

Resolution No: 16-041
Meeting Date: 04/27/16 (AP1)

RESOLUTION ADOPTING AMENDED RULE 20.1 – NEW SOURCE REVIEW-GENERAL PROVISIONS; RULE 20.2 – NEW SOURCE REVIEW-NON-MAJOR STATIONARY SOURCES; RULE 20.3 – NEW SOURCE REVIEW-MAJOR STATIONARY SOURCES AND PREVENTION OF SIGNIFICANT DETERIORATION (PSD) STATIONARY SOURCES; RULE 20.4 – NEW SOURCE REVIEW-PORTABLE EMISSION UNITS; AND RULE 20.6 – STANDARDS FOR PERMIT TO OPERATE AIR QUALITY ANALYSIS, OF REGULATION II OF THE RULES AND REGULATIONS OF THE SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT

On motion of Member Horn, seconded by Member Cox, the following resolution is adopted:

WHEREAS, the San Diego County Air Pollution Control Board (Board), pursuant to Section 40702 of the Health and Safety Code, adopted Rules and Regulations of the Air Pollution Control District of San Diego County; and

WHEREAS, said Board now desires to amend said Rules and Regulations; and

WHEREAS, notice has been given and a public hearing has been held relating to the amendment of said Rules and Regulations pursuant to Section 40725 of the California Health and Safety Code and Section 51.102 of the Code of Federal Regulations; and

WHEREAS, pursuant to Section 40727 of the Health and Safety Code, the San Diego County Air Pollution Control Board makes the following findings:

- (1) (Necessity) The adoption of proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 is necessary in order to implement federal and State requirements for evaluation and permitting of new, modified, relocated and replacement stationary air contaminant emission sources to ensure they are built with the best available emission control technologies, or meet the lowest achievable emission rates, and will not interfere with the attainment or maintenance of any ambient air quality standards in the County of San Diego, and to replace an outdated version of these rules in the State Implementation Plan in order to maintain clarity and consistency of requirements for affected permitted sources;
- (2) (Authority) The adoption of proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 is authorized by Health and Safety Code Section 40702;
- (3) (Clarity) Proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 can be understood by persons directly affected by them;

- (4) (Consistency) The adoption of proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 is in harmony with, and not in conflict with or contrary to, existing statutes, court decisions, and State and federal regulations;
- (5) (Non-duplication) The adoption of proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 will not duplicate existing District, State, or federal requirements;
- (6) (Reference) The adoption of proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 is necessary to comply with: federal law, Clean Air Act Title I, Part A, Part C and Part D – Subparts 1, 2 and 6, which require implementation of measures to ensure that new and modified stationary sources of criteria air contaminant emissions are permitted only if they apply the appropriate level of emission control technologies, will not interfere with the attainment and maintenance of ambient air quality standards, will provide offsetting emission reductions as specified, and will not impair visibility in Class I areas; and State law, California Health and Safety Code Sections 40918.5 and 40919, which require adoption of a new source review permitting program requiring the use of best available control technology and offsetting emission reductions for specified new or modified stationary sources of ozone precursor emissions, and Section 42500 et seq. relating to revisions to air pollution control district new source review rules;

WHEREAS, the Air Pollution Control Board further finds pursuant to Health and Safety Code Section 40001 that adoption of proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 will facilitate the attainment and maintenance of ambient air quality standards; and

WHEREAS, the Air Pollution Control Board further finds that a written analysis comparing proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 with applicable requirements of federal and local regulations has been prepared pursuant to Health and Safety Code Section 40727.2 and is available to the public upon request; and

WHEREAS, the Air Pollution Control Board further finds that the adoption of amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 is categorically exempt from the provisions of CEQA pursuant to California Code of Regulations, Title 14, Section 15308, as an action taken to assure the protection of the environment, where the regulatory process involves procedures for protection of the environment, and pursuant to Section 15061(b)(3) since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; and

WHEREAS, the Air Pollution Control Board further finds that an assessment of the socioeconomic impacts of the proposed amended Rules 20.1, 20.2, 20.3, 20.4 and 20.6 is not required pursuant to Health and Safety Code Section 40728.5 as the proposed amended rules will not significantly affect air quality or emissions limitations.

