facility

that will have the potential to emit 100 tons per year or more of PM<sub>2.5</sub>, PM<sub>10</sub> or sulfur dioxide after the new or modified source is constructed (including emissions from cargo carriers per Section 2-2-610), the applicant shall provide offsets according to the following requirements:

- 303.1 If the un-offset cumulative increase in emissions of PM<sub>2.5</sub>, PM<sub>10</sub> or sulfur dioxide at the facility and any related sources since the baseline date determined in accordance with Section 2-2-608 exceeds 1 ton per year, the applicant shall provide offsets at a 1:1 ratio for the un-offset cumulative increase since the baseline date.
- 303.2 NOx and/or sulfur dioxide offsets may be provided in place of PM<sub>10</sub> offsets required under subsection 303.1 at offset ratios determined by the APCO to result in a net air quality benefit. Any approval of the use of NOx and/or sulfur dioxide offsets under this subsection shall be based on an analysis specific to the individual facility for which the determination is made, which shall include adequate modeling; and any such approval shall be granted only after public notice and an opportunity for public comment and with EPA concurrence.
- 303.3 Any NOx and/or sulfur dioxide offsets provided in place of PM<sub>10</sub> offsets must be provided in addition to any NOx and/or sulfur dioxide offsets required independently as a result of the source's NOx and/or sulfur dioxide emissions.
- 303.4 The offset requirements in this Section shall be applied on a pollutant-specific basis.

**2-2-304 PSD BACT Requirement:** An authority to construct for a PSD Project shall require federal PSD Best Available Control Technology as defined in Section 169(3) of the federal Clean Air Act ("federal PSD BACT") for each PSD pollutant for which the net increase in emissions from the PSD Project will be significant as defined in Section 2-2-227.1. If federal PSD BACT is required for a pollutant under this Section, the authority to construct shall require federal PSD BACT for each new or modified source for which there will be an increase in emissions of that pollutant by any amount, calculated in accordance with Section 2-2-604. The APCO shall impose federal PSD BACT in an authority to construct subject to this Section according to and in satisfaction of all of the requirements applicable to federal PSD BACT under 40 C.F.R. Section 52.21(j), including any applicable exemptions from that Section's requirements under 40 C.F.R. Section 52.21(i).

**2-2-305 PSD Source Impact Analysis Requirement:** The APCO shall not issue an authority to construct for a PSD Project unless the APCO determines, for each PSD pollutant for which the net increase in emissions from the PSD Project will be significant as defined in Section 2-2-227.1, that the net increase in emissions from the PSD Project will not cause or contribute to a violation of (i) any applicable ambient air quality standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c). The APCO shall make such determination in accordance with the following procedures:

- 305.1 Pre-application Air Quality Analysis: The applicant shall prepare and submit an analysis of ambient air quality in the area that the PSD Project would affect for each PSD pollutant for which the net increase in emissions allowed by the authority to construct will be significant. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(m)(1), including any applicable exemptions from that Section's requirements under 40 C.F.R. Section 52.21(i).
- 305.2 PSD Source Impact Analysis: The applicant shall demonstrate, for each PSD pollutant for which the net increase in emissions allowed by the authority to construct will be significant, that the net increase in emissions of such pollutant will not cause or contribute to a violation of (i) any applicable California or National Ambient Air Quality Standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c). The applicant's analysis and demonstration shall be prepared according to and shall satisfy all of the requirements applicable to PSD source impact analyses for federal PSD permitting under 40 C.F.R.



Section 52.21(k), including any applicable exemptions from that Section's requirements under 40 C.F.R. Section 52.21(i).

305.3 Air Quality Models: All estimates of ambient concentrations required under this Section shall be based on applicable air quality models, databases, and other requirements specified in Appendix W of Part 51 of Title 40 of the Code of Federal Regulations (Guideline on Air Quality Models). Where an air quality model specified in Appendix W is inappropriate, the model may be modified or another model substituted upon written approval by the APCO after public notice and opportunity for public comment under the procedures set forth in Section 2-2-404. Where modeling is conducted solely to evaluate compliance with a California air quality standard, any APCO-approved model may be used.

305.4 APCO Determination: The APCO shall determine, based on the applicant's submissions and any other relevant information, whether any net emissions increases of PSD pollutants that the authority to construct will authorize in significant amounts would cause or contribute to a violation of (i) any applicable California or National Ambient Air Quality Standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c), for any PSD pollutant. In making this determination, the APCO shall use the same procedures and be subject to the same requirements as are applicable to the Administrator for issuing federal PSD permitting under 40 C.F.R. Section 52.21(k), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i).

**2-2-306 PSD Additional Impacts Analysis Requirements:** Before issuing an authority to construct for a PSD Project, the APCO shall conduct the following additional impact analyses:

306.1 Visibility, Soils & Vegetation Impact Analysis: The applicant shall prepare and submit an analysis of the impairment to visibility, soils and vegetation that would occur as a result of the PSD Project and any commercial, residential, industrial, and other growth associated with the PSD Project. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(o)(1), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i). The analysis need not address impacts on vegetation having no significant commercial or recreational value.

306.2 Associated Growth Analysis: The applicant shall prepare and submit an analysis of the air quality impact projected for the area as a result of general commercial, residential, industrial, and other growth associated with the PSD Project. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(o)(2), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i).

306.3 APCO Review: The APCO shall review the applicant's additional impact analyses to ensure that they are complete and accurately reflect the circumstances associated with the PSD Project.

**2-2-307 Consideration of Class I Area Impacts:** If, within 30 days after receiving notice under Section 2-2-404 of a preliminary decision to issue an authority to construct for (i) a new major facility or a major modification of a major facility for NO<sub>x</sub>, VOC, SO<sub>2</sub> or PM<sub>2.5</sub> or (ii) a PSD Project, the Federal Land Manager with responsibility for administering any Class I Area provides the APCO with a demonstration that emissions from the project would have an adverse impact on the air quality-related values of the Class I Area (including visibility), the APCO shall promptly review and consider such demonstration. If the APCO concurs with such demonstration, or if the APCO concludes based on an independent review of the analysis submitted under Section 401.4 that the project will have such adverse impact, the APCO shall, after consultation with the Federal Land Manager and the applicant, deny the application for an authority to construct. If the APCO finds that such demonstration does not

establish to the APCO's satisfaction that the project would have such adverse impact, the APCO shall explain its decision (or give notice of where such explanation can be obtained) in any subsequent notice of a public hearing held under Section 2-2-404.7.

**2-2-308 NAAQS Protection Requirement:** The APCO shall not issue an authority to construct for a new or modified source that will result in a significant net increase in emissions of any pollutant for which a National Ambient Air Quality Standard has been established unless the APCO determines, based upon a demonstration submitted by the applicant, that such increase will not cause or contribute to an exceedance of any National Ambient Air Quality Standard for that pollutant. Such demonstration shall be made using the procedures for PSD Air Quality Impact Analyses set forth in subsections 2-2-305.1 through 2-2-305.4. Such demonstration shall not be required for ozone. A PSD Air Quality Impact Analysis and determination for a new or modified source that satisfies the requirements of Section 2-2-305 shall satisfy the requirements of this Section for all pollutants included in such analysis.

**2-2-309 Compliance Certification:** The APCO shall not issue an authority to construct for a new major facility or a major modification of an existing major facility unless the applicant provides a list, certified under penalty of perjury, of all major facilities within the state of California owned or operated by the applicant or by any entity controlling, controlled by, or under common control with the applicant and demonstrates by certifying under penalty of perjury that they are either in compliance, or on a schedule of compliance, with all applicable state and federal emission limitations and standards. The APCO may request the applicant to provide any technical information used by the applicant to certify compliance.

**2-2-310 Denial, Failure to Meet Permit Conditions:** The APCO shall deny a permit to operate for a source if, after providing written notification to the applicant and an opportunity to remedy any violation, the source is operating in violation of any condition specified in the authority to construct, or if any other source used to provide emission reduction credits for the source that is owned or operated by the applicant is operating in violation of any permit condition limiting emissions such that the required emission reduction credits are not actually being provided.

## **2-2-400 ADMINISTRATIVE REQUIREMENTS**

**2-2-401 Application:** An application for an authority to construct under this Rule shall conform to the requirements of District Regulation 2-1-402, and shall include the following:

401.1 A detailed description of the proposed new source(s) or modification(s) for which the authority to construct is sought, including at a minimum (i) a description of the nature, location, design capacity, and typical operating schedule of the source(s) or modification(s), including specifications and drawings showing its design and plant layout, and (ii) a detailed schedule for construction of the source(s) or modification(s).

401.2 All information necessary for the APCO to determine whether the application satisfies the requirements of this Rule, including but not limited to (i) a demonstration of how the application satisfies applicable BACT standards under Sections 2-2-301 and 2-2-304, and (ii) the PSD analyses and demonstrations required under Sections 2-2-305 and 2-2-306, if applicable.

401.3 CEQA-related information required under Section 2-1-426; and for a new major facility, and for a modification to a major facility that will increase emissions by more than 100 tons per year of carbon monoxide, 40 tons per year of precursor organic compounds, nitrogen oxides, or sulfur dioxide, or 10 tons per year of PM<sub>2.5</sub>, an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source that demonstrates that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction or modification.

401.4 If the application is for (i) a new major facility or a major modification of major facility for NO<sub>x</sub>, VOC, SO<sub>2</sub> or PM<sub>2.5</sub> or (ii) a PSD Project, and the project will be located in or within 100 km of a Class I area, the application shall include an analysis of potential impacts to air quality related values (including

visibility) in such Class I area for review and consideration by the Federal Land Manager of such Class I area.

401.5 Any other information requested by the APCO.

**2-2-402 Notice to EPA and Federal Land Manager of Receipt of Permit Applications:**

When the APCO receives a complete application for an Authority to Construct for a PSD Project, the APCO shall transmit a copy of the complete application to EPA Region IX. If the APCO receives a complete application for (i) a new major facility or a major modification of a major facility for NO<sub>x</sub>, VOC, SO<sub>2</sub> or PM<sub>2.5</sub> or (ii) a PSD Project, and the project is located within 100 km of any Class I Area(s), the APCO shall transmit a copy of the complete application to the Federal Land Manager(s) with responsibility for any such Class I Area(s) within 30 days of receipt and at least 60 days prior to holding any public hearing on such application, and shall include the applicant's analysis of the anticipated impacts on visibility in such Class I area(s). In addition, the APCO shall also notify such Federal Land Manager(s) if the APCO receives any advance notification of any such application.

**2-2-403 Authority to Construct, Preliminary Decision:** If an application for an Authority to Construct is subject to the public notice and comment requirements of Section 2-2-404, the APCO shall make a preliminary decision as to whether an authority to construct shall be approved, or denied. The APCO shall make such preliminary decision within 90 days following the acceptance of the application as complete, provided that any fees required in accordance with Regulation 3 are paid; or within a longer time period if necessary to complete any PSD impact analyses required under Sections 2-2-305 and 2-2-306, if necessary to complete any CEQA analyses if the District is the CEQA Lead Agency, or if consented to by the applicant.

**2-2-404 Publication of Notice and Opportunity for Public Comment:** If the application is for (i) a new major facility or a major modification of an existing major facility, (ii) any new facility, or a modification of any existing facility, that will involve an increase in emissions of CO, NO<sub>x</sub>, SO<sub>2</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>, VOC, or lead, calculated in accordance with Section 2-2-604, in an amount that is significant as defined in Section 2-2-227.2, or (iii) a PSD Project, the APCO shall provide notice of the preliminary decision made under Section 2-2-403 according to the following procedures:

404.1 The APCO shall publish a notice stating the preliminary decision of the APCO and inviting written public comment on it. The notice shall state the location of the information available pursuant to Section 2-2-405, the procedures and deadlines for submitting written public comments, and the opportunity for requesting a public hearing pursuant to subsection 404.7.

404.2 If the application is for a PSD Project, the notice shall also state the degree of PSD increment consumed if a PSD increment consumption analysis has been conducted.

404.3 The APCO shall publish the notice prominently on the District's internet website in a manner that will provide the public with routine and ready access; and if the application is for a new major facility or a major modification of an existing major facility, or for a PSD Project, the APCO shall also publish the notice prominently in at least one newspaper of general circulation within the District.

404.4. The APCO shall transmit a copy of the notice to ARB; EPA Region IX; adjacent air districts; the chief executive(s) of the city and county where the facility is located; the California State Lands Commission; any Indian Governing Body whose lands may be affected by the new or modified source(s) that is the subject of the notice; any person who requests such specific notification in writing; and, if the application is for a PSD Project located within 100 km of any Class I Area(s), the Federal Land Manager(s) with responsibility for any such Class I Area(s).

404.5 If the District is the CEQA Lead Agency with respect to the application, the APCO shall also ensure that the applicable CEQA notice and comment requirements are followed with respect to any CEQA document.

404.6 The APCO shall provide a period of at least 30 days following publication of the notice required under this Section for members of the public to submit

written comments, and may extend the public comment period for good cause.

404.7 The APCO may elect to hold a public meeting to receive written and verbal comments from the public during the public comment period if the APCO finds that a public meeting is warranted and would substantially enhance public participation in the decision-making process. If the APCO elects to hold a public meeting, the APCO shall provide at least 30 days public notice of such meeting in the same manner as is required for the notice of preliminary decision, and the public comment period under Section 2-2-404.6 shall be extended, at a minimum, until the end of the public meeting.

**2-2-405 Public Inspection:** If an application for an Authority to Construct is subject to the public notice and comment requirements of Section 2-2-404, the APCO shall make available for public inspection, at District headquarters, the information submitted by the applicant, the APCO's preliminary decision to grant or deny the authority to construct including any proposed conditions and the reasons therefore, and any other relevant information on which the APCO's preliminary decision is based. Any such information shall also be transmitted, upon request, to ARB and EPA Region IX. In making information available for public inspection, the APCO shall consider any claims by the applicant regarding the confidentiality of trade secrets, as designated by the applicant prior to submission, in accordance with Section 6254.7 of the California Government Code.

**2-2-406 Authority to Construct, Final Action:** If an application for an Authority to Construct is subject to the public notice and comment requirements of Section 2-2-404, the APCO shall consider all public comments received and shall take final action on the application: (i) within 60 days after the close of the public comment period, or within 30 days after final approval of a CEQA Negative Declaration or Environmental Impact Report for the project (if applicable), whichever is later; and (ii) if the application is for a PSD Project, no later than one year after receipt of the complete application (unless a longer period is necessary and is consented to by the applicant). At the time of such final action, the APCO shall:

406.1 Prepare and make publicly available a written response to any public comments received explaining how the APCO has considered such comments in making a final decision; and

406.2 Provide written notice of the final decision to the applicant, ARB, EPA Region IX, any person who submitted comments during the public comment period or requested written notice of the final action, and, if the District is a Lead Agency under CEQA, in accordance with all applicable CEQA public notice and comment requirements.

**2-2-407 Issuance, Permit to Operate:** Before issuing a permit to operate for a source subject to the requirements of this Rule, the APCO shall ensure that the following requirements have been met:

407.1 The APCO shall ensure that all conditions specified in the authority to construct have been and are being complied with, or in the case of conditions with a future compliance date, that such conditions are reasonably expected to be complied with by the applicable compliance date.

407.2 If the permit is for a source for which the applicant complied with the offset provisions of Sections 2-2-302 or 2-2-303 with emission reduction credits generated after the application date:

2.1 The APCO shall ensure that such emission reduction credits took effect or will take effect no later than initial operation of the source (or, for a source that is a replacement unit, as defined in 40 C.F.R. Section 51.165(a)(1)(xxi), that will replace an existing source in whole or in part, with respect to emission reduction credits being generated by the shutdown of the existing source being replaced, no later than 90 days after initial operation of the replacement unit); and

2.2 The APCO shall ensure that such emission reduction credits shall be maintained throughout the operation of the source.

**2-2-408 Permit to Operate, Final Action:** The APCO shall take final action to approve, approve with conditions, or disapprove a permit to operate a source subject to this

Rule within 90 days after start-up of the new or modified source, unless such time period is extended with the written concurrence of the applicant.

**2-2-409 Source Obligation, Relaxation of Enforceable Conditions:** At such time as the applicability of any requirement of this Rule would be triggered by an existing source or facility, solely by virtue of a relaxation of any enforceable limitation on the capacity of the source or facility to emit a pollutant, then the requirements of this Rule shall apply to the source or facility in the same way as they would apply to a new or modified source or facility otherwise subject to this Rule.

**2-2-410 Permit Conditions:** The APCO may include any permit condition in an authority to construct or permit to operate that the APCO determines is necessary to ensure compliance with this Rule, including but not limited to conditions controlling the operation of the source, of its abatement equipment, or of sources used to generate emission reduction credits to comply with Sections 2-2-302 or 2-2-303. Such conditions may have a future effective date and may be made conditional on the results of source tests, ground level monitors or public complaints.

**2-2-411 Offset Refunds:** The APCO may refund offsets provided for an authority to construct or permit to operate, and waive any associated banking fees, under the following circumstances:

411.1 Where an applicant has provided offsets in excess of those required for an authority to construct or permit to operate, the APCO shall upon request of the applicant refund the difference between the amount of offsets provided and the amount of offsets required.

411.2 Whenever a source for which the owner or operator has provided offsets is not constructed (or is constructed but never operated), and the authority to construct or permit to operate for the source has expired or has been surrendered by the applicant, the APCO shall upon request of the applicant refund the offsets provided in connect with the authority to construct or permit to operate.

**2-2-412 Demonstration of NOx and POC Offset Program Equivalence:** By March 1 of each year, the District shall submit to EPA a demonstration that NOx and POC offsets provided for all new and modified sources within the District, less adjustments to those offsets for federal purposes occurring between credit generation and use, exceed federal offset requirements for new major sources or major modifications at major stationary sources. Adjustment to emission reductions for federal purposes will be required if any of the following occur between the time the credit is generated and the time the credit is used:

412.1 BAAQMD adopts a relevant measure or rule that is required for purposes of federal attainment demonstration requirements.

412.2 A relevant rule or measure is approved into the State Implementation Plan applicable in the BAAQMD;

412.3 EPA promulgates a relevant final rulemaking for either a New Source Performance Standard or a Maximum Achievable Control Technology Standard.

The demonstration shall include:

412.4 Emission increases represented by all authorities to construct new major facilities and major modifications at major facilities issued during the three calendar years preceding the demonstration date;

412.5 A list of all emission reductions used to offset those emission increases;

412.6 The emission baselines that were used to calculate the emission reduction;

412.7 The source type, size and category that had generated the emission reduction credit;

412.8 All relevant rules that have been adopted or promulgated since the emission reduction had occurred.

412.9 Adjustments to emission reduction for federal purposes for all affected projects.

412.10 All of the above for as many non-major projects as are needed to demonstrate equivalence.

If the analysis fails to make the required demonstration, the District shall provide sufficient offsets to make up the difference out of the Small Facility Banking Account.

If the Small Facility Banking Account does not contain the necessary surplus emission reductions, the District shall obtain the necessary surplus emission reductions.

**2-2-413 No Net Increase Status Report:** The APCO shall publish, in conjunction with the triennial update of the Clean Air Plan (CAP), a report demonstrating that the District's permitting program complies with the no-net-increase requirements of Section 40919(b) of the Health and Safety Code. This report shall demonstrate that sufficient offsets have been provided, as required by Section 2-2-302, for all permits issued during the previous three year CAP period. This report shall be forwarded to the California Air Resources Board, Stationary Source Division, for approval.

**2-2-414 BACT Workbook:** The APCO shall publish and periodically update a BACT Workbook specifying the BACT requirements for commonly permitted sources. BACT will be determined for a source on a case-by-case basis, using the workbook as a guidance document, as the most effective control device or technique or most stringent emission limitation that meets the requirements of Section 2-2-202.

## **2-2-500 MONITORING AND RECORDS**

**2-2-501 Post-Construction Monitoring:** The APCO may require as a condition in an authority to construct that the owner or operator of a facility for which the authority to construct is issued must conduct such ambient air quality monitoring as the APCO determines is necessary to determine the effect that emissions from the facility may have, or are having, on air quality in the area.

## **2-2-600 MANUAL OF PROCEDURES**

**2-2-601 Ambient Air Quality Monitoring:** Ambient air quality monitoring required pursuant to this Rule shall be conducted in accordance with the methods prescribed in the Manual of Procedures, Volume VI., and 40 C.F.R. Part 58, Appendix B.

**2-2-602 Good Engineering Practice (GEP) Stack Height:** Stack heights beyond what is consistent with good engineering practices shall not be allowed for purposes of air quality modeling undertaken as part of any air quality analysis prepared in connection with an application for an authority to construct as required by Sections 2-2-305 through 2-2-308. This requirement does not limit the actual height of a stack, as long as good engineering practice stack heights are used in any such modeling analyses. Good engineering practice stack height shall be determined according to 40 C.F.R. Section 52.100(ii) and EPA's *Guideline for Determining Good Engineering Practice Stack Height*, EPA Publication No. EPA-450/4-80-023R (June 1985).

**2-2-603 Baseline Emissions Calculation Procedures:** The following methodology shall be used to determine a source's baseline emissions for purposes of calculating an emissions increase or decrease from a source under Sections 2-2-604.2, 2-2-605.1, and 2-2-606.3:

603.1 Determine Baseline Period Ending Date: The date on which the baseline period ends is determined as follows:

- 1.1 For determining the amount of an emissions increase from a new or modified source, the baseline period ends on the date on which the application for authority to construct/permit to operate the new or modified source is determined to be complete.
- 1.2 For determining the amount of a contemporaneous emissions increase under Section 2-2-220 for a physical change or change in the method of operation of a source that was not a modification of the source, the baseline period ends on the date the change was first implemented at the source.
- 1.3 For determining the amount of a contemporaneous onsite emission reduction credit or a contemporaneous emissions decrease under Section 2-2-220, the baseline period ends on the date on which the emission reduction becomes enforceable.
- 1.4 For determining the amount of an emission reduction credit for which a banking certificate is sought under Regulation 2, Rule 4, the

baseline period ends the date on which the banking application is determined to be complete.

- 603.2 Determine Baseline Period: The baseline period is determined as follows:
- 2.1 For all pollutants other than greenhouse gases, the baseline period is the three-year period immediately preceding the baseline period ending date established under subsection 603.1.
  - 2.2. For greenhouse gases, the baseline period is determined as follows:
    - 2.2.1 For a new source, the baseline period is a period with zero throughput and emissions. For such sources, baseline emissions and adjusted baseline emissions are zero for all purposes under Section 2-2-603.
    - 2.2.2 For an existing source that first operated less than 24 months before the date on which the application for authority to construct/permit to operate is determined to be complete, the baseline period is a period with maximum potential throughput and emissions. For such sources, baseline emissions and adjusted baseline emissions are the source's pre-existing potential to emit for all purposes under Section 2-2-603.
    - 2.2.3 For a modification to an existing electric utility steam generating unit as defined in 40 C.F.R. Section 51.166(b)(30) that has operated for 24 months or more prior to the date of application, the baseline period is any period of 24 consecutive months selected by the applicant within the 5-year period immediately preceding the baseline period ending date established under subsection 603.1, or other such time period that the APCO determines is more representative of normal source operation. For evaluating emissions from multiple sources, the same 24-month baseline period shall be used for all sources.
    - 2.2.4 For a modification to any existing source other than an electric utility steam generating unit as defined in 40 C.F.R. Section 51.166(b)(30) that has operated for 24 months or more prior to the date of application, the baseline period is any period of 24 consecutive months selected by the applicant within the 10-year period immediately preceding baseline period ending date established under subsection 603.1. For evaluating emissions from multiple sources, the same 24-month baseline period shall be used for all sources.
- 603.3 Determine Baseline Throughput: Baseline throughput is the lesser of: (i) the actual average annual throughput during the baseline period; or (ii) the average permitted annual throughput during the baseline period, if limited by permit condition. If the applicant does not have sufficient verifiable records of the source's operation to substantiate its throughput during any portion(s) of the baseline period, the applicant is not entitled to credit for throughput during any such portion(s). Throughput shall be based on the source's operational parameter that correlates most closely to the source's emissions.
- 603.4 Determine Baseline Emissions: Baseline emissions are the actual average annual emissions during the baseline period (excluding any emissions that exceed any regulatory or permit limits). If the applicant does not have sufficient verifiable records of the source's operation to substantiate the emission rate during any portion(s) of the baseline period, the applicant is not entitled to credit for emissions during any such portion(s).
- 603.5 Determine Baseline Emissions Rate: The baseline emission rate is the emission rate per unit of throughput during the baseline period, calculated by dividing the source's baseline emissions by its baseline throughput.
- 603.6 Determine Adjusted Baseline Emissions Rate: The adjusted baseline emission rate shall be determined by adjusting the baseline emission rate downward, if necessary, to reflect the most stringent of RACT, BARCT, and applicable federal and District rules and regulations in effect or contained in

the most recently adopted Clean Air Plan; except that for purposes of determining whether a source or group of sources constitutes a PSD Project under Section 2-2-224, the adjusted baseline emission rate shall not be adjusted downward to a greater extent than required under the provisions of 40 C.F.R. Sections 51.166(b)(47)(i)(b) and 51.166(b)(47)(ii)(b) & (c).

603.7 Determine Adjusted Baseline Emissions: The adjusted baseline emissions is the adjusted baseline emissions rate multiplied by the baseline throughput (except where otherwise specified under sections 2-2-603.2.2.1 or 2-2-603.2.2.2).

**2-2-604 Emission Increase/Decrease Calculation Procedures, New Sources and Changes at Existing Sources:** The amount of any emissions increase (or decrease) associated with a new source, or with a physical change, change in the method of operation, change in throughput or production, or other similar change at an existing source, shall be calculated according to the following procedures:

604.1 New Source: The emissions increase associated with a new source is the source's potential to emit.

604.2 Change to Existing Source: The emissions increase (or decrease) associated with a physical change, change in the method of operation, change in throughput or production, or other similar change at an existing source (including a permanent shutdown of the source) shall be calculated as the difference between: (i) the source's potential to emit after the change; and (ii) the source's adjusted baseline emissions before the change, calculated in accordance with Section 2-2-603.

**2-2-605 Emission Reduction Credit Calculation Procedures:** The amount of emission reduction credits associated with a physical change, change in method of operation, change in throughput or production, or other similar change at a source shall be calculated according to the following procedures:

605.1 Non-Fully-Offset Source: For a source that is not fully offset as defined in Section 2-2-213, the amount of emission reduction credits is the difference between: (i) the source's adjusted baseline emissions before the change calculated pursuant to Section 2-2-603; and (ii) the source's potential to emit after the change.

605.2 Fully-Offset Source: For a source that is fully offset as defined in Section 2-2-213, the amount of emission reduction credits is the difference between: (i) the source's potential to emit before the change, adjusted downward, if necessary, to reflect the most stringent of RACT, BARCT, and applicable federal and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan; and (ii) the source's potential to emit after the change.

To qualify as emission reduction credits, the emission reductions associated with any such change: (i) must be enforceable through permit conditions; through relinquishment of the source's permit; through physical removal of the source such that reinstallation would require a new permit under Regulation 2; or in the case of source shutdown where no permit is required for the source being shut down, through an alternative legally-enforceable mechanism; and (ii) must be real, permanent, quantifiable, and in excess of any reductions required by applicable regulatory requirements. Emissions that were offset with credits from the Small Facility Banking Account cannot be used to generate emission reduction credits.

**2-2-606 Potential-to-Emit (PTE) Increase Calculation Procedures for Purposes of Determining Cumulative Increase:** For purposes of calculating cumulative increase under Section 2-2-607, the increase in a source's potential to emit associated with an authority to construct and/or permit to operate for the source shall be calculated according to the following procedures:

606.1 New Source: For a new source, the increase in potential to emit is the source's full potential to emit.

606.2 Modified Source – Offsets Previously Provided: For a modified source, if offsets have previously been provided for the source's emissions, then the increase in potential to emit associated with the modification is the difference between:



- 2.1 the source's potential to emit after the modification; and
- 2.2 the source's potential to emit before the modification, adjusted downward, if necessary, to reflect the most stringent of RACT, BARCT, and applicable federal and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan

606.3 Modified Source – Offsets Not Yet Provided: For a modified source, if offsets have not previously been provided for the source's emissions, then the increase in potential to emit associated with the modification is the difference between:

- 3.1 the source's potential to emit after the modification; and
- 3.2 the source's adjusted baseline emissions before the modification calculated in accordance with Section 2-2-603.

For purposes of calculating the cumulative increase associated with a source, the source's emissions shall include emissions from cargo carriers (other than motor vehicles) associated with the source as specified in Section 2-2-610.

**2-2-607 Cumulative Increase Calculation Procedures:** The cumulative increase in emissions associated with an authority to construct and/or permit to operate for a source shall be calculated as:

607.1 Project Emissions Increase: the increase in potential to emit associated with the authority to construct/permit to operate determined in accordance with Section 2-2-606; minus

607.2 Contemporaneous Onsite Emission Reduction Credits: any contemporaneous onsite emission reduction credits at the facility calculated in accordance with Section 2-2-605 that are credited to the authority to construct/permit to operate.

The cumulative increase associated with an authority to construct/permit to operate issued in the past shall be determined using the increase in potential to emit and contemporaneous onsite emissions reductions credits calculated at the time of issuance of the authority to construct/permit to operate. Emission reduction credits may not be double-counted (e.g., an emission reduction credit may not be applied to the cumulative increase calculation for more than one authority to construct/permit to operate).

**2-2-608 Facility Un-Offset Cumulative Increase Calculation Procedures:** For purposes of applying the emission offset provisions of Sections 2-2-302 and 2-2-303, a facility's un-offset cumulative increase in emissions since the baseline date shall be calculated using the following procedures:

608.1 Project Cumulative Increase: The cumulative increase from the project being permitted shall be determined in accordance with Section 2-2-607.

608.2 Prior Un-Offset Cumulative Increase: For each previous authority to construct/permit to operate issued for the facility, and for any related source as defined in Section 2-2-226, after the cumulative increase baseline date as specified in Section 2-2-209 (but excluding any authority to construct/permit to operate issued because a source lost its permit exemption per Section 2-1-424 and any authority to construct/permit to operate for a source that has been permanently removed from service), the un-offset cumulative increase shall be determined by:

- 2.1 Calculating the cumulative increase associated with each previous authority to construct/permit to operate issued for the facility, and for any related source as defined in Section 2-2-226, determined in accordance with Sections 2-2-607; and
- 2.2 Subtracting any offsets provided in connection with the authority to construct/permit to operate (including any offsets provided from the District's Small Facility Banking Account).

608.3 Facility Un-Offset Cumulative Increase: The facility's un-offset cumulative increase shall be determined by adding (i) the project cumulative increase calculated according to Section 2-2-608.1 and (ii) the un-offset cumulative increase from each previous authority to construct/permit to operate issued for the facility, and for any related source as defined in Section 2-2-226, after the cumulative increase baseline date as specified in Section 2-2-209 (but

excluding any authority to construct/permit to operate issued because a source lost its permit exemption per Section 2-1-424 and any authority to construct/permit to operate for a source that has been permanently removed from service) calculated according to Section 2-2-608.2. Offsets shall be provided for the facility's un-offset cumulative increase multiplied by the applicable offset ratio specified in Section 2-2-302 and 2-2-303.

- 2-2-609 Official Record of Cumulative Increases and Offsets:** The APCO may establish and maintain a database or other accounting document to record the cumulative increase (including project cumulative increase and associated emission reduction credits) and offsets associated with each authority to construct/permit to operate issued for a facility. In calculating the un-offset cumulative increase associated with a previous authority to construct/permit to operate under Section 2-2-608.2, the APCO may rely on the data specified in such document as conclusive, unless the APCO has information that indicates that some other data is more accurate. Records of cumulative increase and offsets shall be updated as necessary to ensure that they are current and accurate.
- 2-2-610 Facility Emissions Calculation Procedures, Cargo Carriers:** For purposes of applying the offset requirements of Sections 2-2-302 and 2-2-303, a facility's potential to emit and cumulative increase shall be calculated including emissions from cargo carriers (other than motor vehicles) associated with the sources at the facility. When applying these offset requirements, facilities that include cargo loading or unloading from cargo carriers other than motor vehicles shall include the cargo carriers as part of the source that receives or loads the cargo. Accordingly, all emissions from such cargo carriers while operating in the District, or within California Coastal Waters up to 11 nautical miles (12.66 statute miles) from the Golden Gate Bridge (and any additional areas of California Coastal Waters adjacent to the District if cargo carrier emissions in such areas would have a substantial impact on air quality within the District), shall be included as part of the source's emissions. Emissions from cargo carriers shall not be included for purposes of applying any other provisions of this Regulation, including the BACT and PSD requirements.
- 2-2-611 Emission Calculation Procedures, Fugitive Emissions:** Any fugitive emissions from a source shall be included in calculating the source's emissions for all purposes under this Rule; except that for purposes of determining whether a facility's emissions exceed the 100 ton per year threshold in Section 2-2-217 (for a "Major Facility") and Section 2-2-224.1 (the first element in the definition of "PSD Project"), fugitive emissions shall be included only if the facility is in one of the 28 categories listed in Section 169(1) of the Clean Air Act.

**REGULATION 2  
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**REGULATION 2  
PERMITS  
RULE 2  
NEW SOURCE REVIEW**

(~~Readopted and Renumbered July 17, 1991~~)  
(Adopted \_\_\_\_\_, 2012)

**2-2-100 GENERAL**

**2-2-101 Description:** This Rule ~~shall apply~~applies to all new and modified sources ~~which~~that are subject to the requirements of ~~Regulation~~Section 2-1-301, ~~and/or~~ 2-1-302. The purpose of this Rule is to ~~provide for~~implement the ~~review of new and modified sources~~New Source Review provisions of the federal and provide mechanisms, California Clean Air Acts (including the use of Best Available Control Technology (BACT), ~~Best Available Control Technology for Toxics (TBACT),~~federal non-attainment New Source Review, Prevention of Significant Deterioration, and emission offsets, by which authorities to construct such sources may be granted. This rule implements ~~Minor New Source Review provisions~~ and the ~~no net increase~~ requirements of ~~Section 40919 (a)(2) of the~~the California Health and Safety Code ~~as demonstrated by the,~~ among other requirements of Section \_\_\_\_\_

~~2-2-316. The New Source Review provisions of 40 CFR 51.165 and the Prevention of Significant Deterioration provisions of 40 CFR 51.166 are hereby incorporated by reference.~~  
(Amended 6/15/94; 10/7/98; 5/17/00)

~~2-2-110 Deleted October 7, 1998~~

~~2-2-111~~102 Exemption, PSD Monitoring: The APCO may exempt an applicant from the requirements of subsection 2-2-414.3 provided that the applicant demonstrates by modeling to the satisfaction of the APCO that the cumulative emission increase minus the emission reduction credits from the new or modified facility would cause air quality impacts less than the following, or may exempt an applicant from the requirements of subsection 2-2-414.3 if the existing ambient air quality concentrations in the impact area are no greater than the following:

	(micrograms per cubic meter, µg/m <sup>3</sup> )
Carbon monoxide: 8-hr average	575
PM <sub>10</sub> : 24-hr average	10
Sulfur dioxide: 24-hr average	13
Lead: 3-month average	0.1
Mercury: 24-hr average	0.25
Beryllium: 24-hr average	0.0001
Fluorides: 24-hr average	0.25
Vinyl chlorides: 24-hr average	15
Total reduced sulfur: 1-hr average	10
Hydrogen sulfide: 1-hr average	0.2
Reduced sulfur compounds: 1-hr average	10
Nitrogen dioxide: annual average	14

*(Amended June 15, 1994)*

~~2-2-112 Exemption, Secondary Emissions From Operation of Abatement Devices And Techniques:~~ The BACT requirements of Section 2-2-301 shall not apply to emissions of secondary pollutants ~~which~~that are the direct result of the use of an abatement device or emission reduction technique ~~which complies~~implemented to comply with the BACT or BARCT requirements for control of another pollutant. However, the APCO shall require the use of Reasonably Available Control Technology (RACT) for control of ~~these secondary pollutants. The Air Pollution Control Officer shall determine which pollutants are primary and which are secondary for the equipment being evaluated.~~emissions of such pollutants.

*(Amended 6/15/94; 10/7/98)*

~~2-2-113 Deleted June 15, 1994~~

- ~~2-2-114~~ **Exemption, MACT Requirement:** The MACT requirement of Section 2-2-317 shall not apply to the following:
- ~~114.1~~ Any source, where the combined increase in potential to emit from all related sources in a proposed construction or modification is less than 10 tons per year of any HAP and less than 25 tons per year of any combination of HAPs.
  - ~~114.2~~ Any source that has been specifically regulated under a standard promulgated pursuant to Sections 112(d), 112(h), or 112(j) of the federal Clean Air Act prior to the date that the APCO has issued an Authority to Construct.
  - ~~114.3~~ Any source that has been specifically exempted from regulation under a standard issued pursuant to Sections 112(d), 112(h), or 112(j) of the federal Clean Air Act.
  - ~~114.4~~ Any Electric Utility Steam Generating Unit as defined in 40 CFR 63.41, unless and until such time as these units are added to the source category list pursuant to Section 112(c)(5) of the federal Clean Air Act.
  - ~~114.5~~ Any Research and Development Activities as defined in 40 CFR 63.41.
  - ~~114.6~~ Any source that is within a source category that has been deleted from the source category list pursuant to Section 112(c)(9) of the federal Clean Air Act.

*(Adopted May 17, 2000)*

~~2-2-103~~ **Incorporation by Reference of Federal PSD Provisions:** Where federal PSD provisions in 40 C.F.R. Section 52.21 are incorporated by reference in this Rule, all associated procedures, definitions, and other regulatory provisions in the Code of Federal Regulations applicable for implementing such provisions are also incorporated by reference and shall be followed and applied by the APCO in implementing such provisions, including but not limited to all of the implementing definitions set forth in 40 C.F.R. Section 52.21(b), which include the definitions in Sections 52.21(b)(13) (baseline concentration), 52.21(b)(14) (major source baseline date), 52.21(b)(15) (baseline area), 52.21(b)(18) (secondary emissions), and 52.21(b)(50) (subject to regulation). Where such regulatory provisions are incorporated by reference, the incorporation is to the version of that regulatory provision in effect upon <date of adoption of proposed amendments>.

## **2-2-200 DEFINITIONS**

- ~~2-2-201~~ **Emission Reduction Credit:** Except as provided by subsection 2-2-201.3 an emission reduction, calculated in accordance with Section 2-2-605, which exceeds the emission reductions required by measures in the current Clean Air Plan approved by the BAAQMD or required by federal, state, or District laws, rules, and regulations. To qualify as an emission reduction credit, the emission reduction must be in excess of the reductions achieved by, or achievable by, the source using Reasonably Available Control Technology (RACT), and must also be real, permanent, quantifiable, and enforceable.
- ~~201.1~~ Unless calculated in accordance with the procedures of Section 2-2-605, that portion of an NSR emission cap, which was part of an APCO approved alternative baseline, shall not qualify as an emission reduction credit.
  - ~~201.2~~ All emission reduction credits shall be enforceable by permit conditions in the authority to construct and permit to operate, except that, in the case of source closures where no permit is required for the source being shut down, the emission reduction credit shall be enforceable through appropriate contractual provisions in a legally binding and irrevocable written agreement in which provisions will be made expressly for the benefit of the District.
  - ~~201.3~~ For the purpose of complying with the PSD requirements of Sections 2-2-111, 304, 305, 306, 308 of this Rule and 40 CFR 51.166, emission reduction credits shall not be adjusted for reductions required by measures in the current Clean Air Plan approved by the BAAQMD which exceed the reductions required by use of Reasonably Available Control Technology (RACT).

~~The permanence of a closure shall be identified in a letter from the source and/or in a Banking Certificate.~~

~~(Amended June 15, 1994)~~

~~**2-2-202 Baseline Area, PSD:** All intrastate Air Quality Control Regions, as defined in 40 CFR 52.21, and every part thereof, designated as attainment or unclassifiable under 107(d)(1)(D) or (E) of the Clean Air Act in which a source establishing a baseline date would construct or would have an air quality impact equal to or greater than 1 µg/m<sup>3</sup> (annual average) of the pollutant for which the baseline date is established.~~

~~**2-2-203 Baseline Concentration, PSD:** The ambient concentration level which exists in the baseline area on the applicable baseline date. A baseline concentration is determined for each pollutant for which a baseline date is established. The baseline concentration shall include the actual emissions representative of sources in existence on the applicable baseline date.~~

~~(Amended October 7, 1998)~~

~~**2-2-204 Baseline Date, PSD:** The earliest date after December 20, 1977, for sulfur dioxide and PM<sub>10</sub>, or after February 8, 1988, for nitrogen dioxide, for each baseline area on which the first complete application under Section 2-2-304 is submitted or was submitted to EPA under 40 CFR 52.21. The baseline date is established for each pollutant for which PSD increments have been established.~~

~~**2-2-205 Baseline Period, PSD:** The period against which a change in emissions is to be measured.~~

~~**2-2-206 2-2-201 Adjustment to Emission Reductions for Federal Purposes:** An adjustment made, for purposes of the equivalence demonstration in 2-2-412, to an emission reduction due to changes in federal requirements between issuance of a banking certificate and its use. The adjustment is made as if the source providing the offsets were in operation, at the original baseline levels, on the date of credit use.~~

~~**2-2-202 Best Available Control Technology (BACT):** For any newAn emission limitation, control device, or modifiedcontrol technique applied at a source, except cargo carriers, that is the ~~moremost~~ most stringent of:~~

- ~~206202.1~~ The most effective emission control device or technique ~~whichthat~~ has been successfully utilized for the type of equipment comprising such a source; or
- ~~206202.2~~ The most stringent emission limitation achieved by an emission control device or technique for the type of equipment comprising such a source; or
- ~~206202.3~~ ~~Any emission.~~ The most effective control device or technique or most stringent emission limitation that the APCO has determined to be technologically feasible andfor a source, taking into consideration cost-effective by the APCO; oreffectiveness, any ancillary health and environmental impacts, and energy requirements; or
- ~~206202.4~~ The most effective emission control limitation for the type of equipment comprising such a source ~~which the EPA states, prior to or during the public comment period,that~~ is contained in an approved implementation plan of any state, unless the applicant demonstrates to the satisfaction of the APCO that such ~~limitations are~~ limitation is not achievable.

~~Under no circumstances shall the emission control requiredBACT be less stringent than theany emission control required by any applicable provision of federal, state or District laws, rules or regulations.~~

~~The APCO shall publish and periodically update a BACT/TBACT Workbook specifying the requirements for commonly permitted sources. BACT will be determined for a source by using the workbook as a guidance document or, on a case-by-case basis, using the most stringent definition of this Section 2-2-206.~~

~~(Amended October 7, 1998)~~

~~**2-2-203 Best Available Retrofit Control Technology (BARCT):** An emission limitation that has been adopted or proposed to be adopted as part of the current Clean Air Plan approved by the District pursuant to the California Clean Air Act of 1988 as implementing the maximum degree of emissions reduction achievable by a class or category of source, taking into account environmental, energy and economic impacts.~~

~~**2-2-207204 California Coastal Waters:** That area betweenThe area bounded by (i) the coast of the State of California and (ii) the line established by starting at the point on the California coast at the California-Oregon border at the Pacific Ocean and ending at the California-Mexico border at the Pacific Ocean, and proceeding:~~



thence to 42.0°N 125.5°W  
thence to 41.0°N 125.5°W  
thence to 40.0°N, 125.5°W;  
thence to 39.0°N, 125.5°W;  
thence to 38.0°N, 124.0°W;  
thence to 37.0°N, 123.5°W;  
thence to 36.0°N, 122.5°W;  
thence to 35.0°N, 121.5°W;  
thence to 34.0°N, 120.5°W;  
thence to 33.0°N, 119.5°W;  
thence to 32.5°N, 118.5°W;

~~2-2-208 CEQA: The California Environmental Quality Act, Public Resources Code, Section 21000, et seq., and the CEQA guidelines, Title 14, California Code of Regulations, Section 15000, et seq.~~

~~(Amended May 17, 2000)~~

~~2-2-209 and thence to an ending point on the California coast at the California-Mexico border.~~

~~2-2-205 Class I Areas, PSD Area: Point Reyes National Seashore and any other area designated as a Class I Area under Part C of the Clean Air Act. All other areas in the District are Class II Areas.~~

~~2-2-210 Deleted May 17, 2000~~

~~2-2-211 Contiguous Properties: Two or more parcels of land with a common boundary or separated solely by a public roadway or other public right-of-way.~~

~~2-2-212 Cumulative Increase: The aggregate sum of all increases in emissions of any given pollutant from a facility pursuant to authorities to construct or permits to operate issued after April 5, 1991 (unless a PSD Baseline Date is applicable), excluding emissions from a source which has lost its permit exemption per Regulation 2-1-424.~~

~~(Amended 6/15/94; 10/7/98)~~

~~2-2-213 EIR: Environmental Impact Report, as defined in Section 21061 of the Public Resources Code.~~

~~2-2-214 Emission Offsets: Emission reduction credits which are used to mitigate cumulative increases of emissions. Emission offsets are emission reduction credits, from the District Emissions Bank, approved in accordance with Regulation 2, Rule 4; emission reduction credits from adjacent Districts, provided the applicant demonstrates that the requirements of Clean Air Act Section 173(e)(1) (42 U.S.C. Section 7503(e)(1)) and Health and Safety Code Section 40709.6 have been met or do not apply, or onsite contemporaneous emission reduction credits occurring after the submittal of an application for a new or modified source but prior to the issuance of the permit to operate any such source, calculated in accordance with Section 2-2-605. Notwithstanding any existing permit conditions, that portion of an NSR emission cap, which was based on an APCO approved alternative baseline, may not be used as a source of offsets unless the proposed reduction is calculated in accordance with procedures specified in Section 2-2-605.~~

~~(Amended 6/15/94; 5/17/00)~~

~~2-2-215 Facility: Any property, building, structure or installation (or any aggregation of facilities) located on one or more contiguous or adjacent properties and under common ownership or control of the same person that emits or may emit any air pollutant and is considered a single major industrial grouping (identified by the first two digits of the applicable code in The Standard Industrial Classification Manual). In addition, facilities which include cargo loading or unloading from cargo carriers other than motor vehicles shall include the cargo carriers as part of the source which receives or loads the cargo. Accordingly, all emissions from such carriers while operating in the District, or within California Coastal Waters adjacent to the District, shall be included as part of the source emissions.~~

~~215.1 For determining the cumulative increase at a facility subject to the offset requirements of Sections 2-2-302 and 303, related sources on a single property or contiguous properties, even though under different ownership, or related sources on non-contiguous properties under the same ownership shall be considered one facility. Related sources are those sources where the operation of one is dependent upon or affects the operation of the other.~~

~~215.2 Notwithstanding the definition in Section 2-2-215 above, the emissions related to cargo carriers shall not be included when determining applicability of the requirements of Sections 2-2-304, 2-2-308, 2-6-301, and 2-6-310.~~

~~215.3 For determining the cumulative increase at a facility subject to the offset requirements of Sections 2-2-302 and 303, facilities under the same ownership or entitlement to use that are located within a distance of three miles, property line to property line, shall be considered one facility if the facilities have the same first two digits in their Standard Industrial Classification codes, as determined from The Standard Industrial Classification Manual.~~

*(Amended November 3, 1993)*

~~2-2-216 **Feasible:** Capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social and technological factors, not in conflict with the mandated responsibilities and duties of the District.~~

~~2-2-217 **2-2-206 Contemporaneous:** Occurring (i) within a five year period of time immediately prior to the date of a complete application for an authority to construct or permit to operate for a source; or (ii) on or after the date of a complete application for an authority to construct or permit to operate but prior to initial operation of the source (or for a source that is a replacement unit, as defined in 40 C.F.R. Section 51.165(a)(1)(xxi), that will replace an existing source in whole or in part, with respect to emission reduction credits being generated by the shutdown of the existing source being replaced, 90 days after initial operation of the replacement unit).~~

~~2-2-207 **Creditable:** For purposes of determining the net emissions increase associated with a new or modified source (or group of sources) under Section 2-2-220, an emission increase or decrease is creditable if it has not been relied on by a permitting agency in issuing a PSD permit, including a federal PSD permit or an authority to construct applying the PSD provisions of Sections 2-2-304 through 2-2-307, which permit is still in effect at the time of initial operation of the source(s).~~

~~2-2-208 **Cumulative Increase:** The increase in the potential to emit a pollutant authorized by an authority to construct or permit to operate measured against prior actual or potential emissions, less any contemporaneous onsite emission reduction credits credited to the authority to construct or permit to operate, calculated in accordance with the procedures set forth in Section 2-2-607.~~

~~2-2-209 **Cumulative Increase Baseline Date:** April 5, 1991, for all pollutants except PM<sub>2.5</sub>; and **<effective date of revised regulation>** for PM<sub>2.5</sub>.~~

~~2-2-210 **District BACT Pollutant:** Precursor organic compounds (POC), non-precursor organic compounds (NPOC), oxides of nitrogen (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>), PM<sub>10</sub>, PM<sub>2.5</sub>, and carbon monoxide (CO).~~

~~2-2-211 **Emission Reduction Credit:** Emission reductions associated with a physical change, change in method of operation, change in throughput or production, or other similar change at a source that are in excess of the reductions required by applicable regulatory requirements, and that are real, permanent, quantifiable, and enforceable, as calculated in accordance with Section 2-2-605.~~

~~2-2-212 **Federal Land Manager:** With respect to any lands in the United States, the Secretary of the department with authority over such lands, or a subordinate acting under the authority of such Secretary.~~

~~2-2-218 **Federally Enforceable:** All limitations and conditions that are enforceable by the Administrator of the U. S. EPA, including requirements developed pursuant to 40 CFR Parts 60 (NSPS), 61 (NESHAPS), 63 (HAP), 70 (State Operating Permit Programs) and 72 (Permits Regulation, Acid Rain), requirements contained in the State Implementation Plan (SIP) that are applicable to the District, any District permit requirements established pursuant to 40 CFR 52.21 (PSD) or District regulations approved pursuant to 40 CFR Part 51, Subpart I (NSR), and any operating permits issued under an EPA-approved program that is a part of the SIP and expressly requires adherence to any permit issued under such program.~~

*(Amended November 3, 1993).*

~~2-2-219 **Impact Area:** The area in which a new or modified facility would have a significant air quality impact.~~

~~2-2-220 Deleted May 17, 2000~~

~~2-2-221 Major Modification of a Major Facility: Any modification, as defined in Regulation 2-1-234, 2-2-213 Fully Offset Source: A source with an emission cap or emission rate contained in a permit condition for which the permit applicant provided offsets and/or contemporaneous on-site emission reduction credits for the entire amount of the emission cap or emission rate. A source for which the District provided offsets from the Small Facility Banking Account is not a fully offset source (except where the District has been fully reimbursed for any offsets from the Small Facility Banking Account).~~

~~2-2-214 Greenhouse Gases (GHGs): The air pollutant that is defined in 40 C.F.R. Section 86.1818-12(a), which is a single air pollutant made up of a combination of the following six constituents: carbon dioxide, nitrous oxide, methane, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride. GHG emissions shall be measured (i) based on total mass for purposes of determining whether a facility exceeds the 100/250 ton major PSD facility thresholds under Section 2-2-224.1; and (ii) as CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e) according to the methodology set forth in 40 C.F.R. Section 52.21(b)(49)(ii) for determining whether the emissions constitute a PSD pollutant as defined in Section 2-2-223, are regulated NSR pollutants as defined in 40 C.F.R. Section 52.21(b)(50), or constitute significant emissions as defined in Section 2-2-227.1.~~

~~2-2-215 Hazardous Air Pollutant (HAP): Any pollutant that is listed pursuant to Section 112(b) of the federal Clean Air Act.~~

~~2-2-216 Indian Governing Body: The governing body of any tribe, band, or group of Indians subject to the jurisdiction of the United States and recognized by the United States as possessing power of self-government.~~

~~2-2-217 Major Facility: For purposes of the New Source Review requirements of Regulation 2, Rule 2, a major facility is a facility that has the potential to emit 100 tons per year or more of POC, NO<sub>x</sub>, SO<sub>2</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>, and/or CO. Fugitive emissions shall be included in calculating the facility's potential to emit under this Section if and only if the facility is in one of the 28 categories listed in Section 169(1) of the Clean Air Act. A physical change at a facility that does not otherwise qualify as a major facility is a new major facility if the change would constitute a major facility by itself.~~

~~2-2-218 Major Modification\*: A new source as defined in Section 2-1-232, or a modified source as defined in Section 2-1-234, or any combination of such new and modified sources at a facility that are part of a single common project, that (i) are or will be located at an existing major facility that the APCO determines and (ii) will cause an increase of the facility's emissions by in emissions of a pollutant for which the facility is a major facility, calculated according to Section 2-2-604, of the following amounts or more:~~

POC:	40 tons per year
NO <sub>x</sub> :	40 tons per year
SO <sub>2</sub> :	40 tons per year
PM <sub>10</sub> :	15 tons per year
PM <sub>2.5</sub> :	10 tons per year
CO:	100 tons per year

*(Amended June 15, 1994)*

~~2-2-222 Modeling, PSD: Estimates of ambient concentrations of pollutants based on applicable air quality models, data bases and other requirements acceptable to the APCO. For modeling required by Sections 2-2-304 through 308 and 414, the air quality models, data bases and other requirements shall also be in accordance with the "Guideline on Air Quality Models", EPA-450/2-78-027R, July 1986 or as revised). Where an air quality impact model specified in the "Guideline on Air Quality Models" is inappropriate, the model may be modified or another model substituted provided that written approval from the Administrator of the EPA is obtained and the application is submitted for public comment in accordance with Section 2-2-405. Methods such as those outlined in the "Workbook for the Comparison of Air Quality Models", April 1977 (or as revised) shall be used to determine the comparability of air quality models. For modeling compliance with air quality standards, other than federal~~

~~ambient air quality standards or federal PSD increments, applicable models must be approved by the APCO.~~

~~2-2-223 Deleted May 17, 2000~~

~~2-2-224 \*Note that the term "Major Modification" is not used in Regulation 2, Rule 2 for purposes of applying the Rule's PSD requirements. The term "PSD Project" is used instead to define new facilities and modifications to existing facilities that are subject to the Rule's PSD requirements. See Section 2-2-224.~~

**2-2-219 Net Air Quality Benefit:** A net improvement of air quality as determined by the APCO resulting from emission reduction credits impacting the same general area affected by the new or modified source and which will be consistent with reasonable further progress towards the attainment of the applicable air quality standard.

*(Amended June 15, 1994)*

~~2-2-225 Deleted May 17, 2000~~

~~2-2-226 Deleted October 7, 1998~~

~~2-2-227 Deleted October 7, 1998~~

~~2-2-228 Deleted October 7, 1998~~

~~2-2-229 Deleted October 7, 1998~~

~~2-2-230 Deleted October 7, 1998~~

~~2-2-231 **Point of Maximum Ground Level Impact:** The ground level geographic location where the projected air pollution concentrations for a given pollutant resulting from the new or modified facility emissions together with the background pollutant concentration for that given pollutant results in the maximum ground level pollutant concentration. The background pollutant concentration means the ambient concentration level resulting from the actual emissions of sources in existence and the projected ambient concentration levels for sources already permitted but not yet in operation. If the general public is effectively excluded from the property on which the point of maximum ground level impact is located, and the property is owned or controlled by the owner of the new or modified facility, such property shall not be considered as the point of maximum ground level impact.~~

~~2-2-232 **Prevention of Significant Deterioration (PSD) Increments:** In areas designated as Class I, II or III, increases in pollutant concentration over the baseline concentration shall be limited to the following:~~

**MAXIMUM ALLOWABLE INCREASE**

(micrograms per cubic meter,  $\mu\text{g}/\text{m}^3$ )

**CLASS I**

**POLLUTANT**

**Particulate Matter:**

PM<sub>10</sub>-Annual arithmetic mean 4

PM<sub>10</sub>-24-hr maximum 8

**Sulfur Dioxide:**

Annual arithmetic mean 2

24-hr maximum 5

3-hr maximum 25

**Nitrogen Dioxide:**

Annual arithmetic mean 2.5

**CLASS II**

**Particulate Matter:**

PM<sub>10</sub>-Annual arithmetic mean 17

PM<sub>10</sub>-24-hr maximum 30

**Sulfur Dioxide:**

Annual arithmetic mean 20

24-hr maximum 94

3-hr maximum 512

**Nitrogen Dioxide:**

Annual arithmetic mean 25

**CLASS III**

Particulate Matter:	
PM <sub>10</sub> -Annual arithmetic mean	34
PM <sub>10</sub> -24-hr maximum	60
Sulfur Dioxide:	
Annual arithmetic mean	40
24-hr maximum	182
3-hr maximum	700
Nitrogen Dioxide:	
Annual arithmetic mean	50

~~For any period other than an annual period, the applicable increase may be exceeded during one such period per year at any one location.~~

*(Amended June 15, 1994)*

~~**2-2-233 Significant Air Quality Impacts, PSD:** Ambient air concentrations, resulting from new or modified facility emissions, that exceed any of the following levels:~~

**SIGNIFICANT AIR QUALITY IMPACTS**  
(MICROGRAMS PER CUBIC METER,  $\mu\text{G}/\text{M}^3$ )

POLLUTANT	
Particulate Matter:	
PM <sub>10</sub> -Annual arithmetic mean	1.0
PM <sub>10</sub> -24-hr maximum	5
Sulfur Dioxide:	
Annual arithmetic mean	1.0
24-hr maximum	5
3-hr maximum	25
Nitrogen Dioxide:	
Annual arithmetic mean	1.0
1-hr maximum	19
Carbon Monoxide:	
8-hr maximum	500
1-hr maximum	2000

*(Amended June 15, 1994)*

~~**2-2-234 Source:** Any article, machine, equipment, operation, contrivance or related groupings of such which may produce and/or emit air pollutants.~~

~~**2-2-235 Year, Month, and Day:** Unless otherwise defined, a year shall be any rolling 365 consecutive day period, a month shall be any rolling 31 consecutive day period and a day shall be any rolling 24 consecutive hour period.~~

~~**2-2-236 Hazardous Air Pollutant (HAP):** Any pollutant that is listed **2-2-220 Net Emissions Increase:** For purposes of applying the PSD provisions and NAAQS Protection requirements of this Rule, a net emissions increase from a new source or modified source (or group of such sources) is the sum of the new emissions from the new source(s) and/or the increase in emissions from the modified source(s), plus any other creditable contemporaneous emissions increases at the facility calculated according to Section 2-2-604, less any other creditable contemporaneous emissions decreases at the facility calculated according to Section 2-2-604.~~

~~**2-2-221 Offsets:** Offsets are any of the following:~~  
~~221.1 banked emission reduction credits approved in accordance with District Regulation 2, Rule 4; or~~  
~~221.2 banked emission reduction credits from adjacent Districts if the applicant demonstrates that the requirements of Clean Air Act Section 173(c)(1) (42 U.S.C. Section 7503(c)(1)) and Health and Safety Code Section 40709.6 have been met or do not apply;~~  
~~that are provided to compensate for cumulative increases in emissions pursuant to Section 112(b) of the federal Clean Air Act 2-2-302 or 2-2-303.~~

*(Adopted 11/3/93; Amended 5/17/00)*

~~**2-2-237 Major Facility Review (MFR):** Plantwide review of sources, emissions and regulatory requirements at facilities including, but not limited to, major facilities, phase II acid rain facilities, subject solid waste incinerator facilities, designated facilities, and synthetic~~

~~minor facility candidates, which are potentially subject to the permitting requirements of Regulation 2, Rule 6, and Title V of the federal Clean Air Act.~~

~~(Adopted November 3, 1993)~~

~~2-2-238 Deleted May 17, 2000~~

~~2-2-239 Deleted May 17, 2000~~

~~2-2-240 **Best Available Retrofit Control Technology (BARCT):** An emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy and economic impacts by each class or category of source and has been adopted or proposed to be adopted as part of the current Clean Air Plan required by the California Clean Air Act of 1988.~~

~~(Adopted June 15, 1994)~~

~~2-2-241 Deleted May 17, 2000~~

~~2-2-242 **Contemporaneous:** The five year period of time immediately prior to the date of application for an authority to construct or permit to operate.~~

~~(Adopted June 15, 1994)~~

~~2-2-243 **2-222 Pollutant-Specific Basis:** A term used to describe a regulatory requirement governing multiple pollutants. If a regulatory requirement applies on a pollutant-specific basis, the requirement applies only for the individual pollutant(s) for which a source or facility meets the relevant applicability criteria, and does not apply for pollutant(s) for which the source or facility does not meet the relevant applicability criteria.~~

~~2-2-223 **PSD Pollutant:** Any Regulated NSR Pollutant as defined in EPA's PSD Regulations at 40 C.F.R. Section 52.21(b)(50), except pollutants for which the San Francisco Bay Area has been designated as non-attainment of a California or National Ambient Air Quality Standard. If a pollutant is subject to both federal and California ambient air quality standards, the pollutant shall be treated as a PSD Pollutant for (and only for) the ambient air quality standard(s) for which the San Francisco Bay Area has not been designated as non-attainment.~~

~~2-2-224 **PSD Project:** A new source as defined in Section 2-1-232, or a modified source as defined in Section 2-1-234, or a combination of such new or modified sources that are part of a single common project, that meets all of the following criteria:~~

~~224.1 **Major PSD Facility:** The source(s) are or will be located at a facility that has the potential to emit 100 tons or more per year of any PSD pollutant\* (including fugitive emissions) if it is in one of the 28 categories listed in Section 169(1) of the Clean Air Act, or 250 tons or more of any PSD Pollutant\* (not including fugitive emissions) if it is not in a listed category; and~~

~~224.2 **Significant Increase in Emissions of PSD Pollutant:** The new emissions from the new source(s) and/or the increase in emissions from the modified source(s) calculated according to Section 2-2-604 constitute significant emissions of any PSD pollutant as defined in Section 2-2-227.1; and~~

~~224.3 **Significant Net Increase in Emissions of PSD Pollutant:** The net emissions increase associated with the new or modified source(s), as defined in Section 2-2-220, constitute significant emissions of any PSD pollutant as defined in Section 2-2-227.1.~~

~~Any physical change or change in method of operation that takes place at a facility that does not meet the Major PSD Facility criteria specified in subsection 224.1, but which change would constitute a Major PSD Facility under the criteria in subsection 224.1 by itself, is a PSD Project.~~

~~\*Note that for purposes of applying the 100/250 ton-per-year major PSD facility threshold in Section 2-2-224.1, the term PSD pollutant is defined to exclude GHGs where they are emitted in an amount of less than 100,000 tons CO<sub>2</sub>e per year. Thus, for a facility to satisfy the major PSD facility test in Section 2-2-224.1 based on its GHG emissions, the GHG emissions (i) must be over 100,000 tons per year CO<sub>2</sub>e for the emissions to constitute a PSD pollutant, and (ii) must be over the 100/250 ton absolute mass threshold for the facility to constitute a major emitter of that pollutant. See Section 2-2-223; see also 40 C.F.R. § 52.21(b)(50)(iv) and 40 C.F.R. § 52.21(b)(49)(iv)&(v).~~

~~2-2-225 **Reasonably Available Control Technology (RACT):** For sources ~~which~~that are to continue operating, RACT is the lowest emission limit that can be achieved by the specific source by the application of control technology taking into account technological feasibility and cost-effectiveness, and the specific design features or extent of necessary modifications to the source. For sources which are or will be shut-down, RACT is the lowest emission limit that can be achieved by the application of control technology to similar, but not necessarily identical categories of sources,~~

taking into account technological feasibility and cost-effectiveness of the application of the control technology to the category of sources only and not to the shut-down source.

*(Adopted June 15, 1994)*

~~2-2-244 — **Best Available Control Technology for Toxics (TBACT):** For any new or modified source, except cargo carriers, the most stringent of the following emission controls, provided that under no circumstances shall the controls be less stringent than the emission control required by any applicable provision of federal, state or District laws, rules, regulations or requirements:~~

~~244.1 The most effective emission control device or technique which has been successfully utilized for the type of equipment comprising such a source; or~~

~~244.2 The most stringent emission limitation achieved by an emission control device or technique for the type of equipment comprising such a source; or~~

~~244.3 Any control device or technique or any emission limitation that the APCO has determined to be technologically feasible for the type of equipment comprising such a source, while taking into consideration the cost of achieving emission reductions, any non-air quality health and environmental impacts, and energy requirements; or~~

~~244.4 The most stringent emission control for a source type or category for which a Maximum Achievable Control Technology (MACT) standard has been proposed, or for which the CARB has developed an Airborne Toxic Control Measure (ATCM).~~

*(Adopted 5/17/00; Amended 6/15/05)*

~~2-2-245 — **Fully Offset:** An emission cap or emission rate contained in a permit condition is fully offset if offsets were provided for the entire amount of the emission cap or emission rate, and the entire amount of offsets is composed of contemporaneous emission reductions or banked emission reduction credits.~~

*(Adopted May 17, 2000)*

~~2-2-246 — **Adjustment to Emission Reductions for Federal Purposes:** An adjustment made, for purposes of the equivalence demonstration in 2-2-423, to an emission reduction, due to changes in federal requirements between issuance of a banking certificate and its use. The adjustment is made as if the source providing the offsets were in operation, at the original baseline levels, on the date of credit use.~~

*(Adopted May 17, 2000)*

~~2-2-226 **Related Sources:** Two or more sources where the operation of one is dependent upon, supports or affects the operation of the other(s).~~

~~2-2-227 **Significant:** The term “significant” has the following meanings when used in the following contexts:~~

~~227.1 For determining whether an increase in emissions of a PSD pollutant is “significant” for purposes of the PSD provisions of this Rule, the increase is significant:~~

~~1.1 if it exceeds the values specified in the following table, or for a PSD pollutant that is not listed in the following table, if it is greater than zero; or~~

~~1.2 if it is from a source that is or would be located within 10 kilometers of a Class I area, and it would have an impact in such Class I area equal to or greater than 1 µg/m<sup>3</sup> (24-hour average).~~

~~227.2 For determining whether an increase in emissions is “significant” for purposes of the NAAQS Protection Requirement in Section 2-2-308 and the public notice requirement in Section 2-2-404, the increase is significant if it exceeds the values specified in the following table.~~

<u>Pollutant</u>	<u>Significant Emissions Rate</u>	
	<u>kg/yr</u>	<u>(ton/yr)</u>
<u>Carbon monoxide</u>	<u>90,500</u>	<u>(100)</u>
<u>Nitrogen oxides</u>	<u>36,200</u>	<u>(40)</u>
<u>Sulfur dioxide</u>	<u>36,200</u>	<u>(40)</u>

Total particulate matter	22,680	(25)
PM <sub>10</sub>	13,575	(15)
PM <sub>2.5</sub> *	9050	(10)
VOC*	36,200	(40)
GHGs**	67,875,000**	(75,000**)
Lead	530	(0.6)
Fluorides	2720	(3)
Sulfuric Acid Mist	6350	(7)
Hydrogen Sulfide	9050	(10)
Total Reduced Sulfur	9050	(10)
Reduced Sulfur Compounds	9050	(10)
Municipal waste combustor organics	3.2 x 10 <sup>-3</sup>	(3.5 x 10 <sup>-6</sup> )
Municipal waste combustor metals	13,575	(15)
Municipal waste combustor acid gases	36,200	(40)
Municipal solid waste landfill emissions	45,250	(50)

*\*Pollutants for which the Bay Area is designated as non-attainment of a NAAQS are not subject to the PSD requirements in Sections 2-2-304 through 2-2-307 by operation of 40 C.F.R. Section 52.21(i)(2). PM<sub>2.5</sub> and VOC (as an ozone precursor) are therefore not subject to these PSD requirements as long as the Bay Area remains non-attainment for any PM<sub>2.5</sub> or ozone NAAQS, respectively.*

*\*\*Per Section 2-2-214, emissions of GHGs are measured as CO<sub>2</sub>e for purposes of determining whether an emissions increase exceeds this significance threshold. Per Section 2-2-223 and 40 C.F.R. Sections 52.21(b)(50)(iv) and 52.21(b)(49)(iv)&(v), increases in GHG emissions of less than 75,000 tons per year CO<sub>2</sub>e are excluded from the definition of PSD pollutant and are not subject to the PSD requirements of Regulation 2, Rule 2.*

## 2-2-300 STANDARDS

**2-2-301 Best Available Control Technology Requirement:** An ~~applicant for an~~ authority to construct ~~and/or a~~ permit to operate ~~shall apply BACT to any for a new or modified source shall require BACT to control emissions of District BACT pollutants under the following conditions:~~

301.1 ~~Which results in an emission from a new source or an increase in emissions from a modified source and which has the potential to emit 10.0 pounds or more per highest day of precursor organic compounds (POC), non-precursor organic compounds (NPOC), nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>), PM<sub>10</sub> or carbon monoxide (CO). BACT shall be applied for any of the above pollutants which meets both criteria.~~

*(Amended 6/15/94; 10/7/98; 5/17/00)*

~~**2-2-302 Offset Requirements, Precursor Organic Compounds and Nitrogen Oxides, NSR:** Except as provided by Sections 2-2-313 or 421, before the APCO may issue an New Source: An authority to construct ~~and/or a~~ permit to operate for a new or modified source at a facility which emits 35 tons per year or more or will be permitted to emit 35 tons per year or more, on a source shall require BACT to control emissions of a District BACT pollutant ~~specific basis, of precursor organic compounds or nitrogen oxides, federally enforceable emission offsets shall be provided, for the emission from the new or modified source and any pre-existing cumulative increase, minus any onsite contemporaneous emission reduction credits determined in accordance with Section 2-2-605, at a 1.15 to 1.0 ratio; additionally, the applicant must reimburse the District Small Facility Banking Account for any unreimbursed offsets previously provided by the District, at a 1.0 to 1.0 ratio.~~~~



~~Before the APCO may issue an authority to construct or a permit to operate for a new or modified source at a facility which emits or will be permitted to emit more than 10 tons per year but less than 35 tons per year, on a pollutant specific basis, of precursor organic compounds or nitrogen oxides, emission offsets shall be provided, by the District (or by the applicant, if the Small Facility Banking account has been exhausted) at a 1.0 to 1.0 ratio for the emission from the new or modified source and any pre-existing cumulative increase, minus any onsite contemporaneous emission reduction credits determined in accordance with Section 2-2-605, from the Small Facility Banking account in the District's Emissions Bank in accordance with the provisions of Regulations 2-4-414. The APCO shall determine the total facility emissions, on a pollutant specific basis, by adding the emissions from the proposed new or modified source(s) to the most recent District Emissions Inventory, adjusted for any errors and adjusted upward for any permitted levels of emissions not currently being emitted. If the source will have the potential to emit that pollutant in an amount of 10.0 or more pounds on any day as defined in Regulation 2-1-217;~~

~~302.1 Deleted May 17, 2000~~

~~302.2 Emission reduction credits of precursor organic compounds may be used. Modified Source: An authority to offset increased construct and/or permit to operate for a modified source shall require BACT to control emissions of nitrogen oxides at each District BACT pollutant for which the offset ratio specified above source is "modified" as defined in Section 2-1-234 for which:~~

~~2-302, provided that .1 the PSD requirements of Section 2-2-304, if applicable, are met.~~

~~302.3 Reimbursement of source, after the small facility bank may be provided by adjusting modification, will have the cumulative increase potential to emit that pollutant in an amount of 10.0 or more pounds on any day as defined in Regulation 2-1-217; and~~

~~2.2 the modification will result in an increase in emissions of that pollutant above baseline levels calculated for the application for which small facility bank credits were originally provided. An adjustment may be made under pursuant to Section 2-2-604.~~

~~The BACT requirements in this Section shall apply on a pollutant-specific basis.~~

**2-2-302 Offset Requirements, Precursor Organic Compounds and Nitrogen Oxides:**

~~Before the APCO may issue an authority to construct or permit to operate for a new or modified source at any facility that will have the potential to emit more than 10 tons per year of NOx or POC after the new or modified source is constructed (including emissions from cargo carriers per Section 2-2-610), offsets must be provided according to the following circumstances: requirements:~~

~~302.1 If the facility will have the potential to emit more than 10 tons per year but less than 35 tons per year of NOx or POC after the new or modified source is constructed, offsets must be provided at a 1:1 ratio for any un-offset cumulative increase in emissions at the facility and any related sources since the baseline date determined in accordance with Section 2-2-608.~~

~~1.1 The APCO shall provide any required offsets from the Small Facility Banking Account in the District's Emissions Bank in accordance with Section 2-4-414, unless the Small Facility Banking Account is exhausted or the applicant accepts an enforceable permit condition limiting emissions to a lower level than approved in the permit in question, or (or any entity controlling, controlled by, or under common control with the applicant surrenders the) owns or controls offsets.~~

~~1.2 If the Small Facility Banking Account is exhausted, or if the applicant owns or controls offsets, the applicant shall provide any required offsets.~~

~~1.3 A permit limit for which offsets have been provided from the Small Facility Banking account may not be higher than the source's maximum physical/design capacity to emit air pollutants, and may not be higher than is reasonably necessary to satisfy the applicant's~~

operational requirements (including sufficient flexibility to allow for future changes in operational requirements).