NOW THEREFORE IT IS RESOLVED AND ORDERED by the San Diego County Air Pollution Control Board that the Rules and Regulations of the Air Pollution Control District of San Diego County be, and hereby are amended as follows:

1. Proposed amended Rule 20.1 is to read as follows:

RULE 20.1
NEW SOURCE REVIEW - GENERAL PROVISIONS
 (ADOPTED AND EFFECTIVE 5/17/94)
 (REV. ADOPTED AND EFFECTIVE 5/15/96)
 (REV. ADOPTED AND EFFECTIVE 12/17/97)
 (REV. ADOPTED 11/4/98; EFFECTIVE 12/17/98)
 (REV. ADOPTED *(date of adoption)*; EFFECTIVE *(date of EPA approval into SIP)*)

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RULE 20.1. NEW SOURCE REVIEW - GENERAL PROVISIONS

(Adopted & Effective 5/17/94)

(Rev. Adopted & Effective 5/15/96)

(Rev. Adopted & Effective 12/17/97)

(Rev. Adopted 11/4/98; Effective 12/17/98)

(Rev. Adopted *(date of adoption)* & Effective *(date of EPA approval into SIP)*)

(a) APPLICABILITY

Except as provided in Rule 11, Section (b) of this Rule, or Subsections (d)(1)(ii)(B) or (d)(4)(iii)(C) of this rule, this rule applies to any new or modified emission unit, any replacement emission unit, any relocated emission unit or any portable emission unit for which an Authority to Construct or Permit to Operate is required pursuant to Rule 10, or for which a Determination of Compliance is required pursuant to Rule 20.5. This rule does not apply to identical or like-kind replacement emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. Except as specified herein, the provisions and requirements of this rule shall be applied on an air contaminant-specific basis. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these Rules and Regulations, or state and federal law.

(b) EXEMPTIONS

Except as provided below, the provisions of Rules 20.1, 20.2, 20.3 and 20.4 shall not apply to:

(1) Any emission unit for which a permit is required solely due to a change in Rule 11, provided the unit was operated in San Diego County at any time within one year prior to the date of adoption of the applicable Rule 11 change and provided a District permit application for the unit is submitted within one year after the date upon which permit requirements became applicable to the unit. An emission unit to which this subsection applies shall be included in the calculation of a stationary source's aggregate potential to emit, as provided in Subsection (d)(1)(ii).

(2) The following changes, provided such changes are not contrary to any permit condition, and the change does not result in an increase in the potential to emit of any air contaminant not previously emitted:

- (i) Repair or routine maintenance of an existing emission unit.
- (ii) A change of ownership.
- (iii) An increase in the hours of operation.
- (iv) Use of alternate fuel or raw material.

(3) Portable and stationary abrasive blasting equipment which comply with the requirements of 17 CCR Section 92000 et. seq. This exemption shall not apply if the abrasive blasting equipment would be, by itself, a major stationary source, nor to any equipment used in conjunction with the abrasive blasting equipment the use of which may cause the issuance of air contaminants.

(4) Piston engines used at airplane runways at military bases and which engines are used exclusively for purposes of hoisting cable to assist in the capture of errant aircraft during landings. This exemption shall not apply to any new, modified, relocated or replacement piston engine emission unit, or project consisting of one or more such units, that results in an emissions increase which, by itself, constitutes a new federal major stationary source or a federal major modification.

(5) Air compressors used exclusively to pressurize nuclear reactor containment domes, provided the compressors are not operated more than 50 hours over any two-year period, and that the compressors satisfy the Air Quality Impact Analysis (AQIA) provisions of Subsections (d)(2) of Rules 20.2 and 20.3, as applicable.

(6) Applications for modified Authority to Construct or modified Permit to Operate which are for the sole purpose of reducing an emission unit's potential to emit and which will not result in a modified emission unit, a modified stationary source or an actual emission reduction calculated pursuant to Rule 20.1(d)(4)(ii) shall be exempt from the Best Available Control Technology (BACT), Lowest Achievable Emission Rate (LAER), AQIA and Emission Offset provisions of Rules 20.1, 20.2, 20.3 and 20.4.

(c) **DEFINITIONS**

For purposes of Rules 20.1, 20.2, 20.3, 20.4 and 20.5, the following definitions shall apply. For terms not defined herein, the definitions in Rule 2 shall apply.

(1) "**Actual Emissions**" means the emissions of an emission unit calculated pursuant to Subsection (d)(2) of this rule.

(2) "**Actual Emission Reductions**" means emission reductions which are real, surplus, enforceable, quantifiable and permanent. Actual emission reductions shall be calculated pursuant to Subsection (d)(4) of this rule.

(3) "**Aggregate Potential to Emit**" means the sum of the potential to emit of all emission units at the stationary source, calculated pursuant to Section (d) of this rule.

(4) "**Air Contaminant Emission Control Project**" means any activity or project undertaken at an existing emission unit which, as its primary purpose, reduces emissions of air contaminants from such unit in order to comply with a District, California Air Resources Board (ARB) or federal Environmental Protection Agency (EPA) emission control requirement.