*(Amended 11/20/91; 6/15/94; 10/7/98; 5/17/00; 12/21/04)*

302.2 If the facility will have the potential to emit 35 tons per year or more of NOx or POC after the new or modified source is constructed, the applicant shall:

2.1 Reimburse the Small Facility Banking Account for any cumulative increase for which offsets were previously provided from the Small Facility Banking Account; and

2.2 Provide federally-enforceable offsets at a 1.15:1 ratio for any un-offset cumulative increase in emissions at the facility and any related sources since the baseline date determined in accordance with Section 2-2-608.

302.3 An applicant may reimburse the Small Facility Banking Account under subsection 302.2.1 by reducing the cumulative increase associated with the permitting action(s) for which the District provided the Small Facility Banking Account credits. To do so, the applicant must request a lower emissions limit in a permit for which the Small Facility Banking Account credits were provided. Upon approval by the APCO, the amount by which the applicant must reimburse the Small Facility Banking Account shall be reduced by the difference between the old permit limit and the new permit limit.

302.4 The offset requirements in this Section shall be applied on a pollutant-specific basis.

**2-2-303**

**Offset Requirement Requirements, PM<sub>2.5</sub>, PM<sub>10</sub> and Sulfur Dioxide, NSR:** ~~Except as provided by Section 2-2-421, before: Before~~ the APCO may issue an authority to construct or a permit to operate for a new ~~or of~~ modified source, ~~of PM<sub>10</sub> or sulfur dioxide located at a Major Facility, which will result in a cumulative increase minus any contemporaneous emission reduction credits at the~~ at a facility, for that pollutant, ~~in excess of 1.0 ton~~ will have the potential to emit 100 tons per year since April or more of PM<sub>2.5</sub>, 1991, ~~emission offsets shall be provided, for the emission from PM<sub>10</sub> or sulfur dioxide after the new or modified source and any pre-existing is constructed (including emissions from cargo carriers per Section 2-2-610), the applicant shall provide offsets according to the following requirements:~~

303.1 If the un-offset cumulative increase, minus any onsite contemporaneous emission reduction credits in emissions of PM<sub>2.5</sub>, PM<sub>10</sub> or sulfur dioxide at the facility and any related sources since the baseline date determined in accordance with Section 2-2-605, at a 1.0:1.0 ratio or at a ratio, approved by the APCO, in accordance with subsection 2-2-303.1608 exceeds 1 ton per year, the applicant shall provide offsets at a 1:1 ratio for the un-offset cumulative increase since the baseline date.

~~303.1 Emission reduction credits of nitrogen oxides 2NOx and/or sulfur dioxide offsets may be used to offset increased emissions provided in place of PM<sub>10</sub> offsets required under subsection 303.1 at offset ratios determined by the APCO to result in a net air quality benefit. This determination. Any approval of the use of NOx and/or sulfur dioxide offsets under this subsection shall be made after a case-by-case based on an analysis that includes specific to the individual facility for which the determination is made, which shall include adequate modeling.;~~ and any such approval shall be granted only after public notice and an opportunity for public comment, and with EPA concurrence.

~~A facility which emits less than 100 tons of any pollutant, subject to this section, may voluntarily provide emission offsets for all, or any portion, of their cumulative increase, at the ratio required above.~~

*(Amended 11/20/91; 6/15/94; 5/17/00)*

**2-2-304**

**PSD Requirement:** In accordance with the Prevention of Significant Deterioration provisions of 40 CFR 51.166 of the Code of Federal Regulations, the APCO shall not issue an authority to construct or a permit to operate to:

304.1 A new major facility which will emit 100 tons per year or more, if, it is one of the twenty eight (28) PSD source categories listed in Section 169(1) of the federal Clean Air Act, or 250 tons per year or more for an unlisted category, of any pollutant subject to regulation under the federal Clean Air Act unless the applicant demonstrates by modeling in accordance with Section 2-2-414

~~to the satisfaction of the APCO that such emissions will not interfere with the attainment or maintenance of the applicable sulfur dioxide or nitrogen dioxide NAAQS at the point of maximum ground level impact and will not cause an exceedance of a sulfur dioxide or a nitrogen dioxide PSD increment.~~

~~304.2 A major modification of a major facility if the cumulative increase, from the PSD Baseline Date, minus the contemporaneous emission reduction credits at the facility are in excess of 40 tons per year of sulfur dioxide or nitrogen oxides unless the applicant demonstrates by modeling in accordance with Section 2-2-414 to the satisfaction of the APCO that such emissions will not interfere with the attainment or maintenance of the applicable sulfur dioxide or nitrogen dioxide NAAQS at the point of maximum ground level impact and will not cause an exceedance of a sulfur dioxide or a nitrogen dioxide PSD increment.~~

~~304.3 A major modification of a major facility if the cumulative increase, from the PSD Baseline Date, minus the contemporaneous emission reduction credits at the facility are in excess of 15 tons per year of PM<sub>10</sub> unless the applicant demonstrates by modeling in accordance with Section 2-2-414 to the satisfaction of the APCO that such emission will not interfere with the attainment or maintenance of the PM<sub>10</sub> federal ambient air quality standard at the point of maximum ground level impact and will not cause an exceedance of a PM<sub>10</sub> PSD increment.~~

~~304.4 A major modification of a major facility if the cumulative increase, from the PSD Baseline Date, minus the contemporaneous emission reduction credits at the facility are in excess of 0.6 tons per year of lead unless the applicant demonstrates by modeling in accordance with Section 2-2-414 to the satisfaction of the APCO that such emission will not interfere with the attainment or maintenance of the lead federal ambient air quality standard at the point of maximum ground level impact and will not cause an exceedance of a lead PSD increment.~~

*(Amended 6/15/94; 5/17/00)*

~~**2-2-305 Carbon Monoxide Modeling Requirement, PSD:** In accordance with the Prevention of Significant Deterioration provisions of 40 CFR 51.166 of the Code of Federal Regulations, the APCO shall not issue an authority to construct or a permit to operate for:~~

~~305.1 A new major facility which will emit 100 tons per year or more, if it is one of the twenty eight (28) PSD source categories listed in Section 169(1) of the federal Clean Air Act, or 250 tons per year or more for an unlisted category, of any pollutant subject to regulation under the federal Clean Air Act, unless the applicant demonstrates by modeling in accordance with Section 2-2-414, to the satisfaction of the APCO, that the net air quality impact of the cumulative increase of emissions of CO from the new or modified facility and all contemporaneous emission reduction credits to be provided by the applicant will not interfere with the attainment or maintenance of the CO NAAQS in the District or any contiguous air basin, or~~

~~1.1 The cumulative increase minus the contemporaneous emission reduction credits from the facility are less than or equal to zero.~~

~~305.2 A major modification of a major facility with an increase of 100 tons per year or more of carbon monoxide, unless the applicant demonstrates by modeling in accordance with Section 2-2-414, to the satisfaction of the APCO, that the net air quality impact of the cumulative increase of emissions of CO from the new or modified facility and all contemporaneous emission reduction credits to be provided by the applicant will not interfere with the attainment or maintenance of the CO NAAQS in the District or any contiguous air basin, or~~

~~2.1 The cumulative increase minus the contemporaneous emission reduction credits from the facility are less than or equal to zero.~~

*(Amended 6/15/94; 5/17/00)*

~~**2-2-306 Non-Criteria Pollutant Analysis, PSD:** In accordance with the Prevention of Significant Deterioration provisions of 40 CFR 51.166 of the Code of Federal Regulations, unless the applicant has performed all analysis required by Sections 2-2-414 and 417 for the applicable pollutants, the APCO shall not issue an authority to~~

~~construct or a permit to operate to a new or modified facility if the new or modified facility will emit greater than 100 tons per year of carbon monoxide, PM<sub>10</sub>, sulfur dioxide, precursor organic compounds or nitrogen oxides, and the increase in emissions due to the permit application, minus the onsite contemporaneous emission reduction credits associated with the permit application are in excess of the annual average amounts specified below:~~

	ANNUAL AVERAGE		DAILY	
	kg/yr	(ton/yr)	g/day	(lb/day)
Lead	530	(0.6)	1450	(3.2)
Asbestos	6	(0.007)	17	(0.04)
Beryllium	0.3	(0.0004)	0.9	(0.002)
Mercury	88	(0.1)	240	(0.5)
Fluorides	2720	(3)	7450	(16)
Sulfuric Acid Mist	6350	(7)	17400	(38)
Hydrogen Sulfide	9050	(10)	24800	(55)
Total Reduced Sulfur	9050	(10)	24800	(55)
Reduced Sulfur Compounds	9050	(10)	24800	(55)

*(Amended 6/15/94; 5/17/00)*

~~**2-2-307 Denial, Failure of all Facilities to be in Compliance:** The APCO shall deny 303.3 Any NOx and/or sulfur dioxide offsets provided in place of PM<sub>10</sub> offsets must be provided in addition to any NOx and/or sulfur dioxide offsets required independently as a result of the source's NOx and/or sulfur dioxide emissions.~~

~~303.4 The offset requirements in this Section shall be applied on a pollutant-specific basis.~~

**2-2-304 PSD BACT Requirement:** An authority to construct for a PSD Project shall require federal PSD Best Available Control Technology as defined in Section 169(3) of the federal Clean Air Act ("federal PSD BACT") for each PSD pollutant for which the net increase in emissions from the PSD Project will be significant as defined in Section 2-2-227.1. If federal PSD BACT is required for a pollutant under this Section, the authority to construct shall require federal PSD BACT for each new or modified source for which there will be an increase in emissions of that pollutant by any amount, calculated in accordance with Section 2-2-604. The APCO shall impose federal PSD BACT in an authority to construct subject to this Section according to and in satisfaction of all of the requirements applicable to federal PSD BACT under 40 C.F.R. Section 52.21(j), including any applicable exemptions from that Section's requirements under 40 C.F.R. Section 52.21(i).

**2-2-305 PSD Source Impact Analysis Requirement:** The APCO shall not issue an authority to construct for a PSD Project unless the APCO determines, for each PSD pollutant for which the net increase in emissions from the PSD Project will be significant as defined in Section 2-2-227.1, that the net increase in emissions from the PSD Project will not cause or contribute to a violation of (i) any applicable ambient air quality standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c). The APCO shall make such determination in accordance with the following procedures:

305.1 Pre-application Air Quality Analysis: The applicant shall prepare and submit an analysis of ambient air quality in the area that the PSD Project would affect for each PSD pollutant for which the net increase in emissions allowed by the authority to construct will be significant. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(m)(1), including any applicable exemptions from that Section's requirements under 40 C.F.R. Section 52.21(i).

305.2 PSD Source Impact Analysis: The applicant shall demonstrate, for each PSD pollutant for which the net increase in emissions allowed by the authority to construct will be significant, that the net increase in emissions of such pollutant will not cause or contribute to a violation of (i) any applicable

California or National Ambient Air Quality Standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c). The applicant's analysis and demonstration shall be prepared according to and shall satisfy all of the requirements applicable to PSD source impact analyses for federal PSD permitting under 40 C.F.R. Section 52.21(k), including any applicable exemptions from that Section's requirements under 40 C.F.R. Section 52.21(i).

305.3 Air Quality Models: All estimates of ambient concentrations required under this Section shall be based on applicable air quality models, databases, and other requirements specified in Appendix W of Part 51 of Title 40 of the Code of Federal Regulations (Guideline on Air Quality Models). Where an air quality model specified in Appendix W is inappropriate, the model may be modified or another model substituted upon written approval by the APCO after public notice and opportunity for public comment under the procedures set forth in Section 2-2-404. Where modeling is conducted solely to evaluate compliance with a California air quality standard, any APCO-approved model may be used.

305.4 APCO Determination: The APCO shall determine, based on the applicant's submissions and any other relevant information, whether any net emissions increases of PSD pollutants that the authority to construct will authorize in significant amounts would cause or contribute to a violation of (i) any applicable California or National Ambient Air Quality Standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c), for any PSD pollutant. In making this determination, the APCO shall use the same procedures and be subject to the same requirements as are applicable to the Administrator for issuing federal PSD permitting under 40 C.F.R. Section 52.21(k), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i).

**2-2-306 PSD Additional Impacts Analysis Requirements:** Before issuing an authority to construct for a PSD Project, the APCO shall conduct the following additional impact analyses:

306.1 Visibility, Soils & Vegetation Impact Analysis: The applicant shall prepare and submit an analysis of the impairment to visibility, soils and vegetation that would occur as a result of the PSD Project and any commercial, residential, industrial, and other growth associated with the PSD Project. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(o)(1), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i). The analysis need not address impacts on vegetation having no significant commercial or recreational value.

306.2 Associated Growth Analysis: The applicant shall prepare and submit an analysis of the air quality impact projected for the area as a result of general commercial, residential, industrial, and other growth associated with the PSD Project. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(o)(2), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i).

306.3 APCO Review: The APCO shall review the applicant's additional impact analyses to ensure that they are complete and accurately reflect the circumstances associated with the PSD Project.

**2-2-307 Consideration of Class I Area Impacts:** If, within 30 days after receiving notice under Section 2-2-404 of a preliminary decision to issue an authority to construct for (i) a new major facility or a major modification of a major facility for NO<sub>x</sub>, VOC, SO<sub>2</sub> or PM<sub>2.5</sub> or (ii) a PSD Project, the Federal Land Manager with responsibility for administering any Class I Area provides the APCO with a demonstration that emissions from the project would have an adverse impact on the air quality-related values of the Class I Area (including visibility), the APCO shall promptly review and

consider such demonstration. If the APCO concurs with such demonstration, or if the APCO concludes based on an independent review of the analysis submitted under Section 401.4 that the project will have such adverse impact, the APCO shall, after consultation with the Federal Land Manager and the applicant, deny the application for an authority to construct. If the APCO finds that such demonstration does not establish to the APCO's satisfaction that the project would have such adverse impact, the APCO shall explain its decision (or give notice of where such explanation can be obtained) in any subsequent notice of a public hearing held under Section 2-2-404.7.

**2-2-308 NAAQS Protection Requirement:** The APCO shall not issue an authority to construct for a new or modified source that will result in a significant net increase in emissions of any pollutant for which a National Ambient Air Quality Standard has been established unless the APCO determines, based upon a demonstration submitted by the applicant, that such increase will not cause or contribute to an exceedance of any National Ambient Air Quality Standard for that pollutant. Such demonstration shall be made using the procedures for PSD Air Quality Impact Analyses set forth in subsections 2-2-305.1 through 2-2-305.4. Such demonstration shall not be required for ozone. A PSD Air Quality Impact Analysis and determination for a new or modified source that satisfies the requirements of Section 2-2-305 shall satisfy the requirements of this Section for all pollutants included in such analysis.

**2-2-309 Compliance Certification:** The APCO shall not issue an authority to construct for a new major facility or a major modification of an existing major facility unless the applicant provides a list, certified under penalty of perjury, of all major facilities within the state of California owned or operated by the applicant or by any entity controlling, controlled by, or under common control with the applicant and demonstrates by certifying under penalty of perjury that they are either in compliance, or on a schedule of compliance, with all applicable state and federal emission limitations and standards. The APCO may request the applicant to provide any technical information used by the applicant to certify compliance.

*(Amended June 15, 1994)*

~~**2-2-308 Class I Area Requirements, PSD:** A facility for which the cumulative increases minus the contemporaneous emission reduction credits occurring since the PSD Baseline Date, are greater than zero, and which would construct in a Class I Area or within 10 kilometers (6.2 miles) of a Class I Area, and would have an impact on such area equal to or greater than 1 microgram per cubic meter, shall use BACT on the new or modified facility and shall not cause or contribute to the exceedance of any NAAQS at the point of maximum ground level impact or any PSD increment set forth in Section 2-2-232, and shall perform all analyses required by Sections 2-2-414 and 417.~~

*(Amended June 15, 1994)*

~~**2-2-309 Denial for Air Quality Related Values, PSD:** The APCO shall deny any permit application subject to the requirements of Section 2-2-308 where it has been demonstrated by the Federal Land Manager that the permit would authorize emissions which would have an adverse impact on the air-quality-related values (including visibility) of a Class I Area, provided that such demonstration is completed prior to the termination of the public comment period and that the APCO concurs with that demonstration.~~

~~**2-2-310 Denial, Failure to Use BACT:** The APCO shall deny an authority to construct if the APCO finds that the application is subject to Section 2-2-301 and, after notification in writing, the applicant has not provided a control device or technique meeting the requirements defined in Section 2-2-206.~~

~~**2-2-311 Denial, Failure to Provide Offsets:** The APCO shall deny an authority to construct if the APCO finds that the application is subject to Sections 2-2-302 or 303 and, after notification in writing, the applicant has not provided the required offsets to mitigate the emissions increase.~~

~~**2-2-312 Denial, Failure to Meet Permit Conditions:** The APCO shall deny a permit to operate for a source if, after providing written notification to the applicant, if the equipment and an opportunity to remedy any violation, the source is operating in violation of any condition specified in the authority to construct, or if any other source used to provide offset emission reduction credits for the projectsource that is owned or operated by the applicant is operating in violation of any permit condition limiting~~

emissions such that the required offset emission reduction credits are not actually being provided.

~~2-2-313 Deleted May 17, 2000~~

~~2-2-314 Federal New Source Review Applicability: The requirements of 40 CFR 51.165 are incorporated, by reference, as part of this rule.~~

~~(Adopted June 15, 1994)~~

~~2-2-315 Federal Prevention of Significant Deterioration Applicability: The requirements of 40 CFR 51.166 are incorporated, by reference as part of this rule.~~

~~(Adopted June 15, 1994)~~

~~2-2-316 No Net Increase Status Report: The APCO shall publish in conjunction with the triennial update of the Clean Air Plan (CAP), a report demonstrating that the District's permitting program complies with the no net increase requirements of Section 40919 (b) of the Health and Safety Code. This report shall demonstrate that sufficient offsets have been provided, as required by Section 2-2-302, for all permits issued during the previous three year CAP period. This report shall be forwarded to the California Air Resources Board, Stationary Source Division for approval.~~

~~(Adopted June 15, 1994)~~

~~2-2-317 Maximum Achievable Control Technology (MACT) Requirement: The APCO shall not issue an Authority to Construct for a new or modified source at a Major Facility of Hazardous Air Pollutants unless the source will meet Best Available Control Technology for Toxics (TBACT), except as provided in Section 2-2-114.~~

~~(Adopted May 17, 2000)~~

## 2-2-400 ADMINISTRATIVE REQUIREMENTS

~~2-2-401 Application: In additionAn application for an authority to construct under this Rule shall conform to the requirements of District Regulation 2-1-402, applications for authorities to construct facilities subject to Rule 2 and shall include all of the following:~~

~~401.1 ForA detailed description of the proposed new facilities, which will emit, and for a source(s) or modification which(s) for which the authority to construct is sought, including at a minimum (i) a description of the nature, location, design capacity, and typical operating schedule of the source(s) or modification(s), including specifications and drawings showing its design and plant layout, and (ii) a detailed schedule for construction of the source(s) or modification(s).~~

~~401.2 All information necessary for the APCO to determine whether the application satisfies the requirements of this Rule, including but not limited to (i) a demonstration of how the application satisfies applicable BACT standards under Sections 2-2-301 and 2-2-304, and (ii) the PSD analyses and demonstrations required under Sections 2-2-305 and 2-2-306, if applicable.~~

~~401.3 CEQA-related information required under Section 2-1-426; and for a new major facility, and for a modification to a major facility that will increase emissions by more than 100 tons per year of carbon monoxide or 40 tons per year of either precursor organic compounds or nitrogen oxides, or sulfur dioxide, or 10 tons per year of PM<sub>2.5</sub>, an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source which demonstratethat demonstrates that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction or modification.~~

~~401.2 The information required by the lists and criteria adopted pursuant to Section 65940 of the California Government code that are in effect on the date the application is filed.~~

~~401.3 CEQA-related information which satisfies the requirements of Regulation 2-1-426.~~

~~401.4 All information specified in 40 CFR 63.43(e), if the application is subject to the MACT requirement of Section 2-2-317.~~

~~(Amended 11/20/91; 6/15/94; 5/17/00)~~

~~2-2-402 Deleted December 21, 2004~~

~~2-2-403 Deleted October 7, 1998~~

~~2-2-404 Authority to Construct, Preliminary Decision: Within 90 days following the acceptance of an application as complete, which is subject to the~~

~~requirements of Section 2-2-405, or longer period necessary to satisfy the requirements of Section 2-2-414, providing that any fees required in accordance with Regulation 3 are paid, or with the consent of the applicant, such longer period as may be agreed upon.~~401.4 If the application is for (i) a new major facility or a major modification of major facility for NO<sub>x</sub>, VOC, SO<sub>2</sub> or PM<sub>2.5</sub> or (ii) a PSD Project, and the project will be located in or within 100 km of a Class I area, the application shall include an analysis of potential impacts to air quality related values (including visibility) in such Class I area for review and consideration by the Federal Land Manager of such Class I area.

401.5 Any other information requested by the APCO.

**2-2-402 Notice to EPA and Federal Land Manager of Receipt of Permit Applications:**

~~When the APCO receives a complete application for an Authority to Construct for a PSD Project, the APCO shall transmit a copy of the complete application to EPA Region IX. If the APCO receives a complete application for (i) a new major facility or a major modification of a major facility for NO<sub>x</sub>, VOC, SO<sub>2</sub> or PM<sub>2.5</sub> or (ii) a PSD Project, and the project is located within 100 km of any Class I Area(s), the APCO shall transmit a copy of the complete application to the Federal Land Manager(s) with responsibility for any such Class I Area(s) within 30 days of receipt and at least 60 days prior to holding any public hearing on such application, and shall include the applicant's analysis of the anticipated impacts on visibility in such Class I area(s). In addition, the APCO shall also notify such Federal Land Manager(s) if the APCO receives any advance notification of any such application.~~

**2-2-403 Authority to Construct, Preliminary Decision:** If an application for an Authority to Construct is subject to the public notice and comment requirements of Section 2-2-404, the APCO shall make a preliminary decision as to whether an authority to construct shall be approved, or denied. ~~Final action on this application will be taken in accordance with the requirements of Section 2-2-407. The APCO shall make such preliminary decision within 90 days following the acceptance of the application as complete, provided that any fees required in accordance with Regulation 3 are paid; or within a longer time period if necessary to complete any PSD impact analyses required under Sections 2-2-305 and 2-2-306, if necessary to complete any CEQA analyses if the District is the CEQA Lead Agency, or if consented to by the applicant.~~

~~404.1 When the District is the CEQA Lead Agency for a project, the 90-day limit for issuing a preliminary decision shall be suspended until the draft EIR or Negative Declaration is available for the APCO's consideration and public review.~~

*(Amended 11/20/91; 5/17/00)*

**2-2-405404 Publication of Notice and Opportunity for Public Comment:** If the application is for (i) a new major facility or a major modification of an existing major facility, ~~or requires a PSD~~ (ii) any new facility, or a modification of any existing facility, that will involve an increase in emissions of CO, NO<sub>x</sub>, SO<sub>2</sub>, PM<sub>10</sub>, PM<sub>2.5</sub>, VOC, or lead, calculated in accordance with Section 2-2-604, in an amount that is significant as defined in Section 2-2-227.2, or (iii) a PSD Project, the APCO shall provide notice of the preliminary decision made under Section 2-2-403 according to the following procedures:

404.1 The APCO shall publish a notice stating the preliminary decision of the APCO and inviting written public comment on it. The notice shall state the location of the information available pursuant to Section 2-2-405, the procedures and deadlines for submitting written public comments, and the opportunity for requesting a public hearing pursuant to subsection 404.7.

404.2 If the application is for a PSD Project, the notice shall also state the degree of PSD increment consumed if a PSD increment consumption analysis, ~~or is subject to the MACT requirement, the APCO shall within 10 days of the notification of the applicant, cause to have published~~ has been conducted.

404.3 The APCO shall publish the notice prominently on the District's internet website in a manner that will provide the public with routine and ready access; and if the application is for a new major facility or a major modification of an existing major facility, or for a PSD Project, the APCO shall also publish the notice prominently in at least one newspaper of general circulation within the District, ~~a prominent notice stating the preliminary decision of the APCO, the~~



~~location of the information available pursuant to Section 2-2-406, and inviting written public comment for a 30 day period following the date of publication. Written notice of the preliminary decision shall be sent.~~

- ~~404.4. The APCO shall transmit a copy of the notice to the ARB, the regional office of the EPA and Region IX, adjacent air districts. A copy of this notice shall be provided to; the chief executive(s) of the city and county where the facility is located; the California State Lands Commission; any Indian Governing Body whose lands may be affected by the new or modified source(s) that is the subject of the notice; any person who requests such specific notification in writing. During this; and, if the application is for a PSD Project located within 100 km of any Class I Area(s), the Federal Land Manager(s) with responsibility for any such Class I Area(s).~~
- ~~404.5 If the District is the CEQA Lead Agency with respect to the application, the APCO shall also ensure that the applicable CEQA notice and comment requirements are followed with respect to any CEQA document.~~
- ~~404.6 The APCO shall provide a period of at least 30 days following publication of the notice required under this Section for members of the public to submit written comments, and may extend the public comment period, which may be extended by the APCO, the for good cause.~~
- ~~404.7 The APCO may elect to hold a public meeting to receive verbal comment from the public. The written notice shall contain the degree of PSD increment consumed written and verbal comments from the public during the public comment period if the APCO finds that a public meeting is warranted and would substantially enhance public participation in the decision-making process. If the APCO elects to hold a public meeting, the APCO shall provide at least 30 days public notice of such meeting in the same manner as is required for the notice of preliminary decision, and the public comment period under Section 2-2-404.6 shall be extended, at a minimum, until the end of the public meeting.~~

~~**2-2-405.** In addition to the above requirements, for any application for which the District is a Lead Agency under CEQA, the public notice required pursuant to this Section 2-2-405 shall provide public notice of the availability of a Draft EIR, a Negative Declaration or a Notice of Exemption, as applicable.~~

*(Amended May 17, 2000)*

**2-2-406 Public Inspection:** ~~The~~ if an application for an Authority to Construct is subject to the public notice and comment requirements of Section 2-2-404, the APCO shall make available for public inspection, at District headquarters, the information submitted by the applicant, and if applicable the APCO's analysis, and the APCO's preliminary decision to grant or deny the authority to construct including any proposed conditions, including and the reasons therefore, and any other relevant information on which the APCO's preliminary decision is based. Any such information shall also be transmitted, upon request, to ARB and EPA Region IX. In making information available for public inspection, the APCO shall consider any claims by the applicant regarding the confidentiality of trade secrets, as designated by the applicant prior to completion of the application, shall be considered submission, in accordance with Section 6254.7 of the California Government Code. Furthermore, all such information shall be transmitted, upon the date of publication, to the ARB and the regional office of the EPA if the application is subject to the requirements of Section 2-2-405.

**2-2-407406 Authority to Construct, Final Action:** ~~If the~~ an application is for a new major facility or a major modification of an existing major facility, or requires a PSD analysis, or an Authority to Construct is subject to the MACT requirement, the APCO shall within 180 days following the acceptance of the application as complete, or a longer time period agreed upon, public notice and comment requirements of Section 2-2-404, the APCO shall consider all public comments received and shall take final action on the application: (i) within 60 days after considering all public comments. Written notice of the final decision shall be provided to the applicant, the ARB and the EPA, and, if the District is a Lead Agency under CEQA, to any person who has commented on a Draft EIR. The final action will also be published in at least one newspaper of general circulation within the District, and the notice and supporting documentation shall be available for public inspection at District headquarters.

~~407.1 Notwithstanding the requirement of this Section 2-2-407 that the APCO shall act within 180 days after the application is accepted as complete, the APCO shall not take final action on the application for any project for which on the close of the public comment period, or within 30 days after final approval of a CEQA Negative Declaration or Environmental Impact Report or a Negative Declaration has been prepared pursuant to the requirements of CEQA until a Final EIR for that project has been certified and the APCO has considered the information contained in that Final EIR, or a Negative Declaration for that project has been approved. If the specified 180 day period has elapsed prior to the certification of the Final EIR or the approval of the Negative Declaration, the APCO shall take final action on the application within 30 days after the certification of the Final EIR or approval of the Negative Declaration for the project (if applicable), whichever is later; and (ii) if the application is for a PSD Project, no later than one year after receipt of the complete application (unless a longer period is necessary and is consented to by the applicant). At the time of such final action, the APCO shall:~~

*(Amended May 17, 2000)*

~~2-2-408 Deleted May 17, 2000.~~

~~406.1 Prepare and make publicly available a written response to any public comments received explaining how the APCO has considered such comments in making a final decision; and~~

~~406.2 Provide written notice of the final decision to the applicant, ARB, EPA Region IX, any person who submitted comments during the public comment period or requested written notice of the final action, and, if the District is a Lead Agency under CEQA, in accordance with all applicable CEQA public notice and comment requirements.~~

~~2-2-2-409 Requirements 407 Issuance, Permit to Operate: As a condition Before issuing a permit to operate for a source subject to the issuance requirements of a Permit to Operate this Rule, the APCO shall require ensure that the new or modified source and the sources which provide offsets be operated in the manner assumed in making the analysis required to determine following requirements have been met:~~

~~407.1 The APCO shall ensure that all conditions specified in the authority to construct have been and are being complied with, or in the case of conditions with a future compliance with this Regulation date, that such conditions are reasonably expected to be complied with by the applicable compliance date.~~

~~409.1 The permit to operate of any source used to provide offsets shall be conditioned to insure that the emission reductions will be enforceable and shall continue for the reasonably expected life of the proposed source. If offsets are obtained from a source for which there is no permit to operate, either a permit shall be obtained or a written contract 407.2 If the permit is for a source for which the applicant complied with the offset provisions of Sections 2-2-302 or 2-2-303 with emission reduction credits generated after the application date:~~

~~2.1 The APCO shall be required between the applicant and the owner or operator of such source, which contract, by its terms, shall be enforceable by the APCO to ensure that such reductions ensure that such emission reduction credits took effect or will continue for the duration of the life of the proposed source:~~

~~2-2-410 Issuance, Permit to Operate: The APCO shall issue a permit to operate a source subject to the requirements of this Rule if it is determined that any offsets required, as a condition of an authority to construct or amendment to a permit to operate, will commence take effect no later than the initial operation of the new source or within source (or, for a source that is a replacement unit, as defined in 40 C.F.R. Section 51.165(a)(1)(xxi), that will replace an existing source in whole or in part, with respect to emission reduction credits being generated by the shutdown of the existing source being replaced, no later than 90 days after initial operation of the modified source, and that the offsets shall be maintained throughout the operation of the new or modified source which is the beneficiary of the offsets. Further, the APCO shall determine that all conditions~~

~~specified in the authority to construct have been or will be likely complied with by any dates specified. Where a new or modified source is, in whole or in part, a replacement for an existing source on the same property, the APCO may allow a maximum of 90 days as a start-up period for simultaneous operation of the existing source and the new source or replacement replacement unit); and~~

~~2-2-414.2 The APCO shall ensure that such emission reduction credits shall be maintained throughout the operation of the source.~~

**2-2-408 Permit to Operate, Final Action:** The APCO shall take final action to approve, approve with conditions, or disapprove a permit to operate a source subject to this Rule within ~~6090~~ days after start-up of the new or modified source. ~~However, failure to act within the 60 day period, unless the such time period is extended with the written concurrence of the applicant, shall be deemed to be a denial of the permit. Such denial may be appealed to the Hearing Board in accordance with the provisions of Regulation 2-1-410.~~

*(Amended November 20, 1991)*

**2-2-412.409 Source Obligation, Relaxation of Enforceable Conditions:** At such time as the applicability of any requirement of this Rule would be triggered by an existing source or facility, solely by virtue of a relaxation of any enforceable limitation on the capacity of the source or facility to emit a pollutant, then the requirements of this Rule shall apply to the source or facility in the same way as they would apply to a new or modified source or facility otherwise subject to this Rule.