(i) Such activities or projects do not include:

(A) the replacement of an existing emission unit with a newer or different unit;

(B) a modification or replacement of an existing emission unit to the extent that such replacement or modification results in an increase in capacity of the emissions unit;

(C) any air contaminant emission control project for a new or modified emission unit which project is proposed to meet these New Source Review Rules 20.1, 20.2, 20.3 or 20.4; or,

(D) any air contaminant emission control project for an existing emission unit proposed to create an actual emission reduction or emission reduction credit in order to meet a requirement of these New Source Review Rules 20.1-20.4.

(ii) Air contaminant emission control projects include, but are not limited to, any of the following:

(A) The installation of conventional or advanced flue gas desulfurization, or sorbent injection for emissions of oxides of sulfur;

(B) Electrostatic precipitators, baghouses, high efficiency multiclones, or scrubbers for emissions of particulate matter or other pollutants;

(C) Flue gas recirculation, low-NO_x burners, selective non-catalytic reduction or selective catalytic reduction for emissions of oxides of nitrogen;

(D) Regenerative thermal oxidizers, catalytic oxidizers, condensers, thermal incinerators, flares, absorption equipment or carbon adsorbers for volatile organic compounds or hazardous air pollutants;

(E) Activities or projects undertaken to accommodate switching to an inherently less polluting fuel, including but not limited to, natural gas firing, or the cofiring of natural gas and other inherently less polluting fuels, for the purpose of controlling emissions. The air contaminant emission control project shall include any activity that is necessary to accommodate switching to an inherently less polluting fuel; and

(F) Activities or projects undertaken to replace or reduce the use and emissions of stratospheric ozone depleting compounds subject to regulation by the federal EPA.

(5) "**Air Quality Impact Analysis (AQIA)**" means an analysis of the air quality impacts of the air contaminant emissions from an emission unit, a project, or a stationary

source, as applicable, conducted by means of modeling as defined herein and as approved by the Air Pollution Control Officer. Methods other than modeling may be used, as the Air Pollution Control Officer and the federal EPA may approve. An AQIA shall be based on the emission exhaust system design and discharge characteristics but not on an exhaust stack height greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(6) "Air Quality Increment" means any of the following maximum allowable cumulative increases in air contaminant concentration over the minor source baseline concentration from all increment consuming and increment expanding sources (see Tables 20.1-1 and 20.1-2).

TABLE 20.1 - 1
Air Quality Increments
(Class I Areas)

<u>Air Contaminant</u>	<u>Increment</u>
<u>Nitrogen Dioxide (NO₂)</u>	
Annual arithmetic mean	2.5 µg/m ³
<u>Sulfur Dioxide (SO₂)</u>	
Annual arithmetic mean	2.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
3-hr. maximum	25.0 µg/m ³
<u>Particulate Matter</u>	
PM ₁₀ Annual arithmetic mean	4.0 µg/m ³
PM ₁₀ 24-hr. maximum	8.0 µg/m ³
PM _{2.5} Annual arithmetic mean	1.0 µg/m ³
PM _{2.5} 24-hr. maximum	2.0 µg/m ³

TABLE 20.1 - 2
Air Quality Increments
(Class II Areas)

<u>Air Contaminant</u>	<u>Increment</u>
<u>Nitrogen Dioxide (NO₂)</u>	
Annual arithmetic mean	25.0 µg/m ³
<u>Sulfur Dioxide (SO₂)</u>	
Annual arithmetic mean	20.0 µg/m ³
24-hr. maximum	91.0 µg/m ³
3-hr. maximum	512.0 µg/m ³
<u>Particulate Matter</u>	
PM ₁₀ Annual arithmetic mean	17.0 µg/m ³
PM ₁₀ 24-hr. maximum	30.0 µg/m ³
PM _{2.5} Annual arithmetic mean	4.0 µg/m ³
PM _{2.5} 24-hr. maximum	9.0 µg/m ³

(7) **"Area Fugitive Emissions of PM₁₀"** means fugitive emissions of PM₁₀ which occur as a result of earth moving operations such as drilling, blasting, quarrying, stockpiling, and front end loader operations, and on-site vehicular travel on haul roads used to move materials to, from or within a stationary source.

(8) **"Attainment"** means designated as attainment of the National Ambient Air Quality Standards (NAAQS) pursuant to Section 107(d) of the federal Clean Air Act or of the State Ambient Air Quality Standards (SAAQS) pursuant to Section 39608 of the California Health and Safety Code, as applicable. For the purposes of these Rules 20.1, 20.2, 20.3 and 20.4, attainment of a NAAQS means also designated as attainment or unclassifiable by EPA in 40 CFR Section 81.305.

(9) **"Baseline Concentration"** means the ambient concentration of an air contaminant for which there is an air quality increment, which existed in an impact area on the major and minor source baseline dates. The baseline concentration includes the impact of actual emissions from any stationary source in existence on the baseline date and the impacts from the potential to emit of Prevention of Significant Deterioration (PSD) stationary sources which commenced construction but were not in operation by the baseline date. The baseline concentration excludes impacts of actual emission increases and decreases at any stationary source occurring after the baseline date and actual emissions from any PSD stationary source which commenced construction after January 6, 1975. There are two baseline concentrations for any given impact area, a baseline concentration as of the major source baseline date and a baseline concentration as of the minor source baseline date.

(10) **"Baseline Date"** means either the major source baseline date or minor source baseline date, as applicable.

(11) **"Begin Actual Construction"** means initiation of physical on-site construction activities on an emission unit which are of a permanent nature. Such activities include, but are not limited to, installation of building supports and foundations, laying of underground pipework, and construction of permanent storage structures. With respect to a modified emission unit resulting from an operational change, begin actual construction means those on-site activities, other than preparatory activities, which mark the initiation of the change.

(12) **"Best Available Control Technology (BACT)"** means and is applied as follows:

(i) The lowest emitting of any of the following:

(A) the most stringent emission limitation, or the most effective emission control device or control technique, or combination thereof, which has been proven in field application and which is cost-effective for such class or category of emission unit unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation, device, control technique or combination thereof is not technologically feasible; or

(B) any emission control device, emission limitation or control technique, or combination thereof, which has been demonstrated but not necessarily proven in field application and which is cost-effective for such class or category of emission unit as determined by the Air Pollution Control Officer, unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation, device, control technique or combination thereof is not technologically feasible; or

(C) any emission control device, emission limitation or control technique, process modifications, changes in raw material including alternate fuels, and substitution of equipment or processes with any equipment or processes, or any combination of these, determined by the Air Pollution Control Officer on a case-by-case basis to be technologically feasible and cost-effective, including transfers of technology from another category of source; or

(D) the most stringent emission limitation, or the most effective emission control device or control technique, or combination thereof, contained in any State Implementation Plan (SIP) approved by the federal EPA for such class or category of emission unit unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation or technique has not been proven in field application, that it is not technologically feasible or that it is not cost-effective for such class or category of emission unit.

(ii) In determining BACT, the Air Pollution Control Officer may also consider lower-emitting alternatives to a proposed new emission unit or process.

(iii) For modified emission units, not including any relocated or replacement emission units, the entire emission unit's post-project potential to emit shall be subject to BACT, except that BACT shall apply to the emissions increase associated with the modification and not the emission unit's entire potential to emit if:

(A) control technology, an emission limit or other emission controls meeting BACT was previously applied to the unit; and

(B) the emissions increase associated with the modification is less than 25 percent of the emission unit's pre-project potential to emit; and

(C) the project's emission increase is less than the major modification thresholds of Table 20.1-6a.

(iv) In no event shall application of BACT result in the emission of any air contaminant which would exceed the emissions allowed by any District rule or regulation, or by any applicable standard under 40 CFR Part 60 (New Source Performance Standards) or 40 CFR Part 61 or Part 63 (National Emission Standards for Hazardous Pollutants).

(v) Whenever feasible, the Air Pollution Control Officer may stipulate an emission limit as BACT instead of specifying control equipment.

(vi) In making a BACT determination, the Air Pollution Control Officer shall take into account those environmental and energy impacts identified by the applicant.

(vii) In the case of a project consisting of multiple new, modified, relocated or replacement emission units subject to BACT under these Rules 20.1-20.4, BACT shall be determined for each such emission unit. The Air Pollution Control Officer may also require BACT be evaluated for combinations of such emission units. The Air Pollution Control Officer may determine that BACT for the project is the lowest emitting, technologically feasible combination of emission limitations, control devices, control techniques, or process modifications applied to individual emission units and/or combinations of such emission units. BACT applied to a combination of emission units shall not result in less stringent BACT for any emission unit in the combination than BACT determined for that emission unit individually.

(13) "Class I Area" means any area designated as Class I under Title I, Part C of the federal Clean Air Act. As of (*date of adoption*), the Agua Tibia National Wilderness Area was the only area so designated within San Diego County. As of (*date of adoption*), the following were the only designated Class I areas within 100 km of San Diego County (see Table 20.1-3):

TABLE 20.1 - 3
Class I Areas

<u>Class I Area</u>	<u>Approximate Location</u>
Agua Tibia Wilderness Area	San Diego County
Cucamonga Wilderness Area	San Bernardino County
Joshua Tree Wilderness Area	Riverside County
San Gabriel Wilderness Area	Los Angeles County
San Gorgonio Wilderness Area	San Bernardino County
San Jacinto Wilderness Area	Riverside County

(14) "Class II Area" means any area not designated as a Class I area.