~~2-2-413 Deleted May 17, 2000.~~

~~2-2-414 PSD Air Quality Analysis:~~ An application for an authority to construct a facility subject to the requirements of Sections 2-2-304, 305, 306 or 308 shall contain the following:

~~414.1 A modeling analysis, as defined in Section 2-2-222, demonstrating to the satisfaction of the APCO the air quality impacts of the new or modified facility (including impacts of non-criteria pollutants if required under Section 2-2-306). The analysis shall include meteorological and topographic data necessary to estimate such impact. If the maximum air quality impacts of the new or modified facility do not exceed the significance levels for air quality impacts, as defined in Section 2-2-233, no further analysis under this Section will be required unless the facility is subject to the Class I area requirements of Section 2-2-308.~~

~~414.2 A demonstration by modeling to the satisfaction of the APCO that the allowable emission increases from the new or modified facility, in conjunction with all other applicable emissions, would not cause or contribute to a violation of an air quality standard or an exceedance of any applicable PSD increment. A new or modified facility will be considered to cause or contribute to a violation of an air quality standard when the increase in emissions would cause a significant air quality impact at any locality that does not or would not meet the applicable air quality standard.~~

~~414.3 For determining whether the emission increases from the new or modified facility would cause or contribute to an air quality standard violation or an exceedance of a PSD increment, an analysis of the existing air quality in the impact area of the new or modified facility that includes one year of continuous ambient air quality monitoring data. The continuous air quality monitoring data shall have been gathered over a period of at least one year preceding the receipt of a complete application. The APCO may approve a shorter period (but not less than four months) provided that the period of monitoring includes the time frame when maximum concentrations are expected. The APCO may approve modeling in lieu of ambient air quality monitoring for pollutants for which no air quality standard exists.~~

~~414.4 For pollutants for which PSD increments have been established, a PSD increment consumption analysis that includes:~~

~~4.1 Establishment of the baseline area(s) affected by the new and modified facility, and the corresponding baseline date(s);~~

~~4.2 An analysis of the air quality impact of all increment-consuming emissions within the impact area of the new or modified facility, and those increment-consuming emissions outside the impact area that may have a significant air quality impact within the impact area; and,~~

~~4.3 An analysis of the air quality impact, and the nature and extent of any or all general commercial, residential, industrial, and other growth which has occurred since the baseline date in the impact area of the new or modified facility.~~

~~**2-2-415 Notice to EPA and Federal Land Manager:** On the date of a complete application subject to Section 2-2-308, the APCO shall provide a copy of the complete application to the EPA, the Federal Land Manager for the affected Class I Area, and to the federal official charged with direct responsibility for management of any lands within the Class I area. The APCO shall also send a copy of the preliminary decision and the APCO's analysis to the above agencies.~~

~~**2-2-416 Report, PSD Increment Consumption:** The District shall conduct an annual review of the increment status for each attainment pollutant, and the APCO, upon request of the Board of Directors, shall provide a report on the consumption of PSD increments which have occurred during the period of interest.~~

~~**2-2-417 Visibility, Soils, and Vegetation Analysis:** An application for a permit subject to the requirements of Section 2-2-414 shall contain an analysis of the impairment to visibility, soils and vegetation that would occur as a result of the new or modified source and the general commercial, residential, industrial and other growth associated with the source or modification. The applicant need not provide an analysis of the impact on vegetation if it has no significant commercial or recreational value.~~

~~**2-2-418 PSD Analysis Stack Heights:** For the purposes of modeling, stack heights beyond what is required by good engineering practices shall not be allowed. This requirement should not be perceived to be a limit on the actual constructed height of a stack. The method to calculate good engineering stack height is referenced in Section 2-2-602.~~

~~**2-2-419410 Permit Conditions:** The APCO may require~~include~~ any permit condition necessary to insure compliance with this Rule to be included in an authority to construct or permit to operate. This may include that the APCO determines is necessary to ensure compliance with this Rule, including but not limited to conditions controlling the operation of the source, of its abatement equipment, or of sources used to provide mitigation (offsets). Conditions generate emission reduction credits to comply with Sections 2-2-302 or 2-2-303. Such conditions may have a future effective date and may be made conditional on the results of source tests, ground level monitors or public complaints.~~

~~419.1 All emission reduction credits shall be enforceable by permit conditions; such permit conditions shall constitute applicable requirements of the State Implementation Plan for purposes of Section 113 and 304 of the Clean Air Act and are enforceable in the same manner as other SIP requirements.~~

~~(Amended June 15, 1994)~~

~~**2-2-420 Deleted March 1, 2000**~~

~~**2-2-421 Offset Deferral, Annual Permit Renewal:** Whenever offsets are required by Section 2-2-302 or 303, a person has the option to defer providing the offsets until the time of the annual permit renewal provided:~~

~~421.1 The facility demonstrates that they have valid Banking Certificates adequate to cover their offset obligation. Offsets deferred under the provisions of this Section shall be provided by the facility at least 30 days prior to the date of annual permit renewal, and~~

~~421.2 The facility does not have a cumulative increase greater than 15 tons per year for the pollutant or pollutants subject to the offset requirement(s).~~

~~(Adopted June 15, 1994)~~

~~**2-2-422 Offset Refunds:** Whenever an authorized source is either not constructed or is constructed and operated to result in lower emissions than the amount authorized, the APCO shall issue a certificate refunding the excess offsets. The APCO shall add appropriate conditions to the operating permits to make the new emission levels enforceable.~~

~~(Adopted October 7, 1998)~~

**2-2-4232-2-411 Offset Refunds:** The APCO may refund offsets provided for an authority to construct or permit to operate, and waive any associated banking fees, under the following circumstances:

411.1 Where an applicant has provided offsets in excess of those required for an authority to construct or permit to operate, the APCO shall upon request of the applicant refund the difference between the amount of offsets provided and the amount of offsets required.

411.2 Whenever a source for which the owner or operator has provided offsets is not constructed (or is constructed but never operated), and the authority to construct or permit to operate for the source has expired or has been surrendered by the applicant, the APCO shall upon request of the applicant refund the offsets provided in connect with the authority to construct or permit to operate.

**2-2-412** **Demonstration of NOx and POC Offset Program Equivalence:** By March 1 of each year, the District shall submit to EPA a demonstration that NOx and POC offsets provided for all new and modified sources within the District, less adjustments to those offsets for federal purposes occurring between credit generation and use, exceed federal offset requirements for new major sources or major modifications at major stationary sources. Adjustment to emission reductions for federal purposes will be required if any of the following occur between the time the credit is generated and the time the credit is used:

423412.1 BAAQMD adopts a relevant measure or rule that is required for purposes of federal attainment demonstration requirements.

423412.2 A relevant rule or measure is approved into the State Implementation Plan applicable in the BAAQMD;

423412.3 EPA promulgates a relevant final rulemaking for either a New Source Performance Standard or a Maximum Achievable Control Technology Standard.

The demonstration shall include:

423412.4 Emission increases represented by all authorities to construct new major facilities and major modifications at major facilities issued during the three calendar years preceding the demonstration date;

423412.5 A list of all emission reductions used to offset those emission increases;

423412.6 The emission baselines that were used to calculate the emission reduction;

423412.7 The source type, size and category that had generated the emission reduction credit;

423412.8 All relevant rules that have been adopted or promulgated since the emission reduction had occurred.

423412.9 Adjustments to emission reduction ~~for~~ federal purposes for all affected projects.

423412.10 All of the above for as many non-major projects as are needed to demonstrate equivalence.

If the analysis fails to make the required demonstration, the District shall provide sufficient offsets to make up the difference out of the ~~small facility bank~~. Small Facility Banking Account. If the Small Facility Banking Account does not contain the necessary surplus emission reductions, the District shall obtain the necessary surplus emission reductions.

*(Adopted May 17, 2000)*

**2-2-413** **No Net Increase Status Report:** The APCO shall publish, in conjunction with the triennial update of the Clean Air Plan (CAP), a report demonstrating that the District's permitting program complies with the no-net-increase requirements of Section 40919(b) of the Health and Safety Code. This report shall demonstrate that sufficient offsets have been provided, as required by Section 2-2-302, for all permits issued during the previous three year CAP period. This report shall be forwarded to the California Air Resources Board, Stationary Source Division, for approval.

**2-2-414** **BACT Workbook:** The APCO shall publish and periodically update a BACT Workbook specifying the BACT requirements for commonly permitted sources. BACT will be determined for a source on a case-by-case basis, using the workbook as a guidance document, as the most effective control device or technique or most stringent emission limitation that meets the requirements of Section 2-2-202.

## 2-2-500 MONITORING AND RECORDS

- 2-2-501** ~~PSD Pre-Construction Ambient Air Monitoring:~~ An applicant subject to the requirements of subsection 2-2-414.3 shall meet the following requirements:
- ~~501.1~~ Prior to commencing pre-construction ambient air monitoring, receive written approval from the APCO regarding the selection and operation of monitoring stations.
- ~~501.2~~ Operate the monitoring stations in accordance with the provisions of Appendix B to 40 CFR 58. The APCO may approve the use of District air monitoring data as part of the PSD air quality analysis required by Section 2-2-414.
- 2-2-502** ~~PSD Post-Construction Monitoring:~~ The APCO may require as a condition in an authority to construct that the owner or operator of a facility subject to the requirements of Section 2-2-414 shall, after construction of the facility or modification, for which the authority to construct is issued must conduct such ambient air quality monitoring as the APCO specifies in the authority to construct or the permit to operate. The monitoring shall determine is necessary to determine the effect that emissions from the facility or modification may have, or are having, on air quality in the area. All air monitoring shall be performed in accordance to the Manual of Procedures, Volume VI and 40 CFR Appendix B.

## 2-2-600 MANUAL OF PROCEDURES

- 2-2-601** ~~Ambient Air Quality Monitoring:~~ Any person subject to the ambient Ambient air quality monitoring requirements of required pursuant to this Rule shall use be conducted in accordance with the methods prescribed in the Manual of Procedures, Volume VI, and 40 C.F.R. Part 58, Appendix B.
- 2-2-602** ~~Good Engineering Practice (GEP) Stack Height:~~ The method for calculating GEP stack height is contained in the FEDERAL REGISTER: Volume 50, Number 130; Monday, July 18, 1985.
- 2-2-603** ~~PSD Air Quality Evaluation Procedure:~~ As a guideline to preparing an air quality impact analysis the applicant is encouraged to review "Guidelines for Air Quality Maintenance Planning and Analysis," Volume 10 (Revised): Procedures for Evaluating Air Quality Impact of New Stationary Sources, EPA-450/4-77-001.
- 2-2-604** ~~Emission Increase~~ **2-2-602 Good Engineering Practice (GEP) Stack Height:** Stack heights beyond what is consistent with good engineering practices shall not be allowed for purposes of air quality modeling undertaken as part of any air quality analysis prepared in connection with an application for an authority to construct as required by Sections 2-2-305 through 2-2-308. This requirement does not limit the actual height of a stack, as long as good engineering practice stack heights are used in any such modeling analyses. Good engineering practice stack height shall be determined according to 40 C.F.R. Section 52.100(ii) and EPA's *Guideline for Determining Good Engineering Practice Stack Height*, EPA Publication No. EPA-450/4-80-023R (June 1985).
- 2-2-603** ~~Baseline Emissions Calculation Procedures, New or Modified Sources:~~ The APCO following methodology shall be used to determine the annual emissions source's baseline emissions for purposes of calculating an emissions increase, expressed as tons per year, or decrease from:
- ~~604~~ a source under Sections 2-2-604.2, 2-2-605.1, \_\_\_\_\_ A, and 2-2-606.3:
- ~~603.1~~ Determine Baseline Period Ending Date: The date on which the baseline period ends is determined as follows:
- ~~1.1~~ For determining the amount of an emissions increase from a new or modified source based on, the maximum emitting potential of baseline period ends on the date on which the application for authority to construct/permit to operate the new or modified source or is determined to be complete.
- ~~1.2~~ For determining the maximum permitted amount of a contemporaneous emissions increase under Section 2-2-220 for a physical change or change in the method of operation of a source

that was not a modification of the source, the baseline period ends on the date the change was first implemented at the source.

1.3 For determining the amount of a contemporaneous onsite emission reduction credit or a contemporaneous emissions decrease under Section 2-2-220, the baseline period ends on the date on which the emission level of the new source, approved by the APCO, subject to federally enforceable limiting conditions.

~~604.2 A modified source by subtracting either the baseline annual emission rate, as calculated using the methodology in Section 2-2-605, from the new maximum permitted emission level.~~  
1.4 For determining the amount of the modified source, approved by the APCO, subject to federally enforceable limiting conditions.

*(Amended 6/15/94; 5/17/00)*

~~2-2-605 Emission Calculation Procedures, Emission Reduction Credits:~~ The following methodology shall be used to calculate an emission reduction credits.

~~605.1 The credit for which a banking certificate is sought under Regulation 2, Rule 4, the baseline period consists of the 3 year period immediately preceding the date that on which the banking application is determined to be complete (or shorter period if the source is less than 3 years old). The applicant must have sufficient verifiable records of the source's operation to substantiate the emission rate and throughput during the entire baseline period.~~

~~605.2~~ 603.2 Determine Baseline Period: The baseline period is determined as follows:

2.1 For all pollutants other than greenhouse gases, the baseline period is the three-year period immediately preceding the baseline period ending date established under subsection 603.1.

2.2 For greenhouse gases, the baseline period is determined as follows:

2.2.1 For a new source, the baseline period is a period with zero throughput and emissions. For such sources, baseline emissions and adjusted baseline emissions are zero for all purposes under Section 2-2-603.

2.2.2 For an existing source that first operated less than 24 months before the date on which the application for authority to construct/permit to operate is determined to be complete, the baseline period is a period with maximum potential throughput and emissions. For such sources, baseline emissions and adjusted baseline emissions are the source's pre-existing potential to emit for all purposes under Section 2-2-603.

2.2.3 For a modification to an existing electric utility steam generating unit as defined in 40 C.F.R. Section 51.166(b)(30) that has operated for 24 months or more prior to the date of application, the baseline period is any period of 24 consecutive months selected by the applicant within the 5-year period immediately preceding the baseline period ending date established under subsection 603.1, or other such time period that the APCO determines is more representative of normal source operation. For evaluating emissions from multiple sources, the same 24-month baseline period shall be used for all sources.

2.2.4 For a modification to any existing source other than an electric utility steam generating unit as defined in 40 C.F.R. Section 51.166(b)(30) that has operated for 24 months or more prior to the date of application, the baseline period is any period of 24 consecutive months selected by the applicant within the 10-year period immediately preceding baseline period ending date established under subsection 603.1. For evaluating emissions from multiple sources, the same 24-month baseline period shall be used for all sources.

603.3 Determine Baseline Throughput: Baseline throughput is the lesser of:

2.1 (i) the actual average annual throughput during the baseline period; or

~~2.2—(ii) the average permitted annual throughput during the baseline period, if limited by permit condition.~~

~~605.3 Baseline emission rate, expressed in the units of mass of emissions per unit throughput. If the applicant does not have sufficient verifiable records of the source's operation to substantiate its throughput during any portion(s) of throughput, is the average actual emission rate the baseline period, the applicant is not entitled to credit for throughput during the baseline period. Periods where the actual emission rate exceeded regulatory or permitted limits shall be excluded from the average any such portion(s). Throughput shall be based on the source's operational parameter that correlates most closely to the source's emissions.~~

~~605.4 Baseline Throughput and Emission Rate – Fully Offset Source: For a source which has, contained in a permit condition, an emission cap or emission rate which has been fully offset by the facility (without using emission reductions from the Small Facility Banking Account), the baseline throughput and baseline emission rate shall be based on the levels allowed by the permit condition.~~

~~605.5 603.4 Determine Baseline Emissions: Baseline emissions are the actual average annual emissions during the baseline period (excluding any emissions that exceed any regulatory or permit limits). If the applicant does not have sufficient verifiable records of the source's operation to substantiate the emission rate during any portion(s) of the baseline period, the applicant is not entitled to credit for emissions during any such portion(s).~~

~~603.5 Determine Baseline Emissions Rate: The baseline emission rate is the emission rate per unit of throughput during the baseline period, calculated by dividing the source's baseline emissions by its baseline throughput.~~

~~603.6 Determine Adjusted Baseline Emissions Rate: The adjusted baseline emission rate shall be determined by adjusting the baseline emission rate downward, if necessary, to comply with the most stringent of RACT, BARCT, reflect the most stringent of RACT, BARCT, and applicable federal and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan; except that for purposes of determining whether a source or group of sources constitutes a PSD Project under Section 2-2-224, the adjusted baseline emission rate shall not be adjusted downward to a greater extent than required under the provisions of 40 C.F.R. Sections 51.166(b)(47)(i)(b) and 51.166(b)(47)(ii)(b) & (c).~~

~~603.7 Determine Adjusted Baseline Emissions: The adjusted baseline emissions is the adjusted baseline emissions rate multiplied by the baseline throughput (except where otherwise specified under sections 2-2-603.2.2.1 or 2-2-603.2.2.2).~~

**2-2-604 Emission Increase/Decrease Calculation Procedures, New Sources and Changes at Existing Sources:** The amount of any emissions increase (or decrease) associated with a new source, or with a physical change, change in the method of operation, change in throughput or production, or other similar change at an existing source, shall be calculated according to the following procedures:

604.1 New Source: The emissions increase associated with a new source is the source's potential to emit.

604.2 Change to Existing Source: The emissions increase (or decrease) associated with a physical change, change in the method of operation, change in throughput or production, or other similar change at an existing source (including a permanent shutdown of the source) shall be calculated as the difference between: (i) the source's potential to emit after the change; and (ii) the source's adjusted baseline emissions before the change, calculated in accordance with Section 2-2-603.

**2-2-605 Emission Reduction Credit Calculation Procedures:** The amount of emission reduction credits associated with a physical change, change in method of operation, change in throughput or production, or other similar change at a source shall be calculated according to the following procedures:



605.1 Non-Fully-Offset Source: For a source that is not fully offset as defined in Section 2-2-213, the amount of emission reduction credits is the difference between: (i) the source's adjusted baseline emissions before the change calculated pursuant to Section 2-2-603; and (ii) the source's potential to emit after the change.

605.2 Fully-Offset Source: For a source that is fully offset as defined in Section 2-2-213, the amount of emission reduction credits is the difference between: (i) the source's potential to emit before the change, adjusted downward, if necessary, to reflect the most stringent of RACT, BARCT, and applicable federal and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan; and (ii) the source's potential to emit after the change.

To qualify as emission reduction credits, the emission reductions associated with any such change: (i) must be enforceable through permit conditions; through relinquishment of the source's permit; through physical removal of the source such that reinstatement would require a new permit under Regulation 2; or in the case of source shutdown where no permit is required for the source being shut down, through an alternative legally-enforceable mechanism; and (ii) must be real, permanent, quantifiable, and in excess of any reductions required by applicable regulatory requirements. Emissions that were offset with credits from the Small Facility Banking Account cannot be used to generate emission reduction credits.

**2-2-606 Potential-to-Emit (PTE) Increase Calculation Procedures for Purposes of Determining Cumulative Increase:** For purposes of calculating cumulative increase under Section 2-2-607, the increase in a source's potential to emit associated with an authority to construct and/or permit to operate for the source shall be calculated according to the following procedures:

606.1 New Source: For a new source, the increase in potential to emit is the source's full potential to emit.

606.2 Modified Source – Offsets Previously Provided: For a modified source, if offsets have previously been provided for the source's emissions, then the increase in potential to emit associated with the modification is the difference between:

2.1 the source's potential to emit after the modification; and

2.2 the source's potential to emit before the modification, adjusted downward, if necessary, to reflect the most stringent of RACT, BARCT, and applicable federal and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan.

~~605.6 Emission reduction credits shall be~~ 606.3 Modified Source – Offsets Not Yet Provided: For a modified source, if offsets have not previously been provided for the source's emissions, then the increase in potential to emit associated with the modification is the difference between the:

3.1 the source's potential to emit after the modification; and

3.2 the source's adjusted baseline emission rate times the baseline throughput, and the emission cap or emission rate accepted by the applicant as a federally enforceable limiting condition emissions before the modification calculated in accordance with Section 2-2-603.

*(Amended 6/15/94; 5/17/00)*

~~**2-2-606 Emission Calculation Procedures, Offsets:** Except as provided by the offset deferral provision of Section 2-2-421, before the APCO may issue an authority to construct for a new or modified source, offsets shall be provided, as required by Sections 2-2-302, 303 or 313 by the applicant from credits in the District's Emissions Bank and/or from contemporaneous emission reduction credits which qualify in accordance with Sections 2-2-201 and 605, or by the District from the small facility banking account for the amounts calculated as follows:~~

~~606.1 For precursor organic compounds (POC) and nitrogen oxides (NO<sub>x</sub>) for the total of all emission increases as determined in Section 2-2-604 plus any pre-existing For purposes of calculating the cumulative increase from April 5, 1991, multiplied by the offset ratio required by Section 2-2-302.~~

606.2 — If required by Section 2-2-303, for, PM<sub>10</sub>, and sulfur dioxide for the total of all emission increases as determined in Section 2-2-604 multiplied by the appropriate offset ratio associated with a source, the source's emissions shall include emissions from cargo carriers (other than motor vehicles) associated with the source as specified in Section 2-2-303610.

Emission offsets provided in excess of those required, which meet the requirements of a bankable reduction per Regulation 2-4, may be banked. Banking fees shall be waived for this transaction.

*(Amended 6/15/94; 5/17/00)*

**2-2-607** ~~Emission Calculation Procedures, Cumulative Increase Calculation Procedures:~~ **Emission Calculation Procedures, Cumulative Increase Calculation Procedures:** The cumulative increase in emissions associated with an authority to construct and/or permit to operate for a source shall be calculated as:

607.1 Project Emissions Increase: the increase in potential to emit associated with the authority to construct/permit to operate determined in accordance with Section 2-2-606; minus

607.2 Contemporaneous Onsite Emission Reduction Credits ~~for Mobile Sources:~~ Emission; any contemporaneous onsite emission reduction credits for mobile sources at the facility calculated in accordance with Section 2-2-605 that are credited to the authority to construct/permit to operate.

The cumulative increase associated with an authority to construct/permit to operate issued in the past shall be determined by using the increase in potential to emit and contemporaneous onsite emissions reductions credits calculated at the Mobile Source Emission Reduction Credits procedures published February 1994 (or subsequent revisions) by time of issuance of the California Air Resources Board or other District approved procedures in authority to construct/permit to operate. Emission reduction credits may not be double-counted (e.g., an emission reduction credit may not be applied to the Manual of cumulative increase calculation for more than one authority to construct/permit to operate).

**2-2-608** **Facility Un-Offset Cumulative Increase Calculation Procedures:** For purposes of applying the emission offset provisions of Sections 2-2-302 and 2-2-303, a facility's un-offset cumulative increase in emissions since the baseline date shall be calculated using the following procedures:

608.1 Project Cumulative Increase: The cumulative increase from the project being permitted shall be determined in accordance with Section 2-2-607.

608.2 Prior Un-Offset Cumulative Increase: For each previous authority to construct/permit to operate issued for the facility, and for any related source as defined in Section 2-2-226, after the cumulative increase baseline date as specified in Section 2-2-209 (but excluding any authority to construct/permit to operate issued because a source lost its permit exemption per Section 2-1-424 and any authority to construct/permit to operate for a source that has been permanently removed from service), the un-offset cumulative increase shall be determined by:

2.1 Calculating the cumulative increase associated with each previous authority to construct/permit to operate issued for the facility, and for any related source as defined in Section 2-2-226, determined in accordance with Sections 2-2-607; and

2.2 Subtracting any offsets provided in connection with the authority to construct/permit to operate (including any offsets provided from the District's Small Facility Banking Account).

608.3 Facility Un-Offset Cumulative Increase: The facility's un-offset cumulative increase shall be determined by adding (i) the project cumulative increase calculated according to Section 2-2-608.1 and (ii) the un-offset cumulative increase from each previous authority to construct/permit to operate issued for the facility, and for any related source as defined in Section 2-2-226, after the cumulative increase baseline date as specified in Section 2-2-209 (but excluding any authority to construct/permit to operate issued because a source lost its permit exemption per Section 2-1-424 and any authority to construct/permit to operate for a source that has been permanently removed from service) calculated according to Section 2-2-608.2. Offsets shall be

provided for the facility's un-offset cumulative increase multiplied by the applicable offset ratio specified in Section 2-2-302 and 2-2-303.

**2-2-609 Official Record of Cumulative Increases and Offsets:** The APCO may establish and maintain a database or other accounting document to record the cumulative increase (including project cumulative increase and associated emission reduction credits) and offsets associated with each authority to construct/permit to operate issued for a facility. In calculating the un-offset cumulative increase associated with a previous authority to construct/permit to operate under Section 2-2-608.2, the APCO may rely on the data specified in such document as conclusive, unless the APCO has information that indicates that some other data is more accurate. Records of cumulative increase and offsets shall be updated as necessary to ensure that they are current and accurate.

**2-2-610 Facility Emissions Calculation Procedures, Cargo Carriers:** For purposes of applying the offset requirements of Sections 2-2-302 and 2-2-303, a facility's potential to emit and cumulative increase shall be calculated including emissions from cargo carriers (other than motor vehicles) associated with the sources at the facility. When applying these offset requirements, facilities that include cargo loading or unloading from cargo carriers other than motor vehicles shall include the cargo carriers as part of the source that receives or loads the cargo. Accordingly, all emissions from such cargo carriers while operating in the District, or within California Coastal Waters up to 11 nautical miles (12.66 statute miles) from the Golden Gate Bridge (and any additional areas of California Coastal Waters adjacent to the District if cargo carrier emissions in such areas would have a substantial impact on air quality within the District), shall be included as part of the source's emissions. Emissions from cargo carriers shall not be included for purposes of applying any other provisions of this Regulation, including the BACT and PSD requirements.

*(Adopted June 15, 1994)*

~~**2-2-608 Deleted May 17, 2000**~~

**2-2-611 Emission Calculation Procedures, Fugitive Emissions:** Any fugitive emissions from a source shall be included in calculating the source's emissions for all purposes under this Rule; except that for purposes of determining whether a facility's emissions exceed the 100 ton per year threshold in Section 2-2-217 (for a "Major Facility") and Section 2-2-224.1 (the first element in the definition of "PSD Project"), fugitive emissions shall be included only if the facility is in one of the 28 categories listed in Section 169(1) of the Clean Air Act.

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**EMISSIONS BANKING**

(Adopted March 7, 1984)

**2-4-100 GENERAL**

**2-4-101 Banking:** The banking of emission reduction credits is intended to provide a mechanism for sources to obtain offsets under the New Source Review regulations contained in Regulation 2, Rule 2 of the District and is not intended to recognize any pre-existing vested right to emit air pollutants.

*(Amended June 15, 1994)*

**2-4-200 DEFINITIONS**

**2-4-201 Emission Reduction Credit:** As defined in Section 2-2-211.

*(Amended 7/17/91; 6/15/94; 10/7/98)*

**2-4-202 Deleted May 17, 2000**

**2-4-203 Bankable Pollutants:** Emission reduction credits of the following pollutants may be deposited in the emissions bank: precursor organic compounds, non-precursor organic compounds, particulate matter, PM<sub>10</sub>, PM<sub>2.5</sub>, sulfur dioxide, nitrogen oxides, and carbon monoxide.

*(Amended 7/17/91; 6/15/94)*

**2-4-204 Reasonably Available Control Technology:** As defined in Regulation 2-1-209.

*(Amended July 17, 1991)*

**2-4-300 STANDARDS**

**2-4-301 Bankable Reductions:** All emission reduction credits as defined in Section 2-4-201 not prohibited by Section 2-4-303 are bankable. The APCO may include a condition in an authority to construct involving reductions pursuant to subsections 2-4-301.1, 301.2, or 301.5, stating that the emission reduction shall be eligible for banking after being demonstrated by source test or other means acceptable to the APCO, including emission factors. Any regulatory change adopted 90 or more days after a complete application for an authority to construct shall not affect the potential for bank deposits resulting from reductions at sources covered by that authority to construct. The following are examples of bankable reductions:

301.1 Emission reduction credits resulting from the installation of a level of control greater than required by regulation are bankable, including installation of BACT where BACT is not required.

301.2 Emission reduction credits due to the installation of different processes or equipment which emit less than the previous process or equipment that performed the same function.

- 301.3 Emission reduction credits due to the effective operation and maintenance of abatement equipment if the applicant accepts a condition on the permit specifying a lower level of emissions than otherwise required by District regulations.
- 301.4 Emission reduction credits resulting from switching to a fuel which results in less emissions, provided the applicant agrees to a condition on the appropriate permit specifying the fuel to be used in the future.
- 301.5 Emission reduction credits of fugitive emissions if the reductions are quantified by source tests or other methods approved by the APCO.
- 301.6 Other emission reduction credits, such as 1) limitations on the type or quantity of fuel burned, 2) solvent recovery projects, and 3) limitations on throughput.
- 301.7 Emission reduction credits which would result from changes to specific limiting conditions in an authority to construct or permit to operate issued since March 7, 1979, provided that the emissions associated with those limiting conditions have been offset pursuant to the requirements of Regulations 2-2-302 or 303.

*(Amended 7/17/91; 6/15/94)*

**2-4-302 Bankable Reductions for Closures:** Emission reduction credits not prohibited by Section 2-4-303 are bankable. The following restrictions apply:

- 302.1 Closure of sources, where the reduction is permanent at the source, but it is unclear whether the reduction will be replaced by an emissions increase elsewhere within the District, are bankable only if the applicant accepts a condition restricting use of the deposits to offsetting emission increases in the same or closely related industries. For example, the closure of public utility power generation facilities could be bankable if use is restricted to offsetting emission increases from other power generation facilities (including resource recovery and cogeneration facilities). Closure of petroleum or petroleum product storage tanks at refineries could be bankable if use is restricted to offsetting emission increases at other petroleum or petroleum products storage tanks, or to offset emission increases at the associated refinery.
- 302.2 Issuance of a Banking Certificate for emission reductions resulting from a closure cancels the permit to operate. The reduction shall be enforceable through a condition in the Banking Certificate and through enforcement of Regulation 2-1-302 pertaining to operating without a permit.
- 302.3 The permanency of closures shall be demonstrated through removal of the source from the District, rendering it inoperative, destruction of the source, or by inclusion of appropriate conditions in the Banking Certificate providing for automatic cancellation of the Banking Certificate if emissions resume and replacement by the applicant of the emission reduction credit if the deposit has been transferred or withdrawn.

**2-4-303 Limitations on Deposits:** The following cannot be banked:

- 303.1 Emission reduction credits achieved during periods in which a moratorium on banking deposits is in effect pursuant to Section 2-4-410. After removal of the moratorium, they may subsequently be banked. The period of the moratorium shall not be considered "normal operation" for the purpose of determining the bankable emissions.
- 303.2 Emission reductions from closure of sources where the demand for the services or product would merely shift to other sources in the District, with little or no decrease in emissions basin-wide.
  - 2.1 The APCO may, at his or her discretion, require submittal of data to document that reductions from the closure of such types of operations will not result in such a shift, and could therefore be banked.
  - 2.2 Only the net reduction (if any) shall be banked for shutdowns of manufacturing operations where the operation is being transferred elsewhere within the same stationary source or to a different stationary source owned by the applicant within the District.
- 303.3 Emission reductions due to the shutdown or closure of sources or the installation of controls on sources excluded from District regulations pursuant to Regulation 1-110 or exempt from permit requirements pursuant to Regulation 2-1.
- 303.4 Transfer of ownership of an emission source if the source remains operable and within the District.
- 303.5 Emission reductions at facilities belonging to companies which have received unreimbursed offsets from the Small Facility Emissions Bank. Once these offsets have been reimbursed, the remaining emission reductions may be banked.

(Amended 7/17/91; 6/15/94; 10/7/98; 5/17/00)

**2-4-304 Limitations on Use of Deposits:** Emission reduction credits may not be used to:

- 304.1 Exempt a source from Best Available Control Technology (BACT) requirements contained in subsections 2-2-301.1 and 301.2 of Regulation 2.
- 304.2 Exempt a source from emission limitations established in Regulation 10 (New Source Performance Standards).
- 304.3 Exempt a source from any other air pollution control requirements whatsoever of Federal, State, or District laws, rules and regulations.

(Amended 7/17/91; 6/15/94)

**2-4-305 Use of Withdrawals:** Bank deposits may be withdrawn by the depositor or by any other person to whom they have been transferred by the depositor for use in meeting the requirements to obtain offsets specified in Rule 2 of this Regulation.



**2-4-400 ADMINISTRATIVE REQUIREMENTS**

**2-4-401 Banking Application:** An application to deposit or re-evaluate an emission reduction in the emissions bank shall be submitted on forms specified by the APCO. No banking application shall be accepted from a stationary source for pollutants which are the subject of a variance, abatement order or other similar formal order, until compliance with the emission limitations which are the subject of the variance or order is achieved.

**2-4-402 Complete Banking Application:** The APCO shall determine whether a banking application is complete not later than 30 calendar days following receipt of the application, or after a longer time period agreed upon in writing by both the applicant and the APCO. If the APCO determines that the application is not complete, the applicant shall be notified in writing of the decision, specifying the information that is required. The applicant shall have 90 days to submit the requested information. Upon receipt of all requested information, a new 30 day period to determine completeness shall be initiated. If, at the end of 90 days, no data is submitted or the application is still incomplete, the APCO may cancel the banking application with written notification to the applicant. Upon a determination that the application is complete, the APCO shall notify the applicant in writing. Thereafter, only information to clarify, correct, or otherwise supplement the information submitted in the application, may be requested. Withdrawal of a banking application by an applicant shall result in cancellation of the application; any re-submittal may be evaluated using a new application completion date.

(Amended 7/17/91; 6/15/94; 5/17/00)

**2-4-403 Preliminary Decision:** Within 60 days following the acceptance of a banking application as complete, which is not subject to the publication, public comment and inspection requirements of Section 2-4-405, or, with the consent of the applicant, such longer period as may be agreed upon, the APCO shall make a preliminary decision and notify the applicant in writing as to whether the APCO intends to approve, conditionally approve, or deny the application.

(Amended July 17, 1991)

**2-4-404 Preliminary Decision, Major Deposits:** Within 90 days following the acceptance of a banking application as complete, which is subject to the publication, public comment and inspection requirements of Section 2-4-405, or, with the consent of the applicant, such longer period as may be agreed upon, the APCO shall make a preliminary decision and notify the applicant in writing as to whether the APCO intends to approve, conditionally approve, or deny the application.

(Adopted July 17, 1991)

**2-4-405 Publication, Public Comment and Inspection:** Before approving the banking of any emission reduction in excess of 40 tons per year of any pollutant or the re-evaluation of PM<sub>10</sub> emission reduction credits under Section 2-4-416 resulting in an increase of more than 40 tons per year, or before declaring a moratorium on further banking of emission reductions, the APCO shall cause to be published in at least one newspaper of general circulation within the District, and be sent to any individual

submitting a written request to the APCO for notification, a notice stating the preliminary decision of the APCO to approve the banking of emission reductions or to declare a moratorium on further banking of emission reductions and inviting written public comment. The APCO shall make available for public inspection at District headquarters the information submitted by the applicant, the APCO's analysis, and the preliminary decision to grant or deny the banking application, including the reason therefore and any proposed conditions. The confidentiality of trade secrets shall be considered in accordance with Section 6254.7 of the Government Code. Such information shall also be transmitted to adjacent air pollution control districts, the California Air Resources Board, and the U.S. EPA.

*(Renumbered, Amended July 17, 1991)*

**2-4-406 Public Meeting:** During the 30-day period following the date of publication, which may be extended by the APCO, the APCO may, based on the receipt of written comments, elect to hold a public meeting to receive oral and written comments from the public. After considering all such comments, the APCO shall, within 30 days of the close of the comment period, make a final decision concerning such banking.

*(Renumbered July 17, 1991)*

**2-4-407 Banking Certificate:** The APCO shall issue a banking certificate within 30 days of the issuance of the preliminary decision for an approved deposit not subject to Section 2-4-405, or within 30 days of the close of the public comment period if the banking application is approved. The certificate shall identify the owner of the certificate, the quantity of the emission reduction credits of each pollutant for deposit in the emissions bank in tons per year, the location of the facility at which the reduction was created, any conditions on use of the emission reduction credits, and any other data deemed appropriate by the APCO.

*(Renumbered, Amended 7/17/91; Amended 6/15/94)*

**2-4-408 Appeal to the Hearing Board, Banking:** Any person dissatisfied with the decision of the APCO regarding the approval or disapproval of an application for banking air contaminants may appeal that decision within 30 calendar days in accordance with the provisions of Regulation 2-1-410.

*(Renumbered, Amended 7/17/91; Amended 5/17/00)*

**2-4-409 Protection and Duration of Deposits:** Deposits are permanent until used by the depositor or any party to whom the depositor has transferred the deposit. Changes in offset ratios shall not apply to emission reduction credits already used. After issuance of the Banking Certificate confirming the deposit, subsequent changes in regulations to require the type of reduction banked shall not reduce or eliminate the deposit.

*(Renumbered 7/17/91; Amended 6/15/94)*

**2-4-410 Moratorium on Banked Emissions:** If the APCO determines that additional mandatory emission reductions will be necessary to attain an ambient air quality standard, the APCO may declare a full or partial moratorium on banking deposits of the applicable air contaminant, after opportunity for public comment as provided in Sections 2-4-405 and 406. Such a moratorium shall be lifted after the APCO determines that the Bay Area Air Quality Plan demonstrates attainment of such standards.

*(Renumbered, Amended July 17, 1991)*

**2-4-411 Banking Register:** The District shall maintain a "banking register", which shall consist of a record of all deposits, deposit applications, withdrawals, and transactions. A summary of the data in the banking register shall be available to the public upon request and the District emission inventory shall explicitly include all outstanding deposits appearing in the summary as current existing emissions.

*(Renumbered, Amended July 17, 1991)*

**2-4-412 Withdrawal Procedures for Deposits:** The following are procedures to be used for the withdrawal of banked emission reduction credits:

412.1 Deposits shall be withdrawn in accordance with the offset ratios in effect at the time of withdrawal as specified in Regulations 2-2-302 and 303.

412.2 The owner of record shown in the District's banking register shall surrender the Banking Certificate in order to withdraw the banked emission reduction credit. If the entire deposit is used, the District shall retain the Certificate; if the deposit is partially used, the District shall retain the old Certificate and issue a new Certificate identifying the remaining portion of the deposit.

412.3 If the deposit is transferred for later use, the owner of record shall submit the old Certificate signed by the owner of record and by the new owner; the District shall retain the old Certificate, issue a new Certificate in the name of the new owner for the amount transferred, and issue a new Certificate to the existing owner for any portion not transferred.

412.4 If the deposit is transferred for use in an application for an authority to construct which requires offsets, the owner of record shall submit the old Certificate signed by the owner of record and by the new owner; the District shall retain the old Certificate, issue a new Certificate to the owner of record for any portion of the deposit not transferred, and identify use of the deposit in the authority to construct issued to the user of the deposit. No Certificate shall be issued to the user.

412.5 For any transferred deposit, the creator of the deposit shall continue to have enforceable conditions in the appropriate permits to operate to assure permanency of the emission reduction and shall be held liable for compliance with those conditions; the user of any transferred bank deposit shall not be held liable for any failure of the creator to comply with District requirements.

*(Renumbered, Amended 7/17/91; Amended 6/15/94)*

**2-4-413 Annual Report, Banking:** The APCO shall provide an annual report to the Board of Directors on all banking transactions which have occurred during the preceding year.

*(Renumbered July 17, 1991)*

**2-4-414 Small Facility Banking Account:** The APCO may establish a small facility banking account and grant offsets. The APCO may fund the Small Facility Banking Account by deposit of unclaimed emission reductions resulting from source or facility closures, and by a small facility growth allowance established in the Clean Air Plan adopted by the District. In no event, may the APCO grant offsets in an amount that exceeds the

amount contained in the Small Facility Banking Account. Allocation of credits shall conform to the requirements of Section 40919(a)(2) of the Health and Safety Code. If an applicant holds banked emission reduction credits, those credits must be used as a source of offsets prior to the APCO approving offsets from the small facility banking account (this includes bankable emission reduction credits held by other District facilities owned by the applicant). For the purposes of determining the amount of offsets granted by the APCO, any banked emission reduction credits that have been sold during the three years preceding a complete permit application shall be considered to be held by the applicant. Allocations from the small facility banking account cannot be transferred or banked by the recipient.

*(Adopted 7/17/91; Amended 6/15/94; 10/7/98; 5/17/00; 12/21/04)*

**2-4-415 Military Base Closure Banking Account:** The APCO shall establish a banking account for each military facility or base subject to termination of military operations. The APCO shall, in accordance with the provisions of this rule, bank the emission reduction credits for each military facility or base. The designated base reuse commission shall be entitled to the use of the banked emission reduction credits for projects within the jurisdiction of the base reuse commission, provided that the emission reduction credits have not been banked by the military facility or base.

*(Adopted June 15, 1994)*

**2-4-416 Re-evaluating PM<sub>10</sub> Emission Reduction Credits:** The owner of PM<sub>10</sub> banked emission reduction credits (ERCs) that were approved but not used prior to *<effective date of rule change>* may request the District to re-evaluate those banked ERCs for the purpose of (i) converting PM<sub>10</sub> to PM<sub>10</sub> and PM<sub>2.5</sub> and/or (ii) including the condensable portion of PM<sub>10</sub> that was not included in the original evaluation.

**2-4-600 MANUAL OF PROCEDURES**

**2-4-601 Emission Calculation Procedures:** The emission calculation procedures contained in Regulation 2-2-600 shall be applicable to this Rule.

*(Amended July 17, 1991)*

**2-4-602 Calculation Procedure for Converting Filterable PM<sub>10</sub> to Filterable PM<sub>2.5</sub>:** Existing PM<sub>10</sub> emission reduction credits can be converted to PM<sub>2.5</sub> by multiplying the amount of PM<sub>10</sub> by a District-approved conversion factor, based on the type of source that originally generated the PM<sub>10</sub> credits. Acceptable conversion factors may include, but are not necessarily limited to the following:

- 602.1 For common source categories, the District shall maintain a list of PM<sub>10</sub> to PM<sub>2.5</sub> conversion factors in the Permit Handbook;
- 602.2 A comparison of AP-42 or other generally accepted emission factors for PM<sub>10</sub> and PM<sub>2.5</sub>;
- 602.3 Source specific emission test data comparing PM<sub>10</sub> and PM<sub>2.5</sub> emission rates;
- 602.4 Emission test data comparing PM<sub>10</sub> and PM<sub>2.5</sub> emission rates from a similar source.

**2-4-603 Calculation Procedure for Including Condensable PM<sub>10</sub> or PM<sub>2.5</sub>:** The adjustment to add condensable (back-half) particulate to an existing credit will be based on the following:

- 603.1 The applicant must demonstrate the original credits were based solely on filterable particulate;
- 603.2 The applicant must identify the ratio of filterable to condensable PM<sub>10</sub> and provide supporting documentation;
- 603.3 The amount of condensable PM<sub>10</sub> shall be determined by multiplying the amount of original filterable PM<sub>10</sub> by the ratio from section 2-4-603.2;
- 603.4 The condensable portion of PM<sub>10</sub> shall be reduced if necessary, based on data that indicates a lower filterable PM<sub>10</sub> emission rate than was used in the original evaluation.
- 603.5 The original amount of filterable PM<sub>10</sub> shall not be adjusted.

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(Adopted March 7, 1984)

**2-4-100 GENERAL**

**2-4-101 Banking:** The banking of emission reduction credits is intended to provide a mechanism for sources to obtain offsets under the New Source Review regulations contained in Regulation 2, Rule 2 of the District and is not intended to recognize any pre-existing vested right to emit air pollutants.

*(Amended June 15, 1994)*

**2-4-200 DEFINITIONS**

**2-4-201 Emission Reduction Credit:** As defined in Section 2-2-~~204~~211.

*(Amended 7/17/91; 6/15/94; 10/7/98)*

**2-4-202 Deleted May 17, 2000**

**2-4-203 Bankable Pollutants:** Emission reduction credits of the following pollutants may be deposited in the emissions bank: precursor organic compounds, non-precursor organic compounds, particulate matter, PM<sub>10</sub>, PM<sub>2.5</sub>, sulfur dioxide, nitrogen oxides, and carbon monoxide.

*(Amended 7/17/91; 6/15/94)*

**2-4-204 Reasonably Available Control Technology:** As defined in Regulation 2-1-209.

*(Amended July 17, 1991)*

**2-4-300 STANDARDS**

**2-4-301 Bankable Reductions:** All emission reduction credits as defined in Section 2-4-201 not prohibited by Section 2-4-303 are bankable. The APCO may include a condition in an authority to construct involving reductions pursuant to subsections 2-4-301.1, 301.2, or 301.5, stating that the emission reduction shall be eligible for banking after being demonstrated by source test or other means acceptable to the APCO, including emission factors. Any regulatory change adopted 90 or more days after a complete application for an authority to construct shall not affect the potential for bank deposits resulting from reductions at sources covered by that authority to construct. The following are examples of bankable reductions:

301.1 Emission reduction credits resulting from the installation of a level of control greater than required by regulation are bankable, including installation of BACT where BACT is not required.

301.2 Emission reduction credits due to the installation of different processes or equipment which emit less than the previous process or equipment that performed the same function.



- 301.3 Emission reduction credits due to the effective operation and maintenance of abatement equipment if the applicant accepts a condition on the permit specifying a lower level of emissions than otherwise required by District regulations.
- 301.4 Emission reduction credits resulting from switching to a fuel which results in less emissions, provided the applicant agrees to a condition on the appropriate permit specifying the fuel to be used in the future.
- 301.5 Emission reduction credits of fugitive emissions if the reductions are quantified by source tests or other methods approved by the APCO.
- 301.6 Other emission reduction credits, such as 1) limitations on the type or quantity of fuel burned, 2) solvent recovery projects, and 3) limitations on throughput.
- 301.7 Emission reduction credits which would result from changes to specific limiting conditions in an authority to construct or permit to operate issued since March 7, 1979, provided that the emissions associated with those limiting conditions have been offset pursuant to the requirements of Regulations 2-2-302 or 303.

~~301.8 Emission reduction credits resulting from mobile source reductions calculated in accordance with the procedures of Regulation 2-2-607.~~

*(Amended 7/17/91; 6/15/94)*

**2-4-302 Bankable Reductions for Closures:** Emission reduction credits not prohibited by Section 2-4-303 are bankable. The following restrictions apply:

- 302.1 Closure of sources, where the reduction is permanent at the source, but it is unclear whether the reduction will be replaced by an emissions increase elsewhere within the District, are bankable only if the applicant accepts a condition restricting use of the deposits to offsetting emission increases in the same or closely related industries. For example, the closure of public utility power generation facilities could be bankable if use is restricted to offsetting emission increases from other power generation facilities (including resource recovery and cogeneration facilities). Closure of petroleum or petroleum product storage tanks at refineries could be bankable if use is restricted to offsetting emission increases at other petroleum or petroleum products storage tanks, or to offset emission increases at the associated refinery.
- 302.2 Issuance of a Banking Certificate for emission reductions resulting from a closure cancels the permit to operate. The reduction shall be enforceable through a condition in the Banking Certificate and through enforcement of Regulation 2-1-302 pertaining to operating without a permit.
- 302.3 The permanency of closures shall be demonstrated through removal of the source from the District, rendering it inoperative, destruction of the source, or by inclusion of appropriate conditions in the Banking Certificate providing for automatic cancellation of the Banking Certificate if emissions resume and

replacement by the applicant of the emission reduction credit if the deposit has been transferred or withdrawn.

*(Amended 7/17/91; 6/15/94; 5/17/00)*

**2-4-303 Limitations on Deposits:** The following cannot be banked:

- 303.1 Emission reduction credits achieved during periods in which a moratorium on banking deposits is in effect pursuant to Section 2-4-410. After removal of the moratorium, they may subsequently be banked. The period of the moratorium shall not be considered "normal operation" for the purpose of determining the bankable emissions.
- 303.2 Emission reductions from closure of sources where the demand for the services or product would merely shift to other sources in the District, with little or no decrease in emissions basin-wide.
  - 2.1 The APCO may, at his or her discretion, require submittal of data to document that reductions from the closure of such types of operations will not result in such a shift, and could therefore be banked.
  - 2.2 Only the net reduction (if any) shall be banked for shutdowns of manufacturing operations where the operation is being transferred elsewhere within the same stationary source or to a different stationary source owned by the applicant within the District.
- 303.3 Emission reductions due to the shutdown or closure of sources or the installation of controls on sources excluded from District regulations pursuant to Regulation 1-110 or exempt from permit requirements pursuant to Regulation 2-1.
- 303.4 Transfer of ownership of an emission source if the source remains operable and within the District.
- 303.5 Emission reductions at facilities belonging to companies which have received unreimbursed offsets from the Small Facility Emissions Bank. Once these offsets have been reimbursed, the remaining emission reductions may be banked.

*(Amended 7/17/91; 6/15/94; 10/7/98; 5/17/00)*

**2-4-304 Limitations on Use of Deposits:** Emission reduction credits may not be used to:

- 304.1 Exempt a source from Best Available Control Technology (BACT) requirements contained in subsections 2-2-301.1 and 301.2 of Regulation 2.
- 304.2 Exempt a source from emission limitations established in Regulation 10 (New Source Performance Standards).
- 304.3 Exempt a source from any other air pollution control requirements whatsoever of Federal, State, or District laws, rules and regulations.

*(Amended 7/17/91; 6/15/94)*

**2-4-305 Use of Withdrawals:** Bank deposits may be withdrawn by the depositor or by any other person to whom they have been transferred by the depositor for use in meeting the requirements to obtain offsets specified in Rule 2 of this Regulation.

*(Amended July 17, 1991)*

**2-4-400 ADMINISTRATIVE REQUIREMENTS**

**2-4-401 Banking Application:** An application to deposit [or re-evaluate](#) an emission reduction in the emissions bank shall be submitted on forms specified by the APCO. No banking application shall be accepted from a stationary source for pollutants which are the subject of a variance, abatement order or other similar formal order, until compliance with the emission limitations which are the subject of the variance or order is achieved.

**2-4-402 Complete Banking Application:** The APCO shall determine whether a banking application is complete not later than 30 calendar days following receipt of the application, or after a longer time period agreed upon in writing by both the applicant and the APCO. If the APCO determines that the application is not complete, the applicant shall be notified in writing of the decision, specifying the information that is required. The applicant shall have 90 days to submit the requested information. Upon receipt of all requested information, a new 30 day period to determine completeness shall be initiated. If, at the end of 90 days, no data is submitted or the application is still incomplete, the APCO may cancel the banking application with written notification to the applicant. Upon a determination that the application is complete, the APCO shall notify the applicant in writing. Thereafter, only information to clarify, correct, or otherwise supplement the information submitted in the application, may be requested. Withdrawal of a banking application by an applicant shall result in cancellation of the application; any re-submittal may be evaluated using a new application completion date.

*(Amended 7/17/91; 6/15/94; 5/17/00)*

**2-4-403 Preliminary Decision:** Within 60 days following the acceptance of a banking application as complete, which is not subject to the publication, public comment and inspection requirements of Section 2-4-405, or, with the consent of the applicant, such longer period as may be agreed upon, the APCO shall make a preliminary decision and notify the applicant in writing as to whether the APCO intends to approve, conditionally approve, or deny the application.

*(Amended July 17, 1991)*

**2-4-404 Preliminary Decision, Major Deposits:** Within 90 days following the acceptance of a banking application as complete, which is subject to the publication, public comment and inspection requirements of Section 2-4-405, or, with the consent of the applicant, such longer period as may be agreed upon, the APCO shall make a preliminary decision and notify the applicant in writing as to whether the APCO intends to approve, conditionally approve, or deny the application.

*(Adopted July 17, 1991)*

**2-4-405 Publication, Public Comment and Inspection:** Before approving the banking of any emission reduction in excess of 40 tons per year of any pollutant [or: the re-evaluation of PM<sub>10</sub> emission reduction credits under Section 2-4-416 resulting in an](#)

[increase of more than 40 tons per year](#), or before declaring a moratorium on further banking of emission reductions, the APCO shall cause to be published in at least one newspaper of general circulation within the District, and be sent to any individual submitting a written request to the APCO for notification, a notice stating the preliminary decision of the APCO to approve the banking of emission reductions or to declare a moratorium on further banking of emission reductions and inviting written public comment. The APCO shall make available for public inspection at District headquarters the information submitted by the applicant, the APCO's analysis, and the preliminary decision to grant or deny the banking application, including the reason therefore and any proposed conditions. The confidentiality of trade secrets shall be considered in accordance with Section 6254.7 of the Government Code. Such information shall also be transmitted to adjacent air pollution control districts, the California Air Resources Board, and the U.S. EPA.

*(Renumbered, Amended July 17, 1991)*

**2-4-406 Public Meeting:** During the 30-day period following the date of publication, which may be extended by the APCO, the APCO may, based on the receipt of written comments, elect to hold a public meeting to receive oral and written comments from the public. After considering all such comments, the APCO shall, within 30 days of the close of the comment period, make a final decision concerning such banking.

*(Renumbered July 17, 1991)*

**2-4-407 Banking Certificate:** The APCO shall issue a banking certificate within 30 days of the issuance of the preliminary decision for an approved deposit not subject to Section 2-4-405, or within 30 days of the close of the public comment period if the banking application is approved. The certificate shall identify the owner of the certificate, the quantity of the emission reduction credits of each pollutant for deposit in the emissions bank in tons per year, the location of the facility at which the reduction was created, any conditions on use of the emission reduction credits, and any other data deemed appropriate by the APCO.

*(Renumbered, Amended 7/17/91; Amended 6/15/94)*

**2-4-408 Appeal to the Hearing Board, Banking:** Any person dissatisfied with the decision of the APCO regarding the approval or disapproval of an application for banking air contaminants may appeal that decision within 30 calendar days in accordance with the provisions of Regulation 2-1-410.

*(Renumbered, Amended 7/17/91; Amended 5/17/00)*

**2-4-409 Protection and Duration of Deposits:** Deposits are permanent until used by the depositor or any party to whom the depositor has transferred the deposit. Changes in offset ratios shall not apply to emission reduction credits already used. After issuance of the Banking Certificate confirming the deposit, subsequent changes in regulations to require the type of reduction banked shall not reduce or eliminate the deposit.

*(Renumbered 7/17/91; Amended 6/15/94)*

**2-4-410 Moratorium on Banked Emissions:** If the APCO determines that additional mandatory emission reductions will be necessary to attain an ambient air quality standard, the APCO may declare a full or partial moratorium on banking deposits of the applicable air contaminant, after opportunity for public comment as provided in

Sections 2-4-405 and 406. Such a moratorium shall be lifted after the APCO determines that the Bay Area Air Quality Plan demonstrates attainment of such standards.

*(Renumbered, Amended July 17, 1991)*

**2-4-411 Banking Register:** The District shall maintain a "banking register", which shall consist of a record of all deposits, deposit applications, withdrawals, and transactions. A summary of the data in the banking register shall be available to the public upon request and the District emission inventory shall explicitly include all outstanding deposits appearing in the summary as current existing emissions.

*(Renumbered, Amended July 17, 1991)*

**2-4-412 Withdrawal Procedures for Deposits:** The following are procedures to be used for the withdrawal of banked emission reduction credits:

412.1 Deposits shall be withdrawn in accordance with the offset ratios in effect at the time of withdrawal as specified in Regulations 2-2-302 and 303.

412.2 The owner of record shown in the District's banking register shall surrender the Banking Certificate in order to withdraw the banked emission reduction credit. If the entire deposit is used, the District shall retain the Certificate; if the deposit is partially used, the District shall retain the old Certificate and issue a new Certificate identifying the remaining portion of the deposit.

412.3 If the deposit is transferred for later use, the owner of record shall submit the old Certificate signed by the owner of record and by the new owner; the District shall retain the old Certificate, issue a new Certificate in the name of the new owner for the amount transferred, and issue a new Certificate to the existing owner for any portion not transferred.

412.4 If the deposit is transferred for use in an application for an authority to construct which requires offsets, the owner of record shall submit the old Certificate signed by the owner of record and by the new owner; the District shall retain the old Certificate, issue a new Certificate to the owner of record for any portion of the deposit not transferred, and identify use of the deposit in the authority to construct issued to the user of the deposit. No Certificate shall be issued to the user.

412.5 For any transferred deposit, the creator of the deposit shall continue to have enforceable conditions in the appropriate permits to operate to assure permanency of the emission reduction and shall be held liable for compliance with those conditions; the user of any transferred bank deposit shall not be held liable for any failure of the creator to comply with District requirements.

*(Renumbered, Amended 7/17/91; Amended 6/15/94)*

**2-4-413 Annual Report, Banking:** The APCO shall provide an annual report to the Board of Directors on all banking transactions which have occurred during the preceding year.

*(Renumbered July 17, 1991)*

**2-4-414 Small Facility Banking Account:** The APCO may establish a small facility banking account and grant offsets. The APCO may fund the Small Facility Banking Account  
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by deposit of unclaimed emission reductions resulting from source or facility closures, and by a small facility growth allowance established in the Clean Air Plan adopted by the District. In no event, may the APCO grant offsets in an amount that exceeds the amount contained in the Small Facility Banking Account. Allocation of credits shall conform to the requirements of Section 40919(a)(2) of the Health and Safety Code. If an applicant holds banked emission reduction credits, those credits must be used as a source of offsets prior to the APCO approving offsets from the small facility banking account (this includes bankable emission reduction credits held by other District facilities owned by the applicant). For the purposes of determining the amount of offsets granted by the APCO, any banked emission reduction credits that have been sold during the three years preceding a complete permit application shall be considered to be held by the applicant. Allocations from the small facility banking account cannot be transferred or banked by the recipient.

*(Adopted 7/17/91; Amended 6/15/94; 10/7/98; 5/17/00; 12/21/04)*

**2-4-415 Military Base Closure Banking Account:** The APCO shall establish a banking account for each military facility or base subject to termination of military operations. The APCO shall, in accordance with the provisions of this rule, bank the emission reduction credits for each military facility or base. The designated base reuse commission shall be entitled to the use of the banked emission reduction credits for projects within the jurisdiction of the base reuse commission, provided that the emission reduction credits have not been banked by the military facility or base.

*(Adopted June 15, 1994)*

**2-4-416 Re-evaluating PM<sub>10</sub> Emission Reduction Credits:** The owner of PM<sub>10</sub> banked emission reduction credits (ERCs) that were approved but not used prior to <effective date of rule change> may request the District to re-evaluate those banked ERCs for the purpose of either: (i) converting PM<sub>10</sub> to PM<sub>10</sub> and PM<sub>2.5</sub>; and/or (ii) including the condensable portion of PM<sub>10</sub> or PM<sub>2.5</sub> that was not included in the original evaluation.

**2-4-600 MANUAL OF PROCEDURES**

**2-4-601 Emission Calculation Procedures:** The emission calculation procedures contained in Regulation 2-2-600 shall be applicable to this Rule.

*(Amended July 17, 1991)*

**2-4-602 Calculation Procedure for Converting Filterable PM<sub>10</sub> to Filterable PM<sub>2.5</sub>:** Existing PM<sub>10</sub> emission reduction credits can be converted to PM<sub>2.5</sub> by multiplying the amount of PM<sub>10</sub> by a District-approved conversion factor, based on the type of source that originally generated the PM<sub>10</sub> credits. Acceptable conversion factors may include, but are not necessarily limited to the following:

602.1 For common source categories, the District shall maintain a list of PM<sub>10</sub> to PM<sub>2.5</sub> conversion factors in the Permit Handbook;

602.2 A comparison of AP-42 or other generally accepted emission factors for PM<sub>10</sub> and PM<sub>2.5</sub>;

602.3 Source specific emission test data comparing PM<sub>10</sub> and PM<sub>2.5</sub> emission rates;

602.4 Emission test data comparing PM<sub>10</sub> and PM<sub>2.5</sub> emission rates from a similar source.

**2-4-603 Calculation Procedure for Including Condensable PM<sub>10</sub> or PM<sub>2.5</sub>:** The adjustment to add condensable (back-half) particulate to an existing credit will be based on the following:

603.1 The applicant must demonstrate the original credits were based solely on filterable particulate;

603.2 The applicant must identify the ratio of filterable to condensable PM<sub>10</sub> and provide supporting documentation;

603.3 The amount of condensable PM<sub>10</sub> shall be determined by multiplying the amount of original filterable PM<sub>10</sub> by the ratio from section 2-4-603.2;

603.4 The condensable portion of PM<sub>10</sub> shall be reduced if necessary, based on data that indicates a lower filterable PM<sub>10</sub> emission rate than was used in the original evaluation.

603.5 The original amount of filterable PM<sub>10</sub> shall not be adjusted.

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**REGULATION 2**  
**PERMITS**  
**RULE 6**  
**MAJOR FACILITY REVIEW**

(Adopted November 3, 1993)

**2-6-100 GENERAL**

**2-6-101 Description:** The purpose of this rule is to implement the operating permit requirements of Title V of the federal Clean Air Act as amended in 1990. This rule shall apply to major facilities, Phase II acid rain facilities, subject solid waste incinerator facilities and any facility in a source category designated by the Administrator of the EPA in a rulemaking as requiring a Title V permit. This rule also provides a means by which facilities may avoid the Title V or other requirements by limiting their potential to emit. This rule shall not alter any other requirements of applicable federal, state, or District orders, rules or regulations, except for monitoring, recordkeeping, and reporting requirements that are subsumed using the permit shield. (Amended 10/20/99, 5/2/01)

**2-6-110 Exemption, Asbestos:** Any demolition or renovation of an asbestos-containing source that requires a permit solely because it is subject to Regulation 11, Rule 2, Asbestos Demolition, Renovation, and Manufacturing, is exempt from this regulation.

**2-6-111 Exemption, Wood Heaters:** Any wood heater that requires a permit solely because it is subject to Regulation 10, Subpart AAA, is exempt from this regulation.

**2-6-112 Exemption, Motor Vehicles:** Engines used to propel motor vehicles, as defined in the California Vehicle Code, are exempt from this regulation.

**2-6-113 Exemption, Registered Portable Engines:** Portable internal combustion engines, except gas turbines, that are registered in accordance with Health and Safety Code Section 41753 are exempt from this regulation.

(Adopted 10/20/99; Amended 4/16/03)

**2-6-114 Exemption, Non-Road Engines:** Engines as defined by 40 CFR Part 89 are exempt from this regulation. (Adopted 10/20/99)

**2-6-200 DEFINITIONS**

**2-6-201 Administrative Permit Amendment:** A non-substantive amendment to a major facility review permit. The following amendments are administrative amendments: changes in recordkeeping format that are not relaxations of applicable requirements, the correction of typographical errors, changes in permit format that are not alterations of applicable requirements, changes in source descriptions that are not alterations of applicable requirements, changes in the descriptions of applicable requirements that add detail but do not affect substantive requirements, deletion of requirements containing sunset dates that have passed, the identification of administrative changes at a facility (such as a replacement of the facility's responsible official or a change in ownership or operational control of the facility which involves no physical or operational changes to the facility), the deletion of sources, the approval of a District rule into the SIP, the imposition of more frequent emission monitoring requirements, and changes to applicable requirements and related monitoring that are not federally enforceable.

(Amended 10/20/99, 4/16/03)

**2-6-202 Applicable Requirements:** Air quality requirements with which a facility must comply pursuant to the District's regulations, codes of California statutory law, and the federal Clean Air Act, including all applicable requirements as defined in 40 CFR 70.2.

(Amended 10/20/99, 5/2/01)

**2-6-203 Clean Air Act:** The federal Clean Air Act, as amended in 1990, including the implementing regulations.

- 2-6-204 Designated Facility:** Any facility, other than a major facility, phase II acid rain facility, or subject solid waste incinerator facility, as defined by this rule, that falls within a source category designated as subject to the requirements of Title V of the federal Clean Air Act by the EPA Administrator in a rulemaking. (Amended 10/20/99)
- 2-6-205 Early Reduction Demonstration:** A 90% reduction in hazardous air pollutants or a 95% reduction in particulate hazardous air pollutants achieved pursuant to Section 112(i)(5) of the federal Clean Air Act.
- 2-6-206 Facility:** As defined in Section 2-1-213. (Amended 10/20/99, 5/2/01)
- 2-6-207 Federally Enforceable:** As defined in Section 2-1-214. (Amended 10/20/99, 5/2/01)
- 2-6-208 Fossil Fuel:** Natural gas, petroleum, and coal, or any form of solid, liquid, or gaseous fuel derived from such materials for the purpose of creating useful heat.
- 2-6-209 Fugitive Emissions:** All emissions from unintended openings in process equipment, emissions occurring from miscellaneous activities relating to the operation of a facility, and emissions that could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening.
- 2-6-210 Hazardous Air Pollutant:** Any pollutant that is listed pursuant to Section 112(b) of the Clean Air Act.
- 2-6-211 Independent Power-Production Facility:** A facility that generates electricity and fulfills the following conditions:
- 211.1 The facility must be nonrecourse project-financed as defined in 10 CFR 715;
  - 211.2 The facility must sell 80 percent or more of its electrical output at wholesale;
  - 211.3 Direct public utility ownership of the equipment must not exceed 50 percent; and
  - 211.4 Deleted 5/2/01
  - 211.5 The facility must be required to hold allowances under Title IV of the Clean Air Act. (Amended 5/2/01)
- 2-6-212 Major Facility:** For the purposes of Regulation 2, Rule 6, a major facility is either of the following:
- 212.1 Major Facility (Regulated Air Pollutants): A facility that has the potential to emit 100 tons per year or more of any regulated air pollutant, as defined in Section 2-6-222\*. For fugitive emissions of regulated air pollutants, only the fugitive emissions from facility categories listed in 40 CFR 70.2 "Definitions - Major source (2)" shall be included in determining whether the facility is a major facility. Once any facility is determined to be a major facility, all fugitive emissions from the facility shall be included in calculating the facility's emissions.
  - 212.2 Major Facility (Hazardous Air Pollutants): A facility that has the potential to emit 10 tons per year or more of a single hazardous air pollutant, 25 tons per year or more of a combination of hazardous air pollutants, or such lesser quantity as the EPA Administrator may establish by rule. All fugitive emissions of hazardous air pollutants are included in determining a facility's potential to emit. For radionuclides, the definition of a major facility shall be specified by the EPA Administrator by rule.
- \*Note that GHG is a "regulated air pollutant" only if emitted from a facility in an amount of 100,000 tons per year or more of CO<sub>2</sub>e. See Section 2-6-222.6. Thus, for a facility to be a major facility for GHG, it must emit (i) 100 tons per year CO<sub>2</sub>e or more on an absolute mass basis in order to be a "major" emitter, and (ii) 100,000 tons per year or more CO<sub>2</sub>e in order to be a major emitter of a "regulated air pollutant".* (Amended 10/20/99, )
- 2-6-213 Major Facility Review (MFR):** Plantwide review of sources, emissions, and regulatory requirements at facilities including, but not limited to, major facilities, phase II acid rain facilities, subject solid waste incinerator facilities, and designated facilities, which are potentially subject to the permitting requirements of Regulation 2, Rule 6, and of Title V of the Clean Air Act.
- 2-6-214 Major Facility Review Permit:** An operating permit issued to a major facility, phase II acid rain facility, subject solid waste incinerator facility, or designated facility, pursuant to the requirements of this rule.