(15) "Commenced Construction" means that the owner or operator of a stationary source has an Authority to Construct or a Determination of Compliance issued pursuant to these rules and regulations and either has:

(i) Begun, or caused to begin, a continuous program of actual on-site construction of the source to be completed within a reasonable time, or

(ii) Entered into binding agreements or contractual obligations, which cannot be canceled or modified without substantial loss to the owner or operator, to undertake a program of actual construction of the source to be completed within a reasonable time.

(16) **"Construction"** means any physical change or change in the method of operation, including fabrication, erection, installation, demolition or modification of an emission unit, which would result in a change in emissions.

(17) **"Contemporaneous Net Emissions Increase"** means the sum of emission increases from new, modified, relocated or replacement emission units occurring at a stationary source within a five-year contemporaneous period consisting of the calendar year in which the subject emission unit(s) is expected to commence operation and the four calendar years preceding that calendar year, including all other emission units with complete applications under District review and which are expected to commence operation within such calendar years. The sum of emission increases may be reduced by the following:

(i) Actual emission reductions occurring at the stationary source within the five-year contemporaneous period and which have not been used to create an emission reduction credit or to offset an emission increase under these rules, and

(ii) Enforceable reductions in the potential to emit of a new, modified, relocated or replacement unit, which unit resulted in a contemporaneous net emissions increase within the five-year contemporaneous period at the stationary source. In no case shall the reduction in the potential to emit exceed the emission increases from such unit that occurred within the five-year contemporaneous period.

When an emissions increase from a new, modified, relocated or replacement emission unit or project has been determined to be subject to, and approved as in compliance with, the emission offset requirements of Rules 20.1 and 20.3 or Rule 20.4, the contemporaneous net emissions increase for the subject air contaminant or precursor shall thereafter not include the emission increase from such emission unit or project.

(18) **"Cost-Effective"** means that the annualized cost in dollars per pound of emissions of an air contaminant reduced does not exceed \$6.00 per pound for NO_x, \$6.00 per pound for VOC, \$3.33 per pound for PM₁₀, and \$6.00 per pound for SO_x, multiplied by the applicable BACT Cost Multiplier specified in Table 20.1 – 4 below. For all other air contaminants subject to BACT requirements by Rules 20.1-20.4, cost-effective means that the annualized cost in dollars per pound of emissions of an air contaminant reduced does not exceed the highest cost per pound of emissions reduced by other control measures required to meet stationary source emission standards contained in these rules and regulations, for the specific air contaminant(s) under consideration, multiplied by the BACT Cost Multiplier specified in Table 20.1 – 4. When determining the highest cost per pound of emissions reduced by other control measures, the cost of measures used to comply with the requirements of New Source Review shall be excluded.

**TABLE 20.1 - 4
BACT Cost Multiplier**

Stationary Source's Post-Project Aggregate <u>Potential to Emit</u>	<u>BACT Cost Multiplier</u>
Potential < 15 tons/year	1.1
Potential ≥ 15 tons/year	1.5

(19) **"Emergency Equipment"** means an emission unit used exclusively to drive an electrical generator, an air compressor or a pump in emergency situations, except for operations up to 52 hours per calendar year for non-emergency purposes. Emission units used for supplying power for distribution to an electrical grid shall not be considered emergency equipment.

(20) **"Emergency Situation"** means an unforeseen electrical power failure from the serving utility or of on-site electrical transmission equipment such as a transformer, an unforeseen flood or fire, or a life-threatening situation. In addition, operation of emergency generators at Federal Aviation Administration licensed airports for the purpose of providing power in anticipation of a power failure due to severe storm activity shall be considered an emergency situation. Emergency situations do not include operation for purposes of supplying power for distribution to an electrical grid, operation for training purposes, or other foreseeable event.

(21) **"Emission Increase"** means an increase in the potential to emit, calculated pursuant to Subsection (d)(3).

(22) **"Emission Offsets"** means actual emission reductions used to mitigate emission increases and which meet the applicable requirements of Rules 20.1, 20.3 and 20.4 of these Rules and Regulations.

(23) **"Emission Reduction Credit (ERC)"** means a credit for an actual emission reduction which has been approved by the Air Pollution Control Officer upon determining that such credit and emission reduction meet the applicable requirements of these Rules and Regulations in effect at the time that such credit is approved.

(24) **"Emission Unit"** means any article, machine, equipment, contrivance, process or process line, which emit(s) or reduce(s) or may emit or reduce the emission of any air contaminant.

(25) **"Enforceable"** means capable of being enforced by the District, including but not limited to, through either the SIP or legally and practicably enforceable limits, including limits contained in conditions of an Authority to Construct, Permit to Operate, Determination of Compliance or Emission Reduction Credit (ERC) Certificate.

(26) **"Existing"** means the configuration of an emission unit, aggregation of emission units or a stationary source prior to, and without consideration of, the project under review.