- 2-6-215 Minor Permit Revision:** Any revision to a federally enforceable condition in a major facility review permit that:
- 215.1 is not a significant permit revision; and
  - 215.2 is not an administrative permit amendment.
  - 215.3 Deleted 10/20/99 (Amended 10/20/99)
- 2-6-216 Operating Scenarios:** All modes of facility operation to be permitted, including normal operating conditions, start-up, and shutdown. This shall include all planned or reasonably foreseeable process, feed, and product changes. Operating scenarios must meet all applicable requirements.
- 2-6-217 Phase II Acid Rain Facility:** A facility that includes fossil-fueled combustion equipment that is used to generate electricity for sale, or is otherwise subject to 40 CFR 72, except for the following equipment:
- 217.1 A fossil-fueled combustion device built before November 15, 1990, and that did not, as of November 15, 1990, and does not currently, serve a generator with a nameplate capacity of greater than 25 MW;
  - 217.2 A cogeneration facility with a fossil-fueled combustion device that sells less than 219,000 MW-hrs annually or less than one-third of its potential electric output capacity to any utility power distribution system;
  - 217.3 A solid waste incinerator that burns fossil fuels for less than 20 percent (on a BTU basis) of the total energy input during any calendar year; or
  - 217.4 A qualifying facility or an independent power production facility that meets both of the following conditions:
    - 4.1 Possession as of November 15, 1990 of qualifying power purchase commitments to sell at least 15 percent of its total planned net output capacity; and
    - 4.2 The net output capacity of the equipment cannot exceed 130 percent of the planned net output capacity.
  - 217.5 Simple combustion turbines that commenced operation before November 15, 1990;
  - 217.6 A fossil-fueled combustion device that, during 1985, and as of November 15, 1990, and currently, does not serve a generator that produced or produces electricity for sale; and
  - 217.7 A fossil-fueled combustion device that commenced commercial operation on or after November 15, 1990, and serves a generator with a capacity not greater than 25 MW, burns fuel with a sulfur content that is less than 0.05 percent, and that complies with the requirements of 40 CFR 72.7.
  - 217.8 A fossil-fueled combustion device that supplies only incidental electricity for sale and that complies with the requirements of 40 CFR 72.14.
  - 217.9 A fossil-fueled combustion device that is permanently retired and that complies with the requirements of 40 CFR 72.8. (Amended 5/2/01)
- 2-6-218 Potential to Emit:** As defined in Section 2-1-217. (Amended 10/20/99, 4/16/03)
- 2-6-219 Preconstruction Permit or Review:** A review of construction plans prior to construction, including:
- 219.1 District evaluation of an application for an authority to construct issued pursuant to District Regulation 2, Rule 1;
  - 219.2 District evaluation of an application for an authority to construct issued pursuant to District Regulation 2, Rule 2;
  - 219.3 A preconstruction review to determine the ability of a proposed source or source modification to comply with applicable New Source Performance Standards pursuant to District Regulation 10;
  - 219.4 A preconstruction review conducted prior to a significant modification to a major facility review permit for a physical or operational change that would be prohibited by an existing federally enforceable condition;
  - 219.5 A preconstruction review conducted prior to a physical or operational change to a synthetic minor facility that would increase the facility's potential to emit to above the threshold for a major facility. Such review must be associated with an application for a major facility review permit for said facility. (Amended 10/20/99)

- 2-6-220 Qualifying Facility:** One of two types of power-generating facilities pursuant to Title 16, Section 796, of the United States Code:
- 220.1 A cogeneration facility that is not owned by a public utility and is certified by the Federal Energy Regulatory Commission as a qualifying facility; or
  - 220.2 A power production facility that is not owned by a public utility, has an output capacity not greater than 80 MW, uses biomass, waste, renewable resources, geothermal resources, solar energy, wind energy, or any combination of the above as its primary energy source, and is certified by the Federal Energy Regulatory Commission as a qualifying facility.
- 2-6-221 Qualifying Power Purchase Agreement:** As defined in 40 CFR 72.2.
- 2-6-222 Regulated Air Pollutant:** For the purposes of Major Facility Review under Regulation 2, Rule 6, the following are regulated air pollutants:
- 222.1 Nitrogen oxides and volatile organic compounds;
  - 222.2 Any pollutant for which a national ambient air quality standard has been promulgated;
  - 222.3 Any Class I or Class II ozone depleting substance subject to a standard promulgated under Title VI of the Clean Air Act; and
  - 222.4 Any pollutant that is subject to any standard promulgated under Section 111 of the Clean Air Act.
  - 222.5 Any pollutant that is subject to any standard or requirement promulgated under Section 112 of the Clean Air Act including sections 112(g), (j), and (r).
  - 222.6 Greenhouse gases, but only at facilities that have the potential to emit 100,000 tons per year or more of CO<sub>2</sub>e greenhouse gases.
- Total suspended particulate is not a regulated air pollutant for purposes of major facility review under this Rule.
- (Amended 10/20/99, 5/2/01, )
- 2-6-223 Responsible Official:** The responsible official will vary depending upon the type of facility, and shall be designated as follows:
- 223.1 Corporation: The responsible official shall be a president, secretary, treasurer, or vice president in charge of a principal business function or shall otherwise be a duly authorized representative if:
    - 1.1 the representative is responsible for the overall operation of the facility, and
    - 1.2 either the duly authorized representative is responsible for the operation of facilities that employ more than 250 persons or that have gross annual sales or expenditures exceeding \$25 million in 1980 dollars or the APCO has approved a petition from the original responsible official to allow the duly authorized representative to be the responsible official.
  - 223.2 Partnership or Sole Proprietorship: general partner or proprietor.
    - 2.1 Partnership of Corporations: The responsible official shall be the responsible official of any of the partner corporations.
  - 223.3 Municipality, State, Federal, or Other Public Agency: The principal executive officer or ranking elected official.
  - 223.4 Phase II Acid Rain Facilities: The designated representative pursuant to 40 CFR 72.20 through 72.25.
- 2-6-224 Schedule of Compliance:** Shall have the meaning given to it in 40 C.F.R. Part 70.  
(Amended 4/16/03)
- 2-6-225 Severability Clause:** A statement in a permit issued under this rule that, in the case of a challenge to any part of the permit by EPA, the facility's owner or operator, or any other person, the remaining parts of the permit will remain valid.
- 2-6-226 Significant Permit Revision:** Any revision to a federally enforceable condition contained in a major facility review permit that can be defined as follows:
- 226.1 The incorporation of a change considered a major modification under 40 CFR Parts 51 (NSR) or 52 (PSD);
  - 226.2 The incorporation of a change considered a modification under 40 CFR Parts 60 (NSPS), 61 (NESHAPS), or Section 112 of the Clean Air Act (HAP);
  - 226.3 Any significant change or relaxation of any applicable monitoring, reporting or recordkeeping condition;

- 226.4 The establishment of or change to a permit term or condition allowing a facility to avoid an applicable requirement, including:
- 4.1 a federally enforceable emission limit assumed in order to avoid classification as a modification under any provision of Title I of the federal Clean Air Act, or
  - 4.2 an alternative hazardous air pollutant emission limit pursuant to Section 112(i)(5) of the Clean Air Act;
- 226.5 The establishment of or change to a case-by-case determination of any emission limit or other standard;
- 226.6 The establishment of or change to a facility-specific determination for ambient impacts, visibility analysis, or increment analysis on portable sources; or
- 226.7 The incorporation of any requirement promulgated by the U. S. EPA under the authority of the Clean Air Act provided that three or more years remain on the permit term. (Amended 10/20/99)
- 2-6-227 Simple Combustion Turbine:** Rotary engine driven by a gas under pressure that is created by the combustion of any fuel, including combined cycle engines, and excluding engines with auxiliary firing.
- 2-6-228 Source:** Any article, machine, equipment, operation, contrivance or related groupings of such that may produce and/or emit any regulated air pollutant or hazardous air pollutant.
- 2-6-229 Subject Solid Waste Incinerator Facility:** Any source that burns solid waste material (except hazardous waste as defined by RCRA) from commercial, industrial, or general public sources in a category for which a New Source Performance Standard (NSPS) has been adopted after November 15, 1990. (Amended 10/20/99)
- 2-6-230 Synthetic Minor Facility:** 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. (Amended 10/20/99)
- 2-6-231 Synthetic Minor Operating Permit:** A District operating permit that has been modified to include conditions imposing enforceable permit conditions on a facility or source. 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. (Amended 10/20/99)
- 2-6-232 Synthetic Minor Operating Permit Revision:** A revision to a term or condition of a synthetic minor operating permit that establishes a synthetic minor limit or that specifies the monitoring or recordkeeping requirements necessary to verify ongoing compliance with a synthetic minor limit. (Adopted 2/1/95, Amended 10/20/99)
- 2-6-233 Permit Shield:** One of the following:
- 233.1 Non-applicable Requirements: A provision in a major facility review permit that identifies and justifies specific federally enforceable regulations and standards which the APCO has confirmed are not applicable to a source or group of sources. Enforcement actions and litigation may not be initiated against the source or group of sources covered by the shield based on those identified regulatory and statutory provisions.
  - 233.2 Subsumed Requirements: A provision in a major facility review permit that identifies and justifies specific federally enforceable applicable requirements for monitoring, recordkeeping and/or reporting which are subsumed because other applicable requirements for monitoring, recordkeeping, and reporting in the permit will assure compliance with all emission limits. Enforcement actions and litigation may not be initiated against the source or group of sources covered by the shield based on those identified applicable requirements. (Adopted 2/1/95; Amended 10/20/99, 5/2/01)
- 2-6-234 Deleted 10/20/99**
- 2-6-235 Actual Emissions:** The emissions of regulated or hazardous air pollutants from a facility for any 12-month period. The basis for determining actual emissions shall be, as appropriate: throughputs of process materials; throughputs of materials stored; usage of materials; data provided in manufacturer's product specifications, material

volatile organic compound (VOC) content reports or laboratory analyses; valid continuous emission monitoring data; source test data; other information required by this rule and applicable District, State or Federal regulations; or information requested in writing by the APCO. The effect of abatement devices shall be considered. All calculations of actual emissions shall use District approved methods, including emission factors and assumptions. (Adopted 10/20/99)

- 2-6-236 Modified Source or Facility (for Section 2-6-309):** As defined in Regulation 2-1-234. (Adopted 10/20/99; Amended 5/2/01)
- 2-6-237 Potential to Emit Demonstration:** An analysis showing that a facility does not have a potential to emit at or above the thresholds for a major facility as defined in Section 2-6-212. (Adopted 10/20/99)
- 2-6-238 Process Statement:** A report on permitted sources from an owner or operator of a facility containing one or more of the following, as requested by the APCO: throughputs of process materials; throughputs of materials stored; usage of materials; fuel usage; any available continuous emissions monitoring data; hours of operation; and any other information required by this rule or requested in writing by the APCO. (Adopted 10/20/99)
- 2-6-239 Significant Source:** A source that has a potential to emit of more than 2 tons per year of any regulated air pollutant except GHG, more than 2,000 tons per year of GHG (measured as CO<sub>2</sub>e), or more than 400 pounds per year of any hazardous air pollutant. (Adopted 10/20/99)
- 2-6-240 State Implementation Plan (SIP):** A state plan to attain or maintain the National Ambient Air Quality Standards pursuant to Section 110 of the Clean Air Act that has been approved by EPA. (Adopted 10/20/99)
- 2-6-241 12-month Period:** A period of twelve consecutive months determined on a rolling basis with a new 12-month period beginning on the first day of each calendar month. (Adopted 10/20/99)
- 2-6-242 Affected State:** State whose air quality may be affected by a facility and that is contiguous to the State of California or a state that is within 50 miles of a permitted source within the District. (Adopted 10/20/99; Amended 5/2/01)
- 2-6-243 Final Action:** The issuance, denial, revocation or revision of a permit. (Adopted 5/2/01)
- 2-6-244 CFR:** Code of Federal Regulations. (Adopted 5/2/01)
- 2-6-245 Greenhouse Gases (GHG):** The air pollutant that is defined in 40 CFR Section 86.1818-12(a), which is a single air pollutant made up of a combination of the following six constituents: carbon dioxide, nitrous oxide, methane, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride. GHG emissions shall be measured (i) based on total mass for purposes of determining whether a facility exceeds the 100-ton per year major facility threshold under Section 2-6-212.1; and (ii) as CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e) calculated in accordance with Section 2-6-246 for purposes of determining whether the emissions constitute a regulated air pollutant as defined in Section 2-2-222.6, as well as for applying the provisions of Sections 2-6-239 (significant source definition), 2-6-312 (major facility review, smaller facilities), and 2-6-423.2 (permit content for synthetic minor operating permits).
- 2-6-246 CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e):** A measure of GHG emissions computed by multiplying the mass of emissions of each of the six greenhouse gases in the pollutant GHGs by the gas' associated global warming potential as set forth in Table A-1 to subpart A of 40 CFR 98, Global Warming Potentials; and then summing the resultant value for each gas to compute of the amount of GHG emissions measured as CO<sub>2</sub>e.
- 2-6-247 Maximum Achievable Control Technology (MACT):** A limit on emissions of hazardous air pollutants that reflects the maximum degree of reduction in emissions that the APCO determines is achievable, taking into consideration the cost of achieving such emission reduction and any non-air-quality health and environmental impacts and energy requirements. A determination of what constitutes Maximum Achievable Control Technology shall be made on a case-by-case basis in accordance with the provisions of Section 112(j) of the Clean Air Act.



**2-6-300 STANDARDS**

**2-6-301 Major Facility Review Requirement:** Any major facility as defined in Section 2-6-212 shall undergo major facility review in accordance with the requirements of this rule.

(Amended \_\_\_\_\_, 2011)

**2-6-302 Major Facility Review Requirements for Phase II Acid Rain Facilities:**

Any Phase II acid rain facility shall undergo major facility review in accordance with the requirements of this rule, even if such facility is not classified as a major facility under Section 2-6-212; and shall comply with the requirements of Sections 405, 406, 408, 409, 411, and 412 of the Clean Air Act.

(Amended 10/20/99)

**2-6-303 Major Facility Review Requirements for Subject Solid Waste Incinerator Facilities:** Any subject solid waste incinerator facility shall undergo major facility review in accordance with the requirements of this rule, even if such facility is not classified as a major facility under Section 2-6-212. Major facility review permits issued under this Section for such facilities, including new, modified and existing facilities, shall include all applicable New Source Performance Standards.

(Amended 10/20/99; \_\_\_/12)

**2-6-304 Major Facility Review Requirement for Designated Facilities:** Any designated facility shall undergo major facility review in accordance with the requirements of this rule, even if such facility is not classified as a major facility under Section 2-6-212.

(Amended 10/20/99)

**2-6-305 Operational Flexibility:** A facility may make a change to the facility or operation without requiring a major facility review permit revision in accordance with the procedures and restrictions set forth in Section 2-6-417 if the change is not a modification pursuant to Title I of the Clean Air Act and does not exceed any emissions allowable under federally enforceable provisions of the permit. Such change shall in no way affect the obligation of the permittee to comply with any applicable requirement including the requirement to obtain an Authority to Construct under Rule 2-1. This provision shall not apply to the phase II acid rain portion of any facility subject to this Rule.

(Amended 2/1/95)

**2-6-306 Emissions Trading:** The APCO shall allow emissions trading within a facility that has a major facility review permit in accordance with the procedures and restrictions set forth in Section 2-6-418. This provision shall not apply to the phase II acid rain portion of any facility subject to this Rule.

(Adopted 5/2/01)

**2-6-307 Non-compliance, Major Facility Review:** Any facility subject to the requirements of this regulation that is not in compliance with any federally enforceable permit condition, any federally enforceable applicable requirement set forth in its major facility review permit, or the requirement to apply for a major facility review permit is in violation of the Clean Air Act and shall be subject to enforcement action, permit termination, permit revocation and reissuance, and/or denial of a permit renewal. Moreover, a facility subject to major facility review which has not submitted a timely and complete permit application by the deadlines set forth in Section 2-6-404 shall not operate.

(Amended 2/1/95, 10/20/99)

**2-6-308 Major Facility Review and Other District Permitting Requirements:** Submittal of a complete application or an administrative permit amendment request in accordance with this rule shall in no way affect, and shall not constitute compliance with, the requirements for authorities to construct and permits to operate as set forth in Regulation 2, Rules 1 and 2.

**2-6-309 Prohibited Modifications:** A person shall not modify any source or operation covered by a major facility review permit issued under this rule unless such modification is either: (1) included in an operating scenario addressed in the permit; (2) authorized under this rule; or (3) permitted by the APCO pursuant to an application for a revision to the permit.

(Amended 10/20/99)

**2-6-310 Synthetic Minor Operating Permit Requirement:** Any major facility which elects to accept enforceable permit conditions such that the facility becomes a synthetic minor facility, and is not otherwise subject to major facility review, shall apply for a synthetic minor operating permit. Any facility that files false information with the District in order to obtain a synthetic minor operating permit is in violation of the Clean Air Act and District Regulations and shall be subject to enforcement action. A synthetic minor facility is not subject to the obligations of a major facility unless facility fails to comply with the synthetic minor limits or it becomes a designated facility.

(Amended 10/20/99)

**2-6-311 Non-compliance, Synthetic Minor Facilities:** Any facility subject to the requirements of a synthetic minor operating permit that is not in compliance with any permit condition set forth in its synthetic minor operating permit shall be subject to enforcement action, permit termination, permit revocation and reissuance, and/or denial of a permit renewal. (Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-312 Major Facility Review, Smaller Facilities:** Any facility with actual emissions as defined by Section 2-6-235 that exceed any threshold below shall apply for a major facility review permit unless the facility demonstrates that its potential to emit is below the major facility thresholds defined in Section 2-6-212, or the facility has applied for and received a synthetic minor permit.

312.1 25 tons per year of any regulated air pollutant except GHG, excluding fugitive emissions per Section 2-6-212;

312.2 2.5 tons of any hazardous air pollutant per year including all fugitive emissions of the hazardous air pollutant;

312.3 6.25 tons of all hazardous air pollutants per year including all fugitive emissions of hazardous air pollutants;

312.4 25,000 tons of GHG (measured as CO<sub>2</sub>e), excluding fugitive emissions per Section 2-6-212.

For the purpose of this Section, "actual emissions" shall be the maximum emissions for any consecutive 12-month period ending on or after July 24, 1995. A permit application or potential-to-emit demonstration required under this Section shall be submitted within 12 months after the date actual emissions first exceed the threshold levels specified in subsections 312.4, or within 12 months after **[effective date of regulation]**, whichever is later.

(Adopted 10/20/99; Amended 5/2/01)

**2-6-313 Denial, Failure to Comply:** The APCO shall deny a major facility review permit after providing written notification to the applicant, if the facility, or any source therein, is in violation of any applicable requirement and the facility cannot obtain a compliance schedule in accordance with the Health and Safety Code. (Adopted 5/2/01)

**2-6-314 Revocation:** The APCO may request the Hearing Board to hold a hearing to determine whether a major facility permit should be revoked if it is found that the holder of the permit is violating any provision in the permit or any applicable requirement. (Adopted 5/2/01)

**2-6-315 Case-by-Case MACT Requirement:** The APCO shall require Maximum Achievable Control Technology to limit emissions of hazardous air pollutants in any major facility review permit issued for a facility that meets the following criteria:

315.1 the facility has the potential to emit 10 tons per year or more of any single hazardous air pollutant, or 25 tons per year or more of any combination of hazardous air pollutant; and

315.2 the facility is in a category or subcategory of sources listed by EPA under Section 112(c) of the Clean Air Act; and

315.3 EPA has not promulgated a National Emission Standard for Hazardous Air Pollutants for the category or subcategory of sources by the deadline established under Section 112(e) of the Clean Air Act.

## **2-6-400 ADMINISTRATIVE REQUIREMENTS**

**2-6-401 Deleted 10/20/99**

**2-6-402 Fees:** Any facility subject to the requirements of this rule shall pay any applicable fees specified in District Regulation 3, Fees, including Schedule P.

**2-6-403 Application for Major Facility Review Permit, Permit Renewal, or Permit Revision:** The responsible official for any major facility, phase II acid rain facility, subject solid waste incinerator facility, or designated facility shall apply for a major facility review permit, permit renewal, or permit revision in accordance with all the requirements of this rule. (Amended 2/1/95)

**2-6-404 Timely Application for a Major Facility Review Permit:** The responsible official for a facility subject to the requirements of Section 403 of Regulation 2, Rule 6, shall submit an application for a major facility review permit to the APCO and to EPA in a timely manner as described below:

404.1 The initial application for a major facility review permit shall be submitted by the applicant within 12 months after the facility becomes subject to Regulation 2, Rule 6.

404.2 An application for a five-year renewal of the terms and conditions of a major facility review permit shall be submitted by the applicant at least 6 months but no earlier than 12 months prior to the date on which the five-year period for the validity of the terms and conditions of the permit expires.

404.3 An application for a significant permit revision shall be submitted by the applicant prior to commencing an operation associated with a significant permit revision. Where an existing federally enforceable major facility review permit condition would prohibit such change in operation, the responsible official must request preconstruction review and obtain a major facility review permit revision before commencing the change.

404.4 An application for a minor permit revision shall be submitted by the applicant prior to commencing any operation associated with the minor permit revision.

404.5 A phase II acid rain facility shall apply for a major facility review permit in accordance with the deadlines in Section 404.1 of this rule.

404.6 Any major facility subject to Section 112(j) of the federal Clean Air Act must submit an application for a major facility review permit no later than 18 months after the date the U. S. Environmental Protection Agency fails to promulgate any emission standard listed pursuant to Clean Air Act Section 112(c)(1) according to the schedule promulgated under Clean Air Act Section 112(e).

404.7 Deleted 10/20/99

404.8 Deleted \_\_/\_\_/2012.

(Amended 2/1/95; 10/20/99)

**2-6-405 Complete Application for a Major Facility Review Permit:** All applications for an initial major facility review permit, for a significant revision to an existing major facility review permit, and for a five-year renewal of the terms and conditions of a major facility review permit shall contain the following information in addition to the information required by Regulation 2-1-202:

405.1 All relevant BAAQMD permit application forms;

405.2 A description of the facility's processes and products (by Standard Industrial Classification Code) including any associated with an operating scenario identified by the facility;

405.3 A statement certifying that any fee required by District Regulation 3 has been paid;

405.4 Identification and description of:

4.1 each permitted source at the facility

4.2 each source or other activity that is exempt from the requirement to obtain a permit or excluded from District rules or regulations under Regulation 2, Rule 1, and a citation of the section of the rule under which it is exempted or excluded;

405.5 A list, including citation and description, of all applicable requirements for each source;

405.6 A calculation and summary of annual emissions (including fugitive emissions) of regulated air pollutants, hazardous air pollutants, and GHGs from each source or emission-producing activity if the source or activity is a significant source of an air pollutant as defined by Section 2-6-239. Emission calculations and summaries for pollutants emitted below the significance

thresholds are not required for such sources or activities that have emissions of other pollutants above these thresholds. The above emission calculations shall also be submitted for any alternate operating scenarios that are submitted with the application;

405.7 A description of the compliance status of the facility with respect to all applicable requirements;

405.8 A compliance statement as follows:

8.1 A statement that the facility will continue to comply with all applicable requirements with which it is currently in compliance;

8.2 A statement that the facility will meet all applicable requirements on a timely basis as requirements become effective during the permit term and a narrative of how the facility will achieve compliance with all applicable requirements if the facility is not currently doing so; and

8.3 A copy of any schedule of compliance applicable to the facility's operations regarding air quality which has been issued by the District's Hearing Board, the California Air Resources Board, or any court of competent jurisdiction;

405.9 A compliance certification by a responsible official of the facility that the application forms and all accompanying reports and other required compliance certifications are true, accurate, and complete based on information and belief formed after reasonable inquiry; and

405.10 All information required by Volume II of the District's Manual of Procedures.

An application may reference, rather than explicitly list, certain pre-existing information and be considered initially complete. The type of information that may be referenced includes District-issued rules, regulations, permits and published protocols; pollutant emission inventories and supporting calculations; emission monitoring reports, compliance reports and source tests; annual emissions statements; process and abatement equipment lists and descriptions; current operating and pre-construction permit terms; and permit application materials previously submitted. However, the Summary Forms and the Certification of Compliance must be completed in full. Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a permit application shall submit the supplementary facts or corrected information upon becoming aware of such failure or incorrect submittal. In addition, the applicant must provide additional information as necessary to address any requirements that become applicable. Applications for significant permit revisions shall include the above information only for those sources that will be modified. A copy of all applications and subsequent documents pertaining to the applications shall be sent to EPA by the applicant.

(Amended 4/5/95, 10/20/99, 5/2/01)

**2-6-406 Application for a Minor Permit Revision:** An application for a minor permit revision to a major facility review permit shall contain:

406.1 A description of the proposed change, the emissions resulting from the proposed change, and any new applicable requirements that will apply if the change occurs;

406.2 A draft permit including the proposed change;

406.3 A request by the responsible official that the minor revision procedures be used;

406.4 A certification by the responsible official that the proposed change is a minor revision as defined in Section 2-6-215; and

406.5 All documents or information required by Section 2-6-405 as they pertain to sources affected by the minor revision.

A facility that has submitted an application for a minor revision may proceed with the revision if the facility complies with the proposed permit terms and conditions. If the facility fails to comply with the proposed terms during the time that the application is being processed, the existing permit terms and conditions may be enforced against it.

(Amended 10/20/99)

**2-6-407 Application Shield:** A facility shall not be subject to enforcement action for not possessing a major facility review permit if the facility fulfills the following three conditions:

407.1 The facility has filed with the APCO a complete and timely application for an initial major facility review permit or for a five-year renewal of an existing major facility review permit;

407.2 The APCO has not acted on the application; and

407.3 The facility has honored all requests from the APCO for further information relating to the application by the date specified in writing of the request.

If the facility has not submitted a timely and complete application, the period of non-compliance shall be the period between the submittal deadline and the actual submittal. (Amended 10/20/99)

**2-6-408 Completeness Determination:** The APCO shall determine whether a major facility review permit application is complete as follows:

408.1 Application for an initial permit, for a five-year renewal or for a significant permit revision: The APCO shall determine completeness no later than 60 calendar days following receipt of the application. Unless the APCO requests additional information or otherwise notifies the applicant of incompleteness within 60 days of receipt of the application, the application shall be deemed complete as of the date of receipt.

408.2 An application for a minor permit revision: The APCO shall determine completeness within 30 days of receipt of the application. Unless the APCO requests additional information or otherwise notifies the applicant of incompleteness within 30 days of receipt of the application, the application shall be deemed complete as of the date of receipt. The APCO will determine whether the revision qualifies as a minor revision during the 30-day period.

408.3 After an application is deemed complete, the APCO may request in writing additional information necessary to evaluate or take final action on the permit. The facility shall have until the date specified in writing to respond to these requests. The APCO may declare a major facility review permit application incomplete if a facility fails to respond to a request for additional information.

(Amended 10/20/99)

**2-6-409 Permit Content:** A major facility review permit shall contain the following information and provisions:

409.1 A listing of all applicable requirements including emission limitations, permit conditions and operational or throughput standards or limits that apply to the facility, and a reference to the origin of each such requirement;

409.2 Testing, monitoring, reporting and recordkeeping requirements:

2.1 All applicable requirements for monitoring, recordkeeping and reporting, including applicable test methods and analysis procedures;

2.2 Additional requirements for testing, monitoring, reporting and recordkeeping sufficient to assure compliance with the applicable requirements. Where the applicable requirement does not require periodic monitoring or testing, the permit shall contain periodic monitoring sufficient to yield reliable data from the relevant time periods that is representative of the source's compliance with the permit;

409.3 A restatement of the requirement of District Regulation 1-440 that the facility's owner or operator must provide the APCO with reasonable access to the premises of the facility;

409.4 A restatement of the requirement of District Regulation 1-441 and of Section 2-6-501 that the facility's owner or operator must provide the information, records, and reports requested or specified by the APCO;

409.5 A severability clause to ensure the continued validity of permit requirements in the event of a challenge to any portion of the permit;

409.6 The duration of the major facility review permit, not to exceed five years;

409.7 A statement that: (a) the owner or operator of the facility must comply with all permit conditions and limitations set forth in the major facility review permit; (b) an application for a change in the permit by the owner or operator of the facility does not revoke or limit the applicability of any permit condition in the

permit; (c) the major facility review permit does not convey a property right or exclusive privilege; and (d) the facility must keep a record in a contemporaneous log when the facility changes any aspect of its operations from one permitted scenario to another;

- 409.8 Provisions specifying the conditions under which the permit may be reopened for cause and modified, revoked, reissued, or terminated, prior to the end of the term;
- 409.9 Deleted 5/2/01.
- 409.10 A schedule of compliance containing the following elements:
  - 10.1 A statement that the facility shall continue to comply with all applicable requirements with which it is currently in compliance;
  - 10.2 A statement that the facility shall meet all applicable requirements on a timely basis as requirements become effective during the permit term; and
  - 10.3 If the facility is out of compliance with an applicable requirement at the time of issuance, revision, or reopening, the schedule of compliance shall contain a plan by which the facility will achieve compliance. The plan shall contain deadlines for each item in the plan. The schedule of compliance shall also contain a requirement for submission of progress reports by the facility at least every six months. The progress reports shall contain the dates by which each item in the plan was achieved and an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.
- 409.11 Terms and conditions for reasonably anticipated operating scenarios;
- 409.12 Terms and conditions for any approved permit shield;
- 409.13 A provision for payment of fees required by Regulation 3;
- 409.14 An identification of those terms and conditions of the permit which are not federally enforceable because they are not derived from any requirement of the Clean Air Act;
- 409.15 For Phase II acid rain facilities, all acid rain provisions of a permit shall be contained in a separate and complete section of the permit. This section shall contain a permit condition prohibiting emissions exceeding the allowances that a facility holds under Title IV of the Clean Air Act;
- 409.16 Any terms and conditions for emissions trading approved under Section 2-6-418;
- 409.17 A requirement for annual compliance certifications, unless compliance certifications are required more frequently than annually in an applicable requirement or by the APCO;
- 409.18 A requirement for reports of all required monitoring at least once every six months,
- 409.19 All requirements and provisions pertaining to major facility review permits as set forth in Volume II of the District's Manual of Procedures, and
- 409.20 A certification requirement for all documents submitted pursuant to a major facility review permit. The certification shall state that based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete. The certifications shall be signed by a responsible official for the facility.

(Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-410 Final Action for Initial Permit Issuance, Five-Year Renewal, Reopenings, and Revisions:** The APCO shall take final action on each major facility review permit application as follows:

- 410.1 The APCO shall take final action on an application for an initial permit, a significant permit revision, or a permit renewal within eighteen months after receipt of an application that has been deemed complete. No permit shall be issued until after all required EPA and public review. If a facility submits a timely and complete application for renewal, all terms and conditions of the permit shall remain in effect until the renewal permit has been issued or denied.

- 410.2 The APCO shall take action to issue or deny a minor permit revision within 90 days of receipt of the application or within 15 days after the end of the EPA Administrator's 45-day review, whichever is later;
- 410.3 After the APCO has reopened an existing permit for cause, pursuant to Section 2-6-415, the APCO shall take final action to modify, revoke and reissue, or terminate that permit within 12 months after the date on which the permit is formally reopened.
- 410.4 The APCO shall take final action on an application containing an early reduction demonstration within nine months after the APCO determines that the application is complete.
- 410.5 Submittal of applications for, and the permitting, revision, and reopenings of the acid rain portion of a major facility review permit shall occur in accordance with the deadlines set forth in Title IV of the Clean Air Act and the regulations promulgated thereunder.
- 410.6 Notwithstanding the deadline set forth in subsection 410.1 above, for existing facilities that become subject to MFR on the date that the program receives EPA approval, the APCO shall take final action by July 1, 2001.

(Amended 2/1/95, 10/20/99)

**2-6-411 Reports to EPA and Public Petitions for Major Facility Review Permits:** For all initial applications, five-year renewals, and proposed minor and significant permit revisions pursuant to this Rule, the APCO shall submit to EPA for review and comment each proposed permit and each final major facility review permit. The EPA review shall be subject to the following:

- 411.1 EPA shall have 45 days from receipt of the proposed permit to review the proposed terms and conditions and to object to them in writing.
- 411.2 If EPA objects to the proposed terms and conditions of a permit within the specified 45-day period, the APCO shall submit appropriate revisions that address EPA's objections within 90 days after being notified of EPA's objection and issue the permit.
- 411.3 If EPA does not object to the proposed terms and conditions of a major facility review permit within the specified 45-day period, any person dissatisfied with the proposed terms and conditions may petition EPA to reconsider the matter within 60 days thereafter. Any such petition must be based on objections raised during the public comment period on the proposed permit, unless the petitioner demonstrates that it was impracticable to do so or that the grounds for the objection arose after the close of the original public comment period. EPA may object to the proposed permit on the basis of such petition. This provision does not apply to minor revisions.
  - 3.1 If the APCO has not yet issued a proposed permit, the APCO shall make appropriate revisions prior to issuing the permit.
  - 3.2 If the APCO has issued the permit following the 45-day EPA comment period but before receipt of an EPA objection based on public petition, the permit may be reopened for cause by the APCO in accordance with Section 2-6-415, or by the EPA in accordance with 40 CFR 70.7(g). In such event, the requirements of the permit shall remain in effect while the EPA or the APCO determines whether to modify, terminate, or revoke and reissue the permit.

411.4 Deleted 10/20/99

- 411.5 If the APCO schedules a public hearing after the proposed permit has been submitted to EPA, the APCO will withdraw the permit from EPA review, and resubmit the permit after the public hearing date.

(Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-412 Public Participation, Major Facility Review Permit Issuance:** The APCO shall notify the public and affected states in advance of any proposed initial issuance, significant revision or five-year renewal of a major facility review permit, in accordance with the following procedures:

- 412.1 The APCO shall publish a notice in a major newspaper in the area where the facility is located and send the notice to affected states and to persons on a mailing list of persons who have requested in writing to receive these

notifications. The APCO may use other methods in addition to the two above if necessary to assure adequate notice to the affected public and states.

- 412.2 The notice shall identify by name and address the facility, the permittee and the permitting authority. The notice shall include information about the operation to be permitted, any proposed change in emissions, a District source for further information, a brief description of the comment procedures, and a description of procedures to request a hearing.
- 412.3 The notice shall provide at least 30 days for public comment.
- 412.4 The APCO shall give notice of any public hearing at least 30 days prior to the hearing.
- 412.5 The APCO shall keep a record of the commenting persons or states and the issues raised in all such comments for five years.
- 412.6 Written notification of any decision by the APCO not to incorporate any recommendations for the proposed permit that an affected state submitted during the public comment period shall be sent to U.S. EPA and affected states. (Amended 10/20/99, 5/2/01)

**2-6-413 Administrative Permit Amendment Procedures:** The APCO may make administrative permit amendments as follows:

- 413.1 Regulations promulgated under Title IV of the Clean Air Act shall govern administrative permit amendments to the acid rain portion of any permit.
- 413.2 The APCO shall take final action on a request for an administrative permit amendment no later than 60 days from the receipt of the request, provided that the APCO determines that the amendment is covered under Section 2-6-201.
- 413.3 The APCO may initiate an administrative permit amendment provided that the amendment is covered under Section 2-6-201.
- 413.4 The APCO shall submit a copy of the revised permit to EPA.
- 413.5 The facility may implement the changes covered by the administrative permit amendment immediately upon submittal of a request.
- 413.6 Any request for a change in ownership shall include a written agreement between the parties to the transaction which specifies the date of transfer of the permit including permit responsibility, coverage, and liability.

(Amended 10/20/99)

**2-6-414 Minor Permit Revision Procedures:** The APCO shall take action on applications for minor permit revisions as follows:

- 414.1 The APCO shall notify EPA of the proposed minor permit revision within 5 working days of the APCO's issuance or waiver of the authority to construct required under section 2-1-301.
- 414.2 The APCO shall act on the proposed minor revision within 15 days after the end of EPA's 45-day review period or within 90 days of receipt of the application, whichever is later.
- 414.3 If prior to taking action on a proposed minor revision the APCO determines that the proposed revision should be reviewed as a significant revision, the APCO shall revise the draft permit revision accordingly and shall submit this version to the EPA. In any such event, the provisions of Sections 2-6-411 and 412 shall apply to all further consideration of the proposed revision.

(Amended 10/20/99, 5/2/01)

**2-6-415 Reopening for Cause:** Proceedings to reopen and reissue a major facility review permit shall follow the same procedures that apply to the issuance of an initial major facility review permit and shall affect only those parts of the permit for which cause to reopen exists. Except in the case of an emergency, the APCO shall provide to the facility a notice of intent to reopen the permit at least 30 days in advance of the proposed reopening date. The APCO shall reopen and revise a major facility review permit under the following circumstances:

- 415.1 Additional requirements become applicable to a major facility having three or more years remaining before that facility's next scheduled major facility review. The APCO shall complete a reopening within 18 months after promulgation of the applicable requirement. (Reopening is not required if the



effective date of the additional requirement is later than the date on which that facility's next scheduled major facility review is due);

- 415.2 Additional requirements become applicable to Phase II acid rain facilities under the acid rain program. Upon approval by the EPA, excess emissions offset plans developed under this program shall be incorporated into the permit;
- 415.3 The APCO determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or
- 415.4 The APCO determines that the permit must be revised or revoked to assure compliance with the applicable requirements.

**2-6-416 Term for Major Facility Review:** Once a major facility review permit is issued to a facility, except insofar as the permit must be reopened in accordance with Section 2-6-415, the terms and conditions of that permit shall remain valid for a period of five years from the date of issuance unless the facility agrees to a shorter term. However, Phase II acid rain facilities shall not have permits that contain a shorter term. At the conclusion of every such term, the APCO must review the terms and conditions of a major facility review permit in the same way as an application for an initial major facility review permit.

- 416.1 The issuance of a revision to an existing major facility review permit at any time during the course of the term for which the terms and conditions of that permit are valid shall not affect or extend the renewal date.
- 416.2 A facility subject to this rule shall continue to provide throughput update information as required by the District and to pay the annual fees required by Regulation 3, including Schedule P. (Amended 10/20/99, 5/2/01)

**2-6-417 Operational Flexibility Procedures:** A facility shall give written notice to the APCO of any changes made to the facility, pursuant to Section 2-6-305 - Operational Flexibility. The notice shall be received by the APCO at least 30 days prior to the change. The notice shall contain a description of the change, the date on which the change will occur, any change in emissions, and any permit term or condition that is no longer applicable as a result of the change. The facility and the District shall each attach such notice to its copy of the permit.

**2-6-418 Emissions Trading Procedures:** The responsible official for a facility may propose that an emissions trading provision be included in its major facility review permit as follows:

- 418.1 The responsible official shall submit an application pursuant to Regulation 2-1-301 to incorporate the trading provisions into the permits of the affected sources. The application must identify the District regulations that provide for the proposed trading provisions and demonstrate that the trading provisions comply with all applicable District regulations.
- 418.2 The APCO shall approve the request if the provisions comply with all applicable District regulations.
- 418.3 The proposal shall include an emissions cap allowing for the trading of emissions increases and decreases, permit conditions, recordkeeping requirements and replicable procedures for determining compliance with applicable requirements;
- 418.4 The proposed emissions trades shall be quantifiable and federally enforceable; and
- 418.5 Once the emissions trading provisions have been incorporated into the permit, the facility shall notify the APCO in writing at least seven days prior to a trade. The notification shall state when the trade will occur, what change in emissions will result, and how the trade will comply with the emission trading provisions.
- 418.6 The APCO shall incorporate the trading provisions in the initial MFR permit issuance, or, if the permit has been issued, shall incorporate the trading provisions into the permit MFR using the minor or significant permit revision procedures. (Adopted 5/2/01)

**2-6-419 Availability of Information:** The contents of permit applications, compliance plans, emissions or compliance monitoring reports, and compliance certification reports

shall be available to the public, subject to the restrictions of the District's Administrative Code, Section 11. The contents of the permit shall be available to the public and shall not be subject to the above restrictions.

**2-6-420 Application for a Synthetic Minor Operating Permit:** A facility which seeks to become a synthetic minor facility shall apply for a synthetic minor operating permit in accordance with the requirements of this rule. If a synthetic minor facility plans a physical or operational change which would increase its potential to emit such that it would exceed any threshold for a major facility, the facility shall become subject to major facility review and shall apply for a major facility review permit prior to making the change. A facility may also elect to accept synthetic minor permit conditions to limit the potential to emit of a source or operation to avoid requirements other than Major Facility Review. (Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-421 Timely Application for a Synthetic Minor Operating Permit:** An application for a synthetic minor operating permit or synthetic minor operating permit revision shall be submitted in a timely manner as described below:

421.1 A facility which elects to apply for a synthetic minor operating permit in order to avoid the requirement to obtain a major facility review permit shall apply for and receive a synthetic minor operating permit prior to the date by which it would have to apply for a major facility review permit.

421.2 Any facility not subject to the requirements of Regulation 2, Rule 6, may apply for a synthetic minor operating permit at any time, in accordance with Section 2-6-422.

421.3 A facility seeking a synthetic minor operating permit revision (as defined by Section 2-6-232) shall apply for the revision in accordance with Section 2-6-422 and receive approval prior to making the change at the facility.

421.4 For a revision to a synthetic minor operating permit which will not change any condition of the permit that establishes a facility-wide emission limit or that specifies the monitoring and recordkeeping requirements necessary to verify ongoing compliance with a facility-wide emission limit, an application must be received by the APCO in accordance with the requirements of Regulation 2, Rule 2, New Source Review.

421.5 For a physical or operational change to a synthetic minor facility which would increase the facility's potential to emit to a level above that of a major facility, the facility must undergo preconstruction review, apply for a major facility review permit in accordance with the requirements of this rule, and apply for a cancellation of the synthetic minor permit prior to commencing the change. Any increase in the emission limits shall be subject to the requirements of Regulation 2, Rules 1 and 2.

421.6 Renewals of synthetic minor operating permits shall be made in accordance with the requirements of Regulation 3-207.

421.7 Deleted 10/20/99 (Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-422 Complete Application for a Synthetic Minor Operating Permit:** An application for a synthetic minor operating permit or for a synthetic minor operating permit revision (as defined by Section 2-6-232) shall contain the following:

422.1 All relevant BAAQMD permit application forms;

422.2 A statement certifying payment of any fee required by District Regulation 3, including Schedule P;

422.3 Identification and description of all existing sources at the facility, including sources that are exempt from permits under Regulation 2, Rule 1;

422.4 A calculation (following the protocol set forth in the Manual of Procedures, Volume II, Part 3, subsection 2.2.2.c) of annual and monthly maximum emissions of regulated air pollutants and hazardous air pollutants from the facility. All fugitive emissions of hazardous air pollutants shall be included. For fugitive emissions of regulated air pollutants, only those from facility categories listed in the Manual of Procedures, Volume II, Part 3, Section 1 shall be included;

422.5 Proposed permit conditions to limit facility-wide emissions to below the thresholds for a major facility; and

422.6 Proposed permit conditions imposing monitoring, recordkeeping and reporting requirements sufficient to determine ongoing compliance. Applications for a synthetic minor permit revision shall include the above information only for those sources that will be modified. Applications for a synthetic minor operating permit for the purpose of avoiding a requirement other than major facility review shall include the above as they apply to the sources for which limits are proposed. (Amended 2/1/95, 10/20/99)

**2-6-423 District Procedures for Synthetic Minor Operating Permits:** The APCO shall take action on applications for synthetic minor operating permits and for synthetic minor operating permit revisions as follows:

423.1 Completeness: The APCO shall determine if the application is complete within 30 days of receipt, or within a longer time period as agreed upon by both the applicant and the APCO.

423.2 Permit Content: The synthetic minor operating permit shall contain all information and provisions pertaining to synthetic minor operating permits as set forth in Volume II of the District's Manual of Procedures including:

2.1 Quantifiable and practically enforceable permit conditions limiting the facility's potential to emit to no greater than 95 tons per year of any regulated air pollutant except GHG, 95,000 tons per year of GHG (measured as CO<sub>2</sub>e), 9 tons per year of any single hazardous air pollutant, and 23 tons per year of any combination of hazardous air pollutants, or;

2.2 Quantifiable and practically enforceable permit conditions limiting a source or operation's potential to emit to no greater than 90 percent of the threshold for the requirement that is to be avoided, and;

2.3 Permit conditions requiring monitoring, recordkeeping, and reporting sufficient to determine compliance with the emission limits set forth in subsection 423.2.1 or 423.2.2.

423.3 Deleted 10/20/99

423.4 Reports to EPA: The APCO shall provide to EPA a copy of each proposed and final synthetic minor operating permit.

423.5 Final Action: The APCO shall take final action on synthetic minor operating permits as follows:

5.1 Initial Application and Cancellations: Within 180 days following the acceptance of the application as complete.

5.2 Revisions: In accordance with the requirements of Regulation 2-1-408;

423.6 Revisions: The APCO shall ensure that revisions of synthetic minor permits comply with subsection 2-6-423.2. Revisions of permit conditions shall also be in accordance with the requirements of Regulation 2, Rules 1 and 2.

423.7 Cancellation of Synthetic Minor Permits: A facility may petition the APCO to cancel its synthetic minor operating permit because its potential to emit due to its physical or operational design has dropped below the major source threshold or because proposed modifications to the facility would increase the facility's potential to emit to a level above that of a major facility. The facility must comply with the synthetic minor operating permit until the APCO cancels the permit. The permit that replaces the synthetic minor operating permit will contain any emission limits contained in the synthetic minor operating permit. Revisions of the permit conditions shall be in accordance with the requirements of Regulation 2, Rules 1 and 2.

(Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-424 Applicability:** The APCO shall evaluate the applicability of this rule to each facility as part of the District's annual permit renewal process required by Health & Safety Code Section 42301(e). Within 30 days of a written request for a process statement or specific emission-related information by the APCO or EPA, a facility shall submit the requested information. (Adopted 10/20/99)

**2-6-425 Facility List:** The APCO shall maintain a list of facilities that are subject to this rule together with the specific provisions applicable to each facility. The APCO shall also maintain a list of facilities that are not subject to this rule. The facility lists shall be available to the public. (Adopted 10/20/99)

- 2-6-426 Compliance Certification Procedures:** All compliance certifications required in permit applications or by major facility review permits shall be prepared in accordance with the following procedures:
- 426.1 A responsible official for the facility shall certify all compliance certifications. The certification shall state that the compliance certification is true, accurate, and complete based on information and belief formed after reasonable inquiry.
- 426.2 Effective May 2, 2002, all applicants for a major facility review permit shall submit a new certification of compliance on every anniversary of the application date if the permit has not been issued. (Adopted 5/2/01)
- 2-6-427 Statement of Basis:** The APCO shall, in conjunction with the issuance of any major facility review permit, prepare a statement that, in conjunction with the permit itself, sets forth the legal and factual basis for the draft permit conditions. This statement shall explain the basis for the decisions made by the APCO in issuing the major facility review permit, including the APCO's reasoning for imposition of additional monitoring requirements, and for the creation of any permit shield provisions. The statement of basis may, but need not, address requirements that are not applicable and for which no permit shield is provided. The statement of basis need not address the rationale underlying the establishment of any applicable requirement. (Adopted 4/16/03)

**2-6-500 MONITORING AND RECORDS**

- 2-6-501 Recordkeeping:** The APCO may require that the owner or operator of any facility subject to this rule keep any records that are relevant or necessary to enable the APCO to determine emissions from the facility. The facility shall keep such records on site for five years from the date of entry and shall make the records available to the APCO upon request.
- 2-6-502 Monitoring Reports, Major Facility Review Permit:** Every six months, the facility shall prepare and submit to the District reports of any monitoring required by the major facility review permit. A responsible official shall certify that all such reports are true, accurate, and complete based on information and belief formed after reasonable inquiry. In addition to the reporting requirements set forth in Regulation 1, subsection 522.7 and Section 542, the facility shall promptly identify and report to the APCO all monitored excesses and any other deviations from the requirements of the permit. (Amended 10/20/99, 5/2/01)
- 2-6-503 Monitoring:** The APCO may require that the owner or operator of any facility subject to this rule conduct any monitoring that is necessary to enable the facility and the APCO to determine emissions from the facility. The APCO may specify the format and frequency of reports for all monitoring. (Adopted 10/20/99, 5/2/01)

**2-6-600 MANUAL OF PROCEDURES**

- 2-6-601 Major Facility Review Permit Procedures:** The specific procedures for application submittals, the engineering evaluation and the required permit content for major facility review permits are set forth in Volume II of the District's Manual of Procedures.
- 2-6-602 Synthetic Minor Operating Permit Procedures:** The specific procedures for the engineering evaluation and the required permit content for synthetic minor operating permits are set forth in Volume II of the District's Manual of Procedures.

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**REGULATION 2  
PERMITS  
RULE 6  
MAJOR FACILITY REVIEW**

(Adopted November 3, 1993)

**2-6-100 GENERAL**

**2-6-101 Description:** The purpose of this rule is to implement the operating permit requirements of Title V of the federal Clean Air Act as amended in 1990. This rule shall apply to major facilities, Phase II acid rain facilities, subject solid waste incinerator facilities and any facility in a source category designated by the Administrator of the EPA in a rulemaking as requiring a Title V permit. This rule also provides a means by which facilities may avoid the Title V or other requirements by limiting their potential to emit. This rule shall not alter any other requirements of applicable federal, state, or District orders, rules or regulations, except for monitoring, recordkeeping, and reporting requirements that are subsumed using the permit shield. (Amended 10/20/99, 5/2/01)

**2-6-110 Exemption, Asbestos:** Any demolition or renovation of an asbestos-containing source that requires a permit solely because it is subject to Regulation 11, Rule 2, Asbestos Demolition, Renovation, and Manufacturing, is exempt from this regulation.

**2-6-111 Exemption, Wood Heaters:** Any wood heater that requires a permit solely because it is subject to Regulation 10, Subpart AAA, is exempt from this regulation.

**2-6-112 Exemption, Motor Vehicles:** Engines used to propel motor vehicles, as defined in the California Vehicle Code, are exempt from this regulation.

**2-6-113 Exemption, Registered Portable Engines:** Portable internal combustion engines, except gas turbines, that are registered in accordance with Health and Safety Code Section 41753 are exempt from this regulation.

(Adopted 10/20/99; Amended 4/16/03)

**2-6-114 Exemption, Non-Road Engines:** Engines as defined by 40 CFR Part 89 are exempt from this regulation. (Adopted 10/20/99)

**2-6-200 DEFINITIONS**

**2-6-201 Administrative Permit Amendment:** A non-substantive amendment to a major facility review permit. The following amendments are administrative amendments: changes in recordkeeping format that are not relaxations of applicable requirements, the correction of typographical errors, changes in permit format that are not alterations of applicable requirements, changes in source descriptions that are not alterations of applicable requirements, changes in the descriptions of applicable requirements that add detail but do not affect substantive requirements, deletion of requirements containing sunset dates that have passed, the identification of administrative changes at a facility (such as a replacement of the facility's responsible official or a change in ownership or operational control of the facility which involves no physical or operational changes to the facility), the deletion of sources, the approval of a District rule into the SIP, the imposition of more frequent emission monitoring requirements, and changes to applicable requirements and related monitoring that are not federally enforceable.

(Amended 10/20/99, 4/16/03)

**2-6-202 Applicable Requirements:** Air quality requirements with which a facility must comply pursuant to the District's regulations, codes of California statutory law, and the federal Clean Air Act, including all applicable requirements as defined in 40 CFR 70.2.

(Amended 10/20/99, 5/2/01)

**2-6-203 Clean Air Act:** The federal Clean Air Act, as amended in 1990, including the implementing regulations.



- 2-6-204 Designated Facility:** Any facility, other than a major facility, phase II acid rain facility, or subject solid waste incinerator facility, as defined by this rule, that falls within a source category designated as subject to the requirements of Title V of the federal Clean Air Act by the EPA Administrator in a rulemaking. (Amended 10/20/99)
- 2-6-205 Early Reduction Demonstration:** A 90% reduction in hazardous air pollutants or a 95% reduction in particulate hazardous air pollutants achieved pursuant to Section 112(i)(5) of the federal Clean Air Act.
- 2-6-206 Facility:** ~~As defined in Section 2-1-213Any property, building, structure, or installation (or any aggregation of facilities) located on one or more contiguous or adjacent properties and under common ownership or control of the same person that emits or may emit any air pollutant and is considered a single major industrial grouping (identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*). In addition, facilities whose operations include cargo loading or unloading from cargo carriers other than motor vehicles shall include the cargo carriers as part of the source that receives or loads the cargo. Accordingly, all emissions from such carriers while operating in the District, or within California Coastal Waters adjacent to the District, shall be included as part of the source emissions.~~  
~~206.1 Notwithstanding the definition in Section 2-6-206 above, the emissions related to cargo carriers will not be included when determining applicability of the requirements of Sections 2-6-301, 307, 310, and 312.~~  
 (Amended 10/20/99, 5/2/01)
- 2-6-207 Federally Enforceable:** ~~All limitations and conditions which are enforceable by the Administrator of the U. S. EPA, including requirements developed pursuant to 40 CFR Parts 60 (NSPS), 61 (NESHAPS), 63 (HAP), 70 (State Operating Permit Programs), and 72 (Permits Regulation, Acid Rain), requirements contained in the State Implementation Plan (SIP) that are applicable to sources located in the District, any District permit requirements established pursuant to 40 CFR 52.21 (PSD) or District regulations approved pursuant to 40 CFR Part 51, Subpart I (NSR), and any operating permits issued under an EPA-approved program that is a part of the SIP and expressly requires adherence to any permit issued under such programAs defined in Section 2-1-214.~~  
 (Amended 10/20/99, 5/2/01)
- 2-6-208 Fossil Fuel:** Natural gas, petroleum, and coal, or any form of solid, liquid, or gaseous fuel derived from such materials for the purpose of creating useful heat.
- 2-6-209 Fugitive Emissions:** All emissions from unintended openings in process equipment, emissions occurring from miscellaneous activities relating to the operation of a facility, and emissions that could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening.
- 2-6-210 Hazardous Air Pollutant:** Any pollutant that is listed pursuant to Section 112(b) of the Clean Air Act.
- 2-6-211 Independent Power-Production Facility:** A facility that generates electricity and fulfills the following conditions:  
 211.1 The facility must be nonrecourse project-financed as defined in 10 CFR 715;  
 211.2 The facility must sell 80 percent or more of its electrical output at wholesale;  
 211.3 Direct public utility ownership of the equipment must not exceed 50 percent;  
 and  
 211.4 Deleted 5/2/01  
 211.5 The facility must be required to hold allowances under Title IV of the Clean Air Act.  
 (Amended 5/2/01)
- 2-6-212 Major Facility:** For the purposes of Regulation 2, Rule 6, a major facility is either of the following:  
 212.1 Major Facility (Regulated Air Pollutants): A facility that has the potential to emit 100 tons per year or more of any regulated air pollutant, as defined in Section 2-6-222\*. For fugitive emissions of regulated air pollutants, only the fugitive emissions from facility categories listed in 40 CFR 70.2 "Definitions - Major source (2)" shall be included in determining whether the facility is a major facility. Once any facility is determined to be a major facility, all fugitive

emissions from the facility shall be included in calculating the facility's emissions.

212.2 Major Facility (Hazardous Air Pollutants): A facility that has the potential to emit 10 tons per year or more of a single hazardous air pollutant, 25 tons per year or more of a combination of hazardous air pollutants, or such lesser quantity as the EPA Administrator may establish by rule. All fugitive emissions of hazardous air pollutants are included in determining a facility's potential to emit. For radionuclides, the definition of a major facility shall be specified by the EPA Administrator by rule.

*\*Note that GHG is a "regulated air pollutant" only if emitted from a facility in an amount of 100,000 tons per year or more of CO<sub>2</sub>e. See Section 2-6-222.6. Thus, for a facility to be a major facility for GHG, it must emit (i) 100 tons per year CO<sub>2</sub>e or more on an absolute mass basis in order to be a "major" emitter, and (ii) 100,000 tons per year or more CO<sub>2</sub>e in order to be a major emitter of a "regulated air pollutant".*

~~212.3 A facility with permit conditions that limit emissions to a level that is greater than the above thresholds is defined as a major facility.~~

(Amended 10/20/99,\_\_\_)

2-6-213 **Major Facility Review (MFR):** Plantwide review of sources, emissions, and regulatory requirements at facilities including, but not limited to, major facilities, phase II acid rain facilities, subject solid waste incinerator facilities, and designated facilities, which are potentially subject to the permitting requirements of Regulation 2, Rule 6, and of Title V of the Clean Air Act.

2-6-214 **Major Facility Review Permit:** An operating permit issued to a major facility, phase II acid rain facility, subject solid waste incinerator facility, or designated facility, pursuant to the requirements of this rule.

2-6-215 **Minor Permit Revision:** Any revision to a federally enforceable condition ~~ien~~ a major facility review permit ~~that~~**which**:

215.1 is not a significant permit revision; and

215.2 is not an administrative permit amendment.

215.3 Deleted 10/20/99

(Amended 10/20/99)

2-6-216 **Operating Scenarios:** All modes of facility operation to be permitted, including normal operating conditions, start-up, and shutdown. This shall include all planned or reasonably foreseeable process, feed, and product changes. Operating scenarios must meet all applicable requirements.

2-6-217 **Phase II Acid Rain Facility:** A facility that includes fossil-fueled combustion equipment that is used to generate electricity for sale, or is otherwise subject to 40 CFR 72, except for the following equipment:

217.1 A fossil-fueled combustion device built before November 15, 1990, and that did not, as of November 15, 1990, and does not currently, serve a generator with a nameplate capacity of greater than 25 MW;

217.2 A cogeneration facility with a fossil-fueled combustion device that sells less than 219,000 MW-hrs annually or less than one-third of its potential electric output capacity to any utility power distribution system;

217.3 A solid waste incinerator that burns fossil fuels for less than 20 percent (on a BTU basis) of the total energy input during any calendar year; or

217.4 A qualifying facility or an independent power production facility that meets both of the following conditions:

4.1 Possession as of November 15, 1990 of qualifying power purchase commitments to sell at least 15 percent of its total planned net output capacity; and

4.2 The net output capacity of the equipment cannot exceed 130 percent of the planned net output capacity.

217.5 Simple combustion turbines that commenced operation before November 15, 1990;

217.6 A fossil-fueled combustion device that, during 1985, and as of November 15, 1990, and currently, does not serve a generator that produced or produces electricity for sale; and

217.7 A fossil-fueled combustion device that commenced commercial operation on or after November 15, 1990, and serves a generator with a capacity not

greater than 25 MW, burns fuel with a sulfur content that is less than 0.05 percent, and that complies with the requirements of 40 CFR 72.7.

217.8 A fossil-fueled combustion device that supplies only incidental electricity for sale and that complies with the requirements of 40 CFR 72.14.

217.9 A fossil-fueled combustion device that is permanently retired and that complies with the requirements of 40 CFR 72.8. (Amended 5/2/01)

**2-6-218 Potential to Emit:** ~~The maximum capacity of a facility to emit a pollutant based on its physical and operational design. Any physical or operational limitation on the capacity of the facility to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as a part of its design only if the limitation, or the effect it would have on emissions, is federally enforceable or legally and practicably enforceable by the District. A facility that exceeds an enforceable limitation is considered to have a potential to emit that is unconstrained by any such exceeded limit.~~ As defined in Section 2-1-217. (Amended 10/20/99, 4/16/03)

**2-6-219 Preconstruction Permit or Review:** A review of construction plans prior to construction, including:

219.1 District evaluation of an application for an authority to construct issued pursuant to District Regulation 2, Rule 1;

219.2 District evaluation of an application for an authority to construct issued pursuant to District Regulation 2, Rule 2;

219.3 A preconstruction review to determine the ability of a proposed source or source modification to comply with applicable New Source Performance Standards pursuant to District Regulation 10;

219.4 A preconstruction review conducted prior to a significant modification to a major facility review permit for a physical or operational change that would be prohibited by an existing federally enforceable condition;

219.5 A preconstruction review conducted prior to a physical or operational change to a synthetic minor facility that would increase the facility's potential to emit to above the threshold for a major facility. Such review must be associated with an application for a major facility review permit for said facility.

(Amended 10/20/99)

**2-6-220 Qualifying Facility:** One of two types of power-generating facilities pursuant to Title 16, Section 796, of the United States Code:

220.1 A cogeneration facility that is not owned by a public utility and is certified by the Federal Energy Regulatory Commission as a qualifying facility; or

220.2 A power production facility that is not owned by a public utility, has an output capacity not greater than 80 MW, uses biomass, waste, renewable resources, geothermal resources, solar energy, wind energy, or any combination of the above as its primary energy source, and is certified by the Federal Energy Regulatory Commission as a qualifying facility.

**2-6-221 Qualifying Power Purchase Agreement:** As defined in 40 CFR 72.2.

**2-6-222 Regulated Air Pollutant:** For the purposes of Major Facility Review under Regulation 2, Rule 6 ~~this rule~~, the following are regulated air pollutants ~~(as defined in Regulation 1) are regulated~~:

222.1 Nitrogen oxides and volatile organic compounds;

222.2 Any pollutant for which a national ambient air quality standard has been promulgated;

222.3 Any Class I or Class II ozone depleting substance subject to a standard promulgated under Title VI of the Clean Air Act; and

222.4 Any pollutant that is subject to any standard promulgated under Section 111 of the Clean Air Act.

222.5 Any pollutant that is subject to any standard or requirement promulgated under Section 112 of the Clean Air Act including sections 112(g), (j), and (r).

222.6 Greenhouse gases, but only at facilities that have the potential to emit 100,000 tons per year or more of CO<sub>2</sub>e greenhouse gases.

Total suspended particulate is not a regulated air pollutant for purposes of major facility review under this Rule.

(Amended 10/20/99, 5/2/01, \_\_\_\_\_)

- 2-6-223 Responsible Official:** The responsible official will vary depending upon the type of facility, and shall be designated as follows:
- 223.1 Corporation: The responsible official shall be a president, secretary, treasurer, or vice president in charge of a principal business function or shall otherwise be a duly authorized representative if:
- 1.1 the representative is responsible for the overall operation of the facility, and
  - 1.2 either the duly authorized representative is responsible for the operation of facilities that employ more than 250 persons or that have gross annual sales or expenditures exceeding \$25 million in 1980 dollars or the APCO has approved a petition from the original responsible official to allow the duly authorized representative to be the responsible official.
- 223.2 Partnership or Sole Proprietorship: general partner or proprietor.
- 2.1 Partnership of Corporations: The responsible official shall be the responsible official of any of the partner corporations.
- 223.3 Municipality, State, Federal, or Other Public Agency: The principal executive officer or ranking elected official.
- 223.4 Phase II Acid Rain Facilities: The designated representative pursuant to 40 CFR 72.20 through 72.25.
- 2-6-224 Schedule of Compliance:** Shall have the meaning given to it in 40 C.F.R. Part 70.  
(Amended 4/16/03)
- 2-6-225 Severability Clause:** A statement in a permit issued under this rule that, in the case of a challenge to any part of the permit by EPA, the facility's owner or operator, or any other person, the remaining parts of the permit will remain valid.
- 2-6-226 Significant Permit Revision:** Any revision to a federally enforceable condition contained in a major facility review permit that can be defined as follows:
- 226.1 The incorporation of a change considered a major modification under 40 CFR Parts 51 (NSR) or 52 (PSD);
- 226.2 The incorporation of a change considered a modification under 40 CFR Parts 60 (NSPS), 61 (NESHAPS), or Section 112 of the Clean Air Act (HAP);
- 226.3 Any significant change or relaxation of any applicable monitoring, reporting or recordkeeping condition;
- 226.4 The establishment of or change to a permit term or condition allowing a facility to avoid an applicable requirement, including:
- 4.1 a federally enforceable emission limit assumed in order to avoid classification as a modification under any provision of Title I of the federal Clean Air Act, or
  - 4.2 an alternative hazardous air pollutant emission limit pursuant to Section 112(i)(5) of the Clean Air Act;
- 226.5 The establishment of or change to a case-by-case determination of any emission limit or other standard;
- 226.6 The establishment of or change to a facility-specific determination for ambient impacts, visibility analysis, or increment analysis on portable sources; or
- 226.7 The incorporation of any requirement promulgated by the U. S. EPA under the authority of the Clean Air Act provided that three or more years remain on the permit term.  
(Amended 10/20/99)
- 2-6-227 Simple Combustion Turbine:** Rotary engine driven by a gas under pressure that is created by the combustion of any fuel, including combined cycle engines, and excluding engines with auxiliary firing.
- 2-6-228 Source:** Any article, machine, equipment, operation, contrivance or related groupings of such that may produce and/or emit any regulated air pollutant or hazardous air pollutant.
- 2-6-229 Subject Solid Waste Incinerator Facility:** Any source that burns solid waste material (except hazardous waste as defined by RCRA) from commercial, industrial, or general public sources in a category for which a New Source Performance Standard (NSPS) has been adopted after November 15, 1990. (Amended 10/20/99)

- 2-6-230 Synthetic Minor Facility:** 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. (Amended 10/20/99)
- 2-6-231 Synthetic Minor Operating Permit:** A District operating permit that has been modified to include conditions imposing enforceable permit conditions on a facility or source. 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. (Amended 10/20/99)
- 2-6-232 Synthetic Minor Operating Permit Revision:** A revision to a term or condition of a synthetic minor operating permit that establishes a synthetic minor limit or that specifies the monitoring or recordkeeping requirements necessary to verify ongoing compliance with a synthetic minor limit. (Adopted 2/1/95, Amended 10/20/99)
- 2-6-233 Permit Shield:** One of the following:
- 233.1 **Non-applicable Requirements:** A provision in a major facility review permit that identifies and justifies specific federally enforceable regulations and standards which the APCO has confirmed are not applicable to a source or group of sources. Enforcement actions and litigation may not be initiated against the source or group of sources covered by the shield based on those identified regulatory and statutory provisions.
- 233.2 **Subsumed Requirements:** A provision in a major facility review permit that identifies and justifies specific federally enforceable applicable requirements for monitoring, recordkeeping and/or reporting which are subsumed because other applicable requirements for monitoring, recordkeeping, and reporting in the permit will assure compliance with all emission limits. Enforcement actions and litigation may not be initiated against the source or group of sources covered by the shield based on those identified applicable requirements. (Adopted 2/1/95; Amended 10/20/99, 5/2/01)
- 2-6-234 Deleted 10/20/99**
- 2-6-235 Actual Emissions:** The emissions of regulated or hazardous air pollutants from a facility for any 12-month period. The basis for determining actual emissions shall be, as appropriate: throughputs of process materials; throughputs of materials stored; usage of materials; data provided in manufacturer's product specifications, material volatile organic compound (VOC) content reports or laboratory analyses; valid continuous emission monitoring data; source test data; other information required by this rule and applicable District, State or Federal regulations; or information requested in writing by the APCO. The effect of abatement devices shall be considered. All calculations of actual emissions shall use District approved methods, including emission factors and assumptions. (Adopted 10/20/99)
- 2-6-236 Modified Source or Facility (for Section 2-6-309):** As defined in Regulation 2-1-234. (Adopted 10/20/99; Amended 5/2/01)
- 2-6-237 Potential to Emit Demonstration:** An analysis showing that a facility does not have a potential to emit at or above the thresholds for a major facility as defined in Section 2-6-212. (Adopted 10/20/99)
- 2-6-238 Process Statement:** A report on permitted sources from an owner or operator of a facility containing one or more of the following, as requested by the APCO: throughputs of process materials; throughputs of materials stored; usage of materials; fuel usage; any available continuous emissions monitoring data; hours of operation; and any other information required by this rule or requested in writing by the APCO. (Adopted 10/20/99)
- 2-6-239 Significant Source:** A source that has a potential to emit of more than 2 tons per year of any regulated air pollutant except GHG, more than 2,000 tons per year of GHG (measured as CO<sub>2</sub>e), or more than 400 lbs-pounds per year of any hazardous air pollutant. (Adopted 10/20/99)

- 2-6-240 State Implementation Plan (SIP):** A state plan to attain or maintain the National Ambient Air Quality Standards pursuant to Section 110 of the Clean Air Act that has been approved by EPA. (Adopted 10/20/99)
- 2-6-241 12-month Period:** A period of twelve consecutive months determined on a rolling basis with a new 12-month period beginning on the first day of each calendar month. (Adopted 10/20/99)
- 2-6-242 Affected State:** State whose air quality may be affected by a facility and that is contiguous to the State of California or a state that is within 50 miles of a permitted source within the District. (Adopted 10/20/99; Amended 5/2/01)
- 2-6-243 Final Action:** The issuance, denial, revocation or revision of a permit. (Adopted 5/2/01)
- 2-6-244 CFR:** Code of Federal Regulations. (Adopted 5/2/01)
- 2-6-245 Greenhouse Gases (GHG):** The air pollutant that is defined in 40 CFR Section 86.1818-12(a), which is a single air pollutant made up of a combination of the following six constituents: carbon dioxide, nitrous oxide, methane, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride. GHG emissions shall be measured (i) based on total mass for purposes of determining whether a facility exceeds the 100-ton per year major facility threshold under Section 2-6-212.1; and (ii) as CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e) calculated in accordance with Section 2-6-246 for purposes of determining whether the emissions constitute a regulated air pollutant as defined in Section 2-2-222.6, as well as for applying the provisions of Sections 2-6-239 (significant source definition), 2-6-312 (major facility review, smaller facilities), and 2-6-423.2 (permit content for synthetic minor operating permits).
- 2-6-246 CO<sub>2</sub> equivalent emissions (CO<sub>2</sub>e):** A measure of GHG emissions computed by multiplying the mass of emissions of each of the six greenhouse gases in the pollutant GHGs, by the gas' associated global warming potential as set forth in Table A-1 to subpart A of 40 CFR 98, Global Warming Potentials; and then summing the resultant value for each gas to compute of the amount of GHG emissions measured as CO<sub>2</sub>e.
- 2-6-247 Maximum Achievable Control Technology (MACT):** A limit on emissions of hazardous air pollutants that reflects the maximum degree of reduction in emissions that the APCO determines is achievable, taking into consideration the cost of achieving such emission reduction and any non-air-quality health and environmental impacts and energy requirements. A determination of what constitutes Maximum Achievable Control Technology shall be made on a case-by-case basis in accordance with the provisions of Section 112(j) of the Clean Air Act.
- 2-6-300 STANDARDS**
- 2-6-301 Major Facility Review Requirement:** Any major facility as defined in Section 2-6-212 shall undergo major facility review in accordance with the requirements of this rule. (Amended \_\_\_\_\_, 2011)
- 2-6-302 Major Facility Review Requirements for Phase II Acid Rain Facilities:** Any Phase II acid rain facility shall undergo major facility review in accordance with the requirements of this rule, even if such facility is not classified as a major facility under Section 2-6-212. ~~302.1 After January 1, 2000, all Phase II acid rain facilities and~~ shall comply with the requirements of Sections 405, 406, 408, 409, 411, and 412 of the Clean Air Act. (Amended 10/20/99)
- 2-6-303 Major Facility Review Requirements for Subject Solid Waste Incinerator Facilities:** Any subject solid waste incinerator facility shall undergo major facility review in accordance with the requirements of this rule, even if such facility is not classified as a major facility under Section 2-6-212. Major facility review permits issued under this Section for such facilities, including new, modified and existing facilities, shall include all applicable New Source Performance Standards.

~~303.1—Any relevant Standard of Performance for New Stationary Sources that is adopted by EPA on or after November 15, 1990 shall apply to existing solid waste incinerators as well as to new or modified solid waste incinerators in the District and shall be included in the major facility review permits for such sources.~~

(Amended 10/20/99; \_\_\_/12)

**2-6-304 Major Facility Review Requirement for Designated Facilities:** Any designated facility shall undergo major facility review in accordance with the requirements of this rule, even if such facility is not classified as a major facility under Section 2-6-212.