(27) **"Federal Land Manager"** means the National Park Service's Western Regional Director, the U.S. Forest Service's Pacific Southwest Regional Air Program Manager and the U.S. Fish and Wildlife Service.

(28) **"Federally Enforceable Requirement"** means all of the following as they apply to emission units at a stationary source, including requirements that have been promulgated or approved by the federal EPA through rulemaking but which have future effective compliance dates:

(i) Any standard, emission reduction measure or other requirement provided for in the State Implementation Plan (SIP).

(ii) Any term or condition of an Authority to Construct issued pursuant to these rules and regulations which term or condition is imposed pursuant to any federally-mandated new source review (NSR) or prevention of significant deterioration (PSD) rule or regulation which has been approved or promulgated by the federal EPA into the SIP.

(iii) Any standard or other requirement under Sections 111 or 112 of the federal Clean Air Act.

(iv) Any standard or other requirement of the Acid Rain Program under Title IV of the federal Clean Air Act or the regulations promulgated thereunder.

(v) Any requirements established pursuant to Section 504(b) or Section 114(a)(3) of the federal Clean Air Act (enhanced monitoring and compliance certifications).

(vi) Any standard or other requirement governing solid waste combustion under Section 129 of the federal Clean Air Act.

(vii) Any standard or other requirement for consumer and commercial products under Section 183(e) of the federal Clean Air Act.

(viii) Any standard or other requirement for tank vessels under Section 183(f) of the federal Clean Air Act.

(ix) Any standard or other requirement of the program to control air pollution from outer continental shelf sources, under Section 328 of the federal Clean Air Act.

(x) Any standard or other requirement of the regulations promulgated to protect stratospheric ozone under Title VI of the federal Clean Air Act unless the Administrator of the federal EPA has determined that such requirements need not be contained in a permit to operate.

(xi) Any national ambient air quality standard or air quality increment or visibility requirement under Part C of Title I of the federal Clean Air Act, but only as it would apply to temporary sources permitted pursuant to Section 504(e) of the federal Clean Air Act.

(xii) Requirements capable of being enforced by the federal EPA including through either the SIP, terms and conditions of a Permit to Operate, an Authority to Construct, a Determination of Compliance, or an ERC that are for purposes of creating, approving and/or using creditable actual emission reductions to meet federal emission offset requirements and that are necessary to ensure the validity of the emission reductions and compliance with those portions of these Rules and Regulations approved into the SIP.

This subsection shall not preclude enforcement of federally-enforceable requirements by the Air Pollution Control Officer.

(29) **"Federal Major Modification"** means a physical or operational change at an existing federal major stationary source which results, or may result, for an air contaminant for which the stationary source is a federal major stationary source, in both: (1) an emissions increase, including fugitive emission increases, equal to or greater than any of the significant emissions increase rates listed below in Table 20.1-5a; and, (2) a contemporaneous net emissions increase, including fugitive emission increases, equal to or greater than any of the significant emissions increase rates listed below in Table 20.1 – 5a.

**TABLE 20.1 – 5a
Federal Major Modification**

Air Contaminant:	Significant Emissions Increase (Ton/yr)
Fine Particulate Matter (PM _{2.5})	10
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NO _x)	
>NO _x , if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as a marginal or moderate ozone nonattainment area:	40
>NO _x , if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as a serious ozone nonattainment area:	25
Volatile Organic Compounds (VOC)	
>VOC, if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as a marginal or moderate ozone nonattainment area:	40
>VOC, if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as a serious ozone nonattainment area:	25
Oxides of Sulfur (SO _x)	40
Carbon Monoxide (CO)	100
Lead (Pb)	0.6

(30) **"Federal Major Stationary Source"** means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified Permit to Operate, an aggregate potential to emit one or more air contaminants in amounts equal to or greater than any of the emission rates listed below in Table 20.1 – 5b. Fugitive emissions shall not be included in determining the aggregate potential to emit for purposes of applying this definition unless the emission unit, project or stationary source, as applicable, belongs to one of the following source categories:

- (i) Coal cleaning plants (with thermal dryers);
- (ii) Kraft pulp mills;
- (iii) Portland cement plants;
- (iv) Primary zinc smelters;
- (v) Iron and steel mills;
- (vi) Primary aluminum ore reduction plants;
- (vii) Primary copper smelters;
- (viii) Municipal incinerators capable of charging more than 250 tons of refuse per day;
- (ix) Hydrofluoric, sulfuric or nitric acid plants;
- (x) Petroleum refineries;
- (xi) Lime plants;
- (xii) Phosphate rock processing plants;
- (xiii) Coke oven batteries;
- (xiv) Sulfur recovery plants;
- (xv) Carbon black plants (furnace process);
- (xvi) Primary lead smelters;
- (xvii) Fuel conversion plants;
- (xviii) Sintering plants;

- (xix) Secondary metal production plants;
- (xx) Chemical process plants, but not including ethanol production facilities that produce ethanol by natural fermentation included in included in NAICS codes 325193 or 312140;
- (xxi) Fossil-fuel boilers, or combination thereof, totaling more than 250 million British thermal units per hour heat input;
- (xxii) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;
- (xxiii) Taconite ore processing plants;
- (xxiv) Glass fiber processing plants;
- (xxv) Charcoal production plants;
- (xxvi) Fossil fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input;
- (xxvii) Any other stationary source category which, as of August 7, 1980, is being regulated under Sections 111 or 112 of the federal Clean Air Act.

**TABLE 20.1 – 5b
Federal Major Stationary Source**

<u>Air Contaminant</u>	<u>Emission Rate (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	100
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)	
>NO _x , if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as a marginal or moderate ozone nonattainment area:	100
>NO _x , if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as a serious ozone nonattainment area:	50
Volatile Organic Compounds (VOC)	
>VOC, if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as a marginal or moderate ozone nonattainment area:	100
>VOC, if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as a serious ozone nonattainment area:	50
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100
Lead (Pb)	100

(31) **"Federally-mandated New Source Review (NSR)"** means those portions of these Rules and Regulations applicable to the permitting of new and modified stationary sources and which are contained in the San Diego Air Basin portion of the approved State Implementation Plan.

(32) **"Fugitive Emissions"** means those quantifiable emissions which could not reasonably pass through a stack, chimney, flue, vent or other functionally equivalent opening.

(33) **"Good Engineering Practice Stack Height"** means the same term as defined in 40 CFR §51.100.

(34) **"Impact Area"** means the circular area with the emission unit as the center and having a radius extending to the furthest point where a significant impact is expected to occur, not to exceed 50 kilometers.

(35) **"Increment Consuming"** means emission increases which consume an air quality increment. Emission increases which consume increment are those not accounted for in the baseline concentration, including:

(i) Actual emission increases occurring at any major stationary source after the major source baseline date, and

(ii) Actual emission increases from any non-major stationary source, area source, or mobile source occurring after the minor source baseline date.

(36) **"Increment Expanding"** means actual emission reductions which increase an available air quality increment. Actual emission reductions which increase available increment include:

(i) Actual emission reductions occurring at any major stationary source after the major source baseline date, and

(ii) Actual emission reductions from any non-major stationary source, area source, or mobile source occurring after the minor source baseline date.

(37) **"Legally and Practicably Enforceable Limits"** means the provisions of these Rules and Regulations, and terms or conditions contained in any valid Authority to Construct, Temporary Permit to Operate, or Permit to Operate issued pursuant to these Rules and Regulations, that limit the actual emissions of an emission unit or group of emission units and that are permanent, technically accurate, quantifiable; have associated recordkeeping, reporting, and monitoring requirements sufficient to determine ongoing compliance with the emission limitation; are not in violation of any of these Rules or Regulations, State Law or the State Implementation Plan; and there is a legal obligation to adhere to the terms and conditions of the emission limitation and associated requirements.

(38) "**Lowest Achievable Emission Rate (LAER)**" means and is applied as follows:

(i) The lowest emitting of any of the following:

(A) the most stringent emission limitation, or most effective emission control device or control technique, or combination thereof, contained in any SIP approved by the federal EPA for such class or category of emission unit, unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such emission limitation, device or technique is not achievable, or

(B) the most stringent emission limitation which is achieved in practice by such class or category of emission unit, or

(C) Best Available Control Technology (BACT).

(ii) For modified emission units subject to the LAER requirements of these rules, the entire emission unit's post-project potential to emit shall be subject to LAER.

(iii) In no event shall application of LAER result in the emission of any air contaminant which would exceed the emissions allowed by any District Rule or Regulation, or by any applicable standard under 40 CFR Part 60 (New Source Performance Standards) or 40 CFR Parts 61 and 63 (National Emission Standards for Hazardous Air Pollutants).

(39) "**Major Modification**" means a physical or operational change which results, or may result, in a contemporaneous net emissions increase at an existing major stationary source which source is major for the air contaminant for which there is a contemporaneous net emissions increase, equal to or greater than any of the emission rates listed in Table 20.1 – 6a.

**TABLE 20.1 – 6a
Major Modification**

<u>Air Contaminant:</u>	<u>Emission Rate (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	10
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NO _x)	25
Volatile Organic Compounds (VOC)	25
Oxides of Sulfur (SO _x)	40
Carbon Monoxide (CO)	100
Lead (Pb)	0.6

(40) "**Major Source Baseline Date**" means for all of San Diego County, January 6, 1975 for sulfur dioxide (SO₂) and particulate matter (PM₁₀), February 8, 1988 for nitrogen dioxide (NO₂), and October 20, 2010 for PM_{2.5}.