(Amended 10/20/99)

**2-6-305 Operational Flexibility:** A facility may make a change to the facility or operation without requiring a major facility review permit revision in accordance with the procedures and restrictions set forth in Section 2-6-417 if the change is not a modification pursuant to Title I of the Clean Air Act and does not exceed any emissions allowable under federally enforceable provisions of the permit. Such change shall in no way affect the obligation of the permittee to comply with any applicable requirement including the requirement to obtain an Authority to Construct under Rule 2-1. This provision shall not apply to the phase II acid rain portion of any facility subject to this Rule.

(Amended 2/1/95)

**2-6-306 Emissions Trading:** The APCO shall allow emissions trading within a facility that has a major facility review permit in accordance with the procedures and restrictions set forth in Section 2-6-418. This provision shall not apply to the phase II acid rain portion of any facility subject to this Rule.

(Adopted 5/2/01)

**2-6-307 Non-compliance, Major Facility Review:** Any facility subject to the requirements of this regulation that is not in compliance with any federally enforceable permit condition, any federally enforceable applicable requirement set forth in its major facility review permit, or the requirement to apply for a major facility review permit is in violation of the Clean Air Act and shall be subject to enforcement action, permit termination, permit revocation and reissuance, and/or denial of a permit renewal. Moreover, a facility subject to major facility review which has not submitted a timely and complete permit application by the deadlines set forth in Section 2-6-404 shall not operate.

(Amended 2/1/95, 10/20/99)

**2-6-308 Major Facility Review and Other District Permitting Requirements:** Submittal of a complete application or an administrative permit amendment request in accordance with this rule shall in no way affect, and shall not constitute compliance with, the requirements for authorities to construct and permits to operate as set forth in Regulation 2, Rules 1 and 2.

**2-6-309 Prohibited Modifications:** A person shall not modify any source or operation covered by a major facility review permit issued under this rule unless such modification is either: (1) included in an operating scenario addressed in the permit; (2) authorized under this rule; or (3) permitted by the APCO pursuant to an application for a revision to the permit.

(Amended 10/20/99)

**2-6-310 Synthetic Minor Operating Permit Requirement:** Any major facility which elects to accept enforceable permit conditions such that the facility becomes a synthetic minor facility, and is not otherwise subject to major facility review, shall apply for a synthetic minor operating permit. Any facility that files false information with the District in order to obtain a synthetic minor operating permit is in violation of the Clean Air Act and District Regulations and shall be subject to enforcement action. A synthetic minor facility is not subject to the obligations of a major facility unless facility fails to comply with the synthetic minor limits or it becomes a designated facility.

(Amended 10/20/99)

**2-6-311 Non-compliance, Synthetic Minor Facilities:** Any facility subject to the requirements of a synthetic minor operating permit that is not in compliance with any permit condition set forth in its synthetic minor operating permit shall be subject to enforcement action, permit termination, permit revocation and reissuance, and/or denial of a permit renewal.

(Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-312 Major Facility Review, Smaller Facilities:** Any facility with actual emissions as defined by Section 2-6-235 that exceed any threshold below shall apply for a major facility review permit unless the facility demonstrates that its potential to emit is below

the major facility thresholds defined in Section 2-6-212, or the facility has applied for and received a synthetic minor permit.

312.1 25 tons per year of any regulated air pollutant except GHG, excluding fugitive emissions per Section 2-6-212;

312.2 2.5 tons of any hazardous air pollutant per year including all fugitive emissions of the hazardous air pollutant;

312.3 6.25 tons of all hazardous air pollutants per year including all fugitive emissions of hazardous air pollutants;:-

312.4 25,000 tons of GHG (measured as CO<sub>2</sub>e), excluding fugitive emissions per Section 2-6-212.

For the purpose of this Section, "actual emissions" shall be the maximum emissions for any consecutive 12-month period ending on or after July 24, 1995. A permit application or potential-to-emit demonstration required under this Section shall be submitted within 12 months after the date actual emissions first exceed the threshold levels specified in subsections 312.4, or within 12 months after [effective date of regulation], whichever is later.

(Adopted 10/20/99; Amended 5/2/01)

**2-6-313 Denial, Failure to Comply:** The APCO shall deny a major facility review permit after providing written notification to the applicant, if the facility, or any source therein, is in violation of any applicable requirement and the facility cannot obtain a compliance schedule in accordance with the Health and Safety Code. (Adopted 5/2/01)

**2-6-314 Revocation:** The APCO may request the Hearing Board to hold a hearing to determine whether a major facility permit should be revoked if it is found that the holder of the permit is violating any provision in the permit or any applicable requirement. (Adopted 5/2/01)

**2-6-315 Case-by-Case MACT Requirement:** The APCO shall require the—Maximum Achievable Control Technology to limit emissions of hazardous air pollutants in any major facility review permit issued for a facility that meets the following criteria:

315.1 the facility has the potential to emit 10 tons per year or more of any single hazardous air pollutant, or 25 tons per year or more of any combination of hazardous air pollutant; and

315.2 the facility is in a category or subcategory of sources listed by EPA under Section 112(c) of the Clean Air Act; and

315.3 EPA has not promulgated a National Emission Standard for Hazardous Air Pollutants for the category or subcategory of sources by the deadline established under Section 112(e) of the Clean Air Act.

## **2-6-400 ADMINISTRATIVE REQUIREMENTS**

**2-6-401 Deleted 10/20/99**

**2-6-402 Fees:** Any facility subject to the requirements of this rule shall pay any applicable fees specified in District Regulation 3, Fees, including Schedule P.

**2-6-403 Application for Major Facility Review Permit, Permit Renewal, or Permit Revision:** The responsible official for any major facility, phase II acid rain facility, subject solid waste incinerator facility, or designated facility shall apply for a major facility review permit, permit renewal, or permit revision in accordance with all the requirements of this rule. (Amended 2/1/95)

**2-6-404 Timely Application for a Major Facility Review Permit:** The responsible official for a facility subject to the requirements of Section 403 of Regulation 2, Rule 6, shall submit an application for a major facility review permit to the APCO and to EPA in a timely manner as described below:

404.1 The initial application for a major facility review permit shall be submitted by the applicant within 12 months after the facility becomes subject to Regulation 2, Rule 6.

404.2 An application for a five-year renewal of the terms and conditions of a major facility review permit shall be submitted by the applicant at least 6 months but no earlier than 12 months prior to the date on which the five-year period for the validity of the terms and conditions of the permit expires.



- 404.3 An application for a significant permit revision shall be submitted by the applicant prior to commencing an operation associated with a significant permit revision. Where an existing federally enforceable major facility review permit condition would prohibit such change in operation, the responsible official must request preconstruction review and obtain a major facility review permit revision before commencing the change.
- 404.4 An application for a minor permit revision shall be submitted by the applicant prior to commencing any operation associated with the minor permit revision.
- 404.5 A phase II acid rain facility shall apply for a major facility review permit in accordance with the deadlines in Section 404.1 of this rule.
- 404.6 Any major facility subject to Section 112(j) of the federal Clean Air Act must submit an application for a major facility review permit no later than ~~18~~ 18 months after the date the U. S. Environmental Protection Agency fails to promulgate any emission standard listed pursuant to Clean Air Act Section 112(c)(1) according to the schedule promulgated under Clean Air Act Section 112(e).
- 404.7 Deleted 10/20/99
- 404.8 ~~The initial application for a major facility review permit for an existing major facility with actual emissions lower than 50 tons per year of each regulated air pollutant except CO<sub>2</sub>e and GHG, and 7 tons per year of any hazardous air pollutant shall be submitted by the applicant by October 20, 2000 Deleted 1/ /2012.~~

(Amended 2/1/95; 10/20/99)

**2-6-405 Complete Application for a Major Facility Review Permit:** All applications for an initial major facility review permit, for a significant revision to an existing major facility review permit, and for a five-year renewal of the terms and conditions of a major facility review permit shall contain the following information in addition to the information required by Regulation 2-1-202:

- 405.1 All relevant BAAQMD permit application forms;
- 405.2 A description of the facility's processes and products (by Standard Industrial Classification Code) including any associated with an operating scenario identified by the facility;
- 405.3 A statement certifying that any fee required by District Regulation 3 has been paid;
- 405.4 Identification and description of:
  - 4.1 each permitted source at the facility
  - 4.2 each source or other activity that is exempt from the requirement to obtain a permit or excluded from District rules or regulations under Regulation 2, Rule 1, and a citation of the section of the rule under which it is exempted or excluded;
- 405.5 A list, including citation and description, of all applicable requirements for each source;
- 405.6 A calculation and summary of annual emissions (including fugitive emissions) of ~~any~~ regulated air pollutants, ~~or~~ hazardous air pollutants, and GHGs from each source or ~~any~~ emission-producing activity if the source or activity is a significant source of an air pollutant as defined by Section 2-6-239. Emission calculations and summaries for pollutants emitted below the significance thresholds are not required for such sources or activities that have emissions of other pollutants above these thresholds. The above emission calculations shall also be submitted for any alternate operating scenarios that are submitted with the application;
- 405.7 A description of the compliance status of the facility with respect to all applicable requirements;
- 405.8 A compliance statement as follows:
  - 8.1 A statement that the facility will continue to comply with all applicable requirements with which it is currently in compliance;
  - 8.2 A statement that the facility will meet all applicable requirements on a timely basis as requirements become effective during the permit term

and a narrative of how the facility will achieve compliance with all applicable requirements if the facility is not currently doing so; and

8.3 A copy of any schedule of compliance applicable to the facility's operations regarding air quality which has been issued by the District's Hearing Board, the California Air Resources Board, or any court of competent jurisdiction;

405.9 A compliance certification by a responsible official of the facility that the application forms and all accompanying reports and other required compliance certifications are true, accurate, and complete based on information and belief formed after reasonable inquiry; and

405.10 All information required by Volume II of the District's Manual of Procedures. An application may reference, rather than explicitly list, certain pre-existing information and be considered initially complete. The type of information that may be referenced includes District-issued rules, regulations, permits and published protocols; pollutant emission inventories and supporting calculations; emission monitoring reports, compliance reports and source tests; annual emissions statements; process and abatement equipment lists and descriptions; current operating and pre-construction permit terms; and permit application materials previously submitted. However, the Summary Forms and the Certification of Compliance must be completed in full. Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a permit application shall submit the supplementary facts or corrected information upon becoming aware of such failure or incorrect submittal. In addition, the applicant must provide additional information as necessary to address any requirements that become applicable. Applications for significant permit revisions shall include the above information only for those sources that will be modified. A copy of all applications and subsequent documents pertaining to the applications shall be sent to EPA by the applicant.

(Amended 4/5/95, 10/20/99, 5/2/01)

**2-6-406 Application for a Minor Permit Revision:** An application for a minor permit revision to a major facility review permit shall contain:

406.1 A description of the proposed change, the emissions resulting from the proposed change, and any new applicable requirements that will apply if the change occurs;

406.2 A draft permit including the proposed change;

406.3 A request by the responsible official that the minor revision procedures be used;

406.4 A certification by the responsible official that the proposed change is a minor revision as defined in Section 2-6-215; and

406.5 All documents or information required by Section 2-6-405 as they pertain to sources affected by the minor revision.

A facility that has submitted an application for a minor revision may proceed with the revision if the facility complies with the proposed permit terms and conditions. If the facility fails to comply with the proposed terms during the time that the application is being processed, the existing permit terms and conditions may be enforced against it.

(Amended 10/20/99)

**2-6-407 Application Shield:** A facility shall not be subject to enforcement action for not possessing a major facility review permit if the facility fulfills the following three conditions:

407.1 The facility has filed with the APCO a complete and timely application for an initial major facility review permit or for a five-year renewal of an existing major facility review permit;

407.2 The APCO has not acted on the application; and

407.3 The facility has honored all requests from the APCO for further information relating to the application by the date specified in writing of the request.

If the facility has not submitted a timely and complete application, the period of non-compliance shall be the period between the submittal deadline and the actual submittal.

(Amended 10/20/99)

**2-6-408 Completeness Determination:** The APCO shall determine whether a major facility review permit application is complete as follows:

- 408.1 Application for an initial permit, for a five-year renewal or for a significant permit revision: The APCO shall determine completeness no later than 60 calendar days following receipt of the application. Unless the APCO requests additional information or otherwise notifies the applicant of incompleteness within 60 days of receipt of the application, the application shall be deemed complete as of the date of receipt.
- 408.2 An application for a minor permit revision: The APCO shall determine completeness within 30 days of receipt of the application. Unless the APCO requests additional information or otherwise notifies the applicant of incompleteness within 30 days of receipt of the application, the application shall be deemed complete as of the date of receipt. The APCO will determine whether the revision qualifies as a minor revision during the 30-day period.
- 408.3 After an application is deemed complete, the APCO may request in writing additional information necessary to evaluate or take final action on the permit. The facility shall have until the date specified in writing to respond to these requests. The APCO may declare a major facility review permit application incomplete if a facility fails to respond to a request for additional information.

(Amended 10/20/99)

**2-6-409 Permit Content:** A major facility review permit shall contain the following information and provisions:

- 409.1 A listing of all applicable requirements including emission limitations, permit conditions and operational or throughput standards or limits that apply to the facility, and a reference to the origin of each such requirement;
- 409.2 Testing, monitoring, reporting and recordkeeping requirements:
  - 2.1 All applicable requirements for monitoring, recordkeeping and reporting, including applicable test methods and analysis procedures;
  - 2.2 Additional requirements for testing, monitoring, reporting and recordkeeping sufficient to assure compliance with the applicable requirements. Where the applicable requirement does not require periodic monitoring or testing, the permit shall contain periodic monitoring sufficient to yield reliable data from the relevant time periods that is representative of the source's compliance with the permit;
- 409.3 A restatement of the requirement of District Regulation 1-440 that the facility's owner or operator must provide the APCO with reasonable access to the premises of the facility;
- 409.4 A restatement of the requirement of District Regulation 1-441 and of Section 2-6-501 that the facility's owner or operator must provide the information, records, and reports requested or specified by the APCO;
- 409.5 A severability clause to ensure the continued validity of permit requirements in the event of a challenge to any portion of the permit;
- 409.6 The duration of the major facility review permit, not to exceed five years;
- 409.7 A statement that: (a) the owner or operator of the facility must comply with all permit conditions and limitations set forth in the major facility review permit; (b) an application for a change in the permit by the owner or operator of the facility does not revoke or limit the applicability of any permit condition in the permit; (c) the major facility review permit does not convey a property right or exclusive privilege; and (d) the facility must keep a record in a contemporaneous log when the facility changes any aspect of its operations from one permitted scenario to another;
- 409.8 Provisions specifying the conditions under which the permit may be reopened for cause and modified, revoked, reissued, or terminated, prior to the end of the term;
- 409.9 Deleted 5/2/01.
- 409.10 A schedule of compliance containing the following elements:
  - 10.1 A statement that the facility shall continue to comply with all applicable requirements with which it is currently in compliance;

- 10.2 A statement that the facility shall meet all applicable requirements on a timely basis as requirements become effective during the permit term; and
- 10.3 If the facility is out of compliance with an applicable requirement at the time of issuance, revision, or reopening, the schedule of compliance shall contain a plan by which the facility will achieve compliance. The plan shall contain deadlines for each item in the plan. The schedule of compliance shall also contain a requirement for submission of progress reports by the facility at least every six months. The progress reports shall contain the dates by which each item in the plan was achieved and an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.
- 409.11 Terms and conditions for reasonably anticipated operating scenarios;
- 409.12 Terms and conditions for any approved permit shield;
- 409.13 A provision for payment of fees required by Regulation 3;
- 409.14 An identification of those terms and conditions of the permit which are not federally enforceable because they are not derived from any requirement of the Clean Air Act;
- 409.15 For Phase II acid rain facilities, all acid rain provisions of a permit shall be contained in a separate and complete section of the permit. This section shall contain a permit condition prohibiting emissions exceeding the allowances that a facility holds under Title IV of the Clean Air Act;
- 409.16 Any terms and conditions for emissions trading approved under Section 2-6-418;
- 409.17 A requirement for annual compliance certifications, unless compliance certifications are required more frequently than annually in an applicable requirement or by the APCO;
- 409.18 A requirement for reports of all required monitoring at least once every six months,
- 409.19 All requirements and provisions pertaining to major facility review permits as set forth in Volume II of the District's Manual of Procedures, and
- 409.20 A certification requirement for all documents submitted pursuant to a major facility review permit. The certification shall state that based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete. The certifications shall be signed by a responsible official for the facility.

(Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-410 Final Action for Initial Permit Issuance, Five-Year Renewal, Reopenings, and Revisions:** The APCO shall take final action on each major facility review permit application as follows:

- 410.1 The APCO shall take final action on an application for an initial permit, a significant permit revision, or a permit renewal within eighteen months after receipt of an application that has been deemed complete. No permit shall be issued until after all required EPA and public review. If a facility submits a timely and complete application for renewal, all terms and conditions of the permit shall remain in effect until the renewal permit has been issued or denied.
- 410.2 The APCO shall take action to issue or deny a minor permit revision within 90 days of receipt of the application or within 15 days after the end of the EPA Administrator's 45-day review, whichever is later;
- 410.3 After the APCO has reopened an existing permit for cause, pursuant to Section 2-6-415, the APCO shall take final action to modify, revoke and reissue, or terminate that permit within 12 months after the date on which the permit is formally reopened.
- 410.4 The APCO shall take final action on an application containing an early reduction demonstration within nine months after the APCO determines that the application is complete.

- 410.5 Submittal of applications for, and the permitting, revision, and reopenings of the acid rain portion of a major facility review permit shall occur in accordance with the deadlines set forth in Title IV of the Clean Air Act and the regulations promulgated thereunder.
- 410.6 Notwithstanding the deadline set forth in subsection 410.1 above, for existing facilities that become subject to MFR on the date that the program receives EPA approval, the APCO shall take final action by July 1, 2001.

(Amended 2/1/95, 10/20/99)

**2-6-411 Reports to EPA and Public Petitions for Major Facility Review Permits:** For all initial applications, five-year renewals, and proposed minor and significant permit revisions pursuant to this Rule, the APCO shall submit to EPA for review and comment each proposed permit and each final major facility review permit. The EPA review shall be subject to the following:

- 411.1 EPA shall have 45 days from receipt of the proposed permit to review the proposed terms and conditions and to object to them in writing.
- 411.2 If EPA objects to the proposed terms and conditions of a permit within the specified 45-day period, the APCO shall submit appropriate revisions that address EPA's objections within 90 days after being notified of EPA's objection and issue the permit.
- 411.3 If EPA does not object to the proposed terms and conditions of a major facility review permit within the specified 45-day period, any person dissatisfied with the proposed terms and conditions may petition EPA to reconsider the matter within 60 days thereafter. Any such petition must be based on objections raised during the public comment period on the proposed permit, unless the petitioner demonstrates that it was impracticable to do so or that the grounds for the objection arose after the close of the original public comment period. EPA may object to the proposed permit on the basis of such petition. This provision does not apply to minor revisions.
- 3.1 If the APCO has not yet issued a proposed permit, the APCO shall make appropriate revisions prior to issuing the permit.
- 3.2 If the APCO has issued the permit following the 45-day EPA comment period but before receipt of an EPA objection based on public petition, the permit may be reopened for cause by the APCO in accordance with Section 2-6-415, or by the EPA in accordance with 40 CFR 70.7(g). In such event, the requirements of the permit shall remain in effect while the EPA or the APCO determines whether to modify, terminate, or revoke and reissue the permit.
- 411.4 Deleted 10/20/99
- 411.5 If the APCO schedules a public hearing after the proposed permit has been submitted to EPA, the APCO will withdraw the permit from EPA review, and resubmit the permit after the public hearing date.

(Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-412 Public Participation, Major Facility Review Permit Issuance:** The APCO shall notify the public and affected states in advance of any proposed initial issuance, significant revision or five-year renewal of a major facility review permit, in accordance with the following procedures:

- 412.1 The APCO shall publish a notice in a major newspaper in the area where the facility is located and send the notice to affected states and to persons on a mailing list of persons who have requested in writing to receive these notifications. The APCO may use other methods in addition to the two above if necessary to assure adequate notice to the affected public and states.
- 412.2 The notice shall identify by name and address the facility, the permittee and the permitting authority. The notice shall include information about the operation to be permitted, any proposed change in emissions, a District source for further information, a brief description of the comment procedures, and a description of procedures to request a hearing.
- 412.3 The notice shall provide at least 30 days for public comment.
- 412.4 The APCO shall give notice of any public hearing at least 30 days prior to the hearing.

- 412.5 The APCO shall keep a record of the commenting persons or states and the issues raised in all such comments for five years.
- 412.6 Written notification of any decision by the APCO not to incorporate any recommendations for the proposed permit that an affected state submitted during the public comment period shall be sent to U.S. EPA and affected states. (Amended 10/20/99, 5/2/01)

**2-6-413 Administrative Permit Amendment Procedures:** The APCO may make administrative permit amendments as follows:

- 413.1 Regulations promulgated under Title IV of the Clean Air Act shall govern administrative permit amendments to the acid rain portion of any permit.
- 413.2 The APCO shall take final action on a request for an administrative permit amendment no later than 60 days from the receipt of the request, provided that the APCO determines that the amendment is covered under Section 2-6-201.
- 413.3 The APCO may initiate an administrative permit amendment provided that the amendment is covered under Section 2-6-201.
- 413.4 The APCO shall submit a copy of the revised permit to EPA.
- 413.5 The facility may implement the changes covered by the administrative permit amendment immediately upon submittal of a request.
- 413.6 Any request for a change in ownership shall include a written agreement between the parties to the transaction which specifies the date of transfer of the permit including permit responsibility, coverage, and liability. (Amended 10/20/99)

**2-6-414 Minor Permit Revision Procedures:** The APCO shall take action on applications for minor permit revisions as follows:

- 414.1 The APCO shall notify EPA of the proposed minor permit revision within 5 working days of the APCO's issuance or waiver of the authority to construct required under section 2-1-301.
- 414.2 The APCO shall act on the proposed minor revision within 15 days after the end of EPA's 45-day review period or within 90 days of receipt of the application, whichever is later.
- 414.3 If prior to taking action on a proposed minor revision the APCO determines that the proposed revision should be reviewed as a significant revision, the APCO shall revise the draft permit revision accordingly and shall submit this version to the EPA. In any such event, the provisions of Sections 2-6-411 and 412 shall apply to all further consideration of the proposed revision. (Amended 10/20/99, 5/2/01)

**2-6-415 Reopening for Cause:** Proceedings to reopen and reissue a major facility review permit shall follow the same procedures that apply to the issuance of an initial major facility review permit and shall affect only those parts of the permit for which cause to reopen exists. Except in the case of an emergency, the APCO shall provide to the facility a notice of intent to reopen the permit at least 30 days in advance of the proposed reopening date. The APCO shall reopen and revise a major facility review permit under the following circumstances:

- 415.1 Additional requirements become applicable to a major facility having three or more years remaining before that facility's next scheduled major facility review. The APCO shall complete a reopening within 18 months after promulgation of the applicable requirement. (Reopening is not required if the effective date of the additional requirement is later than the date on which that facility's next scheduled major facility review is due);
- 415.2 Additional requirements become applicable to Phase II acid rain facilities under the acid rain program. Upon approval by the EPA, excess emissions offset plans developed under this program shall be incorporated into the permit;
- 415.3 The APCO determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or
- 415.4 The APCO determines that the permit must be revised or revoked to assure compliance with the applicable requirements.

- 2-6-416 Term for Major Facility Review:** Once a major facility review permit is issued to a facility, except insofar as the permit must be reopened in accordance with Section 2-6-415, the terms and conditions of that permit shall remain valid for a period of five years from the date of issuance unless the facility agrees to a shorter term. However, Phase II acid rain facilities shall not have permits that contain a shorter term. At the conclusion of every such term, the APCO must review the terms and conditions of a major facility review permit in the same way as an application for an initial major facility review permit.
- 416.1 The issuance of a revision to an existing major facility review permit at any time during the course of the term for which the terms and conditions of that permit are valid shall not affect or extend the renewal date.
- 416.2 A facility subject to this rule shall continue to provide throughput update information as required by the District and to pay the annual fees required by Regulation 3, including Schedule P. (Amended 10/20/99, 5/2/01)
- 2-6-417 Operational Flexibility Procedures:** A facility shall give written notice to the APCO of any changes made to the facility, pursuant to Section 2-6-305 - Operational Flexibility. The notice shall be received by the APCO at least 30 days prior to the change. The notice shall contain a description of the change, the date on which the change will occur, any change in emissions, and any permit term or condition that is no longer applicable as a result of the change. The facility and the District shall each attach such notice to its copy of the permit.
- 2-6-418 Emissions Trading Procedures:** The responsible official for a facility may propose that an emissions trading provision be included in its major facility review permit as follows:
- 418.1 The responsible official shall submit an application pursuant to Regulation 2-1-301 to incorporate the trading provisions into the permits of the affected sources. The application must identify the District regulations that provide for the proposed trading provisions and demonstrate that the trading provisions comply with all applicable District regulations.
- 418.2 The APCO shall approve the request if the provisions comply with all applicable District regulations.
- 418.3 The proposal shall include an emissions cap allowing for the trading of emissions increases and decreases, permit conditions, recordkeeping requirements and replicable procedures for determining compliance with applicable requirements;
- 418.4 The proposed emissions trades shall be quantifiable and federally enforceable; and
- 418.5 Once the emissions trading provisions have been incorporated into the permit, the facility shall notify the APCO in writing at least seven days prior to a trade. The notification shall state when the trade will occur, what change in emissions will result, and how the trade will comply with the emission trading provisions.
- 418.6 The APCO shall incorporate the trading provisions in the initial MFR permit issuance, or, if the permit has been issued, shall incorporate the trading provisions into the permit MFR using the minor or significant permit revision procedures. (Adopted 5/2/01)
- 2-6-419 Availability of Information:** The contents of permit applications, compliance plans, emissions or compliance monitoring reports, and compliance certification reports shall be available to the public, subject to the restrictions of the District's Administrative Code, Section 11. The contents of the permit shall be available to the public and shall not be subject to the above restrictions.
- 2-6-420 Application for a Synthetic Minor Operating Permit:** A facility which seeks to become a synthetic minor facility shall apply for a synthetic minor operating permit in accordance with the requirements of this rule. If a synthetic minor facility plans a physical or operational change which would increase its potential to emit such that it would exceed any threshold for a major facility, the facility shall become subject to major facility review and shall apply for a major facility review permit prior to making the change. A facility may also elect to accept synthetic minor permit conditions to

limit the potential to emit of a source or operation to avoid requirements other than Major Facility Review. (Amended 2/1/95, 10/20/99, 5/2/01)

2-6-421

**Timely Application for a Synthetic Minor Operating Permit:** An application for a synthetic minor operating permit or synthetic minor operating permit revision shall be submitted in a timely manner as described below:

421.1 A facility which elects to apply for a synthetic minor operating permit in order to avoid the requirement to obtain a major facility review permit shall apply for and receive a synthetic minor operating permit prior to the date by which it would have to apply for a major facility review permit.

421.2 Any facility not subject to the requirements of Regulation 2, Rule 6, may apply for a synthetic minor operating permit at any time, in accordance with Section 2-6-422.

421.3 A facility seeking a synthetic minor operating permit revision (as defined by Section 2-6-232) shall apply for the revision in accordance with Section 2-6-422 and receive approval prior to making the change at the facility.

421.4 For a revision to a synthetic minor operating permit which will not change any condition of the permit that establishes a facility-wide emission limit or that specifies the monitoring and recordkeeping requirements necessary to verify ongoing compliance with a facility-wide emission limit, an application must be received by the APCO in accordance with the requirements of Regulation 2, Rule 2, New Source Review.

421.5 For a physical or operational change to a synthetic minor facility which would increase the facility's potential to emit to a level above that of a major facility, the facility must undergo preconstruction review, apply for a major facility review permit in accordance with the requirements of this rule, and apply for a cancellation of the synthetic minor permit prior to commencing the change. Any increase in the emission limits shall be subject to the requirements of Regulation 2, Rules 1 and 2.

421.6 Renewals of synthetic minor operating permits shall be made in accordance with the requirements of Regulation 3-207.

421.7 Deleted 10/20/99 (Amended 2/1/95, 10/20/99, 5/2/01)

2-6-422

**Complete Application for a Synthetic Minor Operating Permit:** An application for a synthetic minor operating permit or for a synthetic minor operating permit revision (as defined by Section 2-6-232) shall contain the following:

422.1 All relevant BAAQMD permit application forms;

422.2 A statement certifying payment of any fee required by District Regulation 3, including Schedule P;

422.3 Identification and description of all existing sources at the facility, including sources that are exempt from permits under Regulation 2, Rule 1;

422.4 A calculation (following the protocol set forth in the Manual of Procedures, Volume II, Part 3, subsection 2.2.2.c) of annual and monthly maximum emissions of regulated air pollutants and hazardous air pollutants from the facility. All fugitive emissions of hazardous air pollutants shall be included. For fugitive emissions of regulated air pollutants, only those from facility categories listed in the Manual of Procedures, Volume II, Part 3, Section 1 shall be included;

422.5 Proposed permit conditions to limit facility-wide emissions to below the thresholds for a major facility; and

422.6 Proposed permit conditions imposing monitoring, recordkeeping and reporting requirements sufficient to determine ongoing compliance.

Applications for a synthetic minor permit revision shall include the above information only for those sources that will be modified. Applications for a synthetic minor operating permit for the purpose of avoiding a requirement other than major facility review shall include the above as they apply to the sources for which limits are proposed. (Amended 2/1/95, 10/20/99)

2-6-423

**District Procedures for Synthetic Minor Operating Permits:** The APCO shall take action on applications for synthetic minor operating permits and for synthetic minor operating permit revisions as follows:



- 423.1 Completeness: The APCO shall determine if the application is complete within 30 days of receipt, or within a longer time period as agreed upon by both the applicant and the APCO.
- 423.2 Permit Content: The synthetic minor operating permit shall contain all information and provisions pertaining to synthetic minor operating permits as set forth in Volume II of the District's Manual of Procedures including:
- 2.1 Quantifiable and practically enforceable permit conditions limiting the facility's potential to emit to no greater than 95 tons per year of any regulated air pollutant except GHG, 95,000 tons per year of GHG (measured as CO<sub>2</sub>e), 9 tons per year of any single hazardous air pollutant, and 23 tons per year of any combination of hazardous air pollutants, or;
  - 2.2 Quantifiable and practically enforceable permit conditions limiting a source or operation's potential to emit to no greater than 90 percent of the threshold for the requirement that is to be avoided, and;
  - 2.3 Permit conditions requiring monitoring, recordkeeping, and reporting sufficient to determine compliance with the emission limits set forth in subsection 423.2.1 or 423.2.2.
- 423.3 Deleted 10/20/99
- 423.4 Reports to EPA: The APCO shall provide to EPA a copy of each proposed and final synthetic minor operating permit.
- 423.5 Final Action: The APCO shall take final action on synthetic minor operating permits as follows:
- 5.1 Initial Application and Cancellations: Within 180 days following the acceptance of the application as complete.
  - 5.2 Revisions: In accordance with the requirements of Regulation 2-1-408;
- 423.6 Revisions: The APCO shall ensure that revisions of synthetic minor permits comply with subsection 2-6-423.2. Revisions of permit conditions shall also be in accordance with the requirements of Regulation 2, Rules 1 and 2.
- 423.7 Cancellation of Synthetic Minor Permits: A facility may petition the APCO to cancel its synthetic minor operating permit because its potential to emit due to its physical or operational design has dropped below the major source threshold or because proposed modifications to the facility would increase the facility's potential to emit to a level above that of a major facility. The facility must comply with the synthetic minor operating permit until the APCO cancels the permit. The permit that replaces the synthetic minor operating permit will contain any emission limits contained in the synthetic minor operating permit. Revisions of the permit conditions shall be in accordance with the requirements of Regulation 2, Rules 1 and 2.

(Amended 2/1/95, 10/20/99, 5/2/01)

**2-6-424 Applicability:** The APCO shall evaluate the applicability of this rule to each facility as part of the District's annual permit renewal process required by Health & Safety Code Section 42301(e). Within 30 days of a written request for a process statement or specific emission-related information by the APCO or EPA, a facility shall submit the requested information. (Adopted 10/20/99)

**2-6-425 Facility List:** The APCO shall maintain a list of facilities that are subject to this rule together with the specific provisions applicable to each facility. The APCO shall also maintain a list of facilities that are not subject to this rule. The facility lists shall be available to the public. (Adopted 10/20/99)

**2-6-426 Compliance Certification Procedures:** All compliance certifications required in permit applications or by major facility review permits shall be prepared in accordance with the following procedures:

- 426.1 A responsible official for the facility shall certify all compliance certifications. The certification shall state that the compliance certification is true, accurate, and complete based on information and belief formed after reasonable inquiry.
- 426.2 Effective May 2, 2002, all applicants for a major facility review permit shall submit a new certification of compliance on every anniversary of the application date if the permit has not been issued. (Adopted 5/2/01)

**2-6-427 Statement of Basis:** The APCO shall, in conjunction with the issuance of any major facility review permit, prepare a statement that, in conjunction with the permit itself, sets forth the legal and factual basis for the draft permit conditions. This statement shall explain the basis for the decisions made by the APCO in issuing the major facility review permit, including the APCO's reasoning for imposition of additional monitoring requirements, and for the creation of any permit shield provisions. The statement of basis may, but need not, address requirements that are not applicable and for which no permit shield is provided. The statement of basis need not address the rationale underlying the establishment of any applicable requirement.

(Adopted 4/16/03)

## **2-6-500 MONITORING AND RECORDS**

**2-6-501 Recordkeeping:** The APCO may require that the owner or operator of any facility subject to this rule keep any records that are relevant or necessary to enable the APCO to determine emissions from the facility. The facility shall keep such records on site for five years from the date of entry and shall make the records available to the APCO upon request.

**2-6-502 Monitoring Reports, Major Facility Review Permit:** Every six months, the facility shall prepare and submit to the District reports of any monitoring required by the major facility review permit. A responsible official shall certify that all such reports are true, accurate, and complete based on information and belief formed after reasonable inquiry. In addition to the reporting requirements set forth in Regulation 1, subsection 522.7 and Section 542, the facility shall promptly identify and report to the APCO all monitored excesses and any other deviations from the requirements of the permit.

(Amended 10/20/99, 5/2/01)

**2-6-503 Monitoring:** The APCO may require that the owner or operator of any facility subject to this rule conduct any monitoring that is necessary to enable the facility and the APCO to determine emissions from the facility. The APCO may specify the format and frequency of reports for all monitoring.

(Adopted 10/20/99, 5/2/01)

## **2-6-600 MANUAL OF PROCEDURES**

**2-6-601 Major Facility Review Permit Procedures:** The specific procedures for application submittals, the engineering evaluation and the required permit content for major facility review permits are set forth in Volume II of the District's Manual of Procedures.

**2-6-602 Synthetic Minor Operating Permit Procedures:** The specific procedures for the engineering evaluation and the required permit content for synthetic minor operating permits are set forth in Volume II of the District's Manual of Procedures.