(41) "**Major Stationary Source**" means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified Permit to Operate an aggregate potential to emit one or more air contaminants, including fugitive emissions, in amounts equal to or greater than any of the emission rates listed in Table 20.1 – 6b.

**TABLE 20.1 – 6b
Major Stationary Source**

<u>Air Contaminant:</u>	<u>Emission Rate (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	100
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)	50
Volatile Organic Compounds (VOC)	50
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100
Lead (Pb)	100

(42) "**Minor Source Baseline Date**" means for all of San Diego County, December 8, 1983 for sulfur dioxide (SO₂), October 1, 1999 for particulate matter (PM₁₀) and nitrogen dioxide (NO₂), and June 14, 2012 for fine particulates (PM_{2.5}).

(43) "**Modeling**" means the use of an applicable federal EPA-approved air quality model to estimate ambient concentrations of air contaminants or to evaluate other air quality related data. Applicable federal guidelines, including those contained in 40 CFR Part 51, Appendix W - Guideline on Air Quality Models, shall be followed when performing modeling to determine air quality impacts relative to the national ambient air quality standards, a significant impact, or an air quality increment. Where an air quality model specified in Appendix W is inappropriate, the model may be modified or another model substituted. Such a modification or substitution of a model may be made on a case-by-case basis or, where appropriate, on a generic basis for purposes of these Rules and Regulations. Written approval of the federal EPA Region 9 Administrator shall be obtained for any such modification or substitution. The use of a modified or substitute model shall be identified in the applicable public notice and opportunity for public comment required in Subsections (d)(4) of Rules 20.2-20.4, unless use on a generic basis has been previously subject to an equivalent public and government agency notice and comment period.

(44) "**Modified Emission Unit**" means any physical or operational change, including but not limited to a permit condition change, which results or may result in an increase in an existing emission unit's potential to emit, including those air contaminants not previously emitted. The following shall not be considered a modified emission unit,

provided such a change is not contrary to any permit condition, and the change does not result in an increase in the potential to emit of any air contaminant:

- (i) The movement of a portable emission unit from one stationary source to another.
- (ii) Repair or routine maintenance of an existing emission unit.
- (iii) An increase in the hours of operation or in the production rate.
- (iv) Use of alternate fuel or raw material.

(45) **"Modified Stationary Source"** means an existing stationary source where a new, modified, relocated or replacement emission unit is, or will be, located or where a change in the aggregation of emission units occurs, including, but not limited to, the movement of a relocated emission unit to or from a stationary source or where a modification of an existing unit occurs. The following shall not be considered a modification of a stationary source:

- (i) The replacement of an emission unit, provided there is no increase in the unit's potential to emit or in the potential to emit of any other unit at the stationary source.
- (ii) The movement to or from the stationary source of any portable emission unit, provided there is no increase in the potential to emit of any other unit at the stationary source.

(46) **"National Ambient Air Quality Standards (NAAQS)"** means maximum allowable ambient air concentrations for specified air contaminants and monitoring periods as established by the federal EPA.

TABLE 20.1 – 7 (RESERVED)

(47) **"New Emission Unit"** means any of the following:

- (i) Any emission unit not constructed or installed in San Diego County as of *(date of adoption)*.
- (ii) Except as provided in Subsection (b)(1) of this rule, any emission unit which was constructed, installed or operated at its current location without a valid Authority to Construct or Permit to Operate from the District.
- (iii) Any emission unit which was inactive for a one-year period or more and which did not hold a valid Permit to Operate during that period.

(iv) A new emission unit shall no longer be considered a new emission unit, and shall be considered an existing emission unit, on and after the earlier of: (a) two years after the date that such unit first operated; or (b) the date when the Air Pollution Control Officer has

(A) determined that construction is complete;

(B) determined that any required initial emissions and performance testing has been completed and the results reported and approved;

(C) determined that the operation of the unit is in compliance with all conditions of the Authority to Construct relevant to the construction and operation of the unit; and,

(D) issued a temporary or final Permit to Operate.

(48) **"New Federal Major Stationary Source"** means a new emission unit, new project or new stationary source which will be a federal major stationary source, or a modification of an existing stationary source which modification itself constitutes a federal major stationary source. On and after (*effective date of revised rule*), if an existing previously permitted stationary source will become a federal major stationary source solely due to a relaxation of a permit limitation on the capacity of the stationary source to emit an air contaminant, such as a limit on emissions, hours of operation, process rates or fuel use, the stationary source shall be considered a new federal major stationary source and the requirements of these Rules 20.1, 20.2, 20.3 and 20.4 shall apply as if construction of the stationary source had not yet commenced.

(49) **"New Major Stationary Source"** means a new emission unit, new project or new stationary source which will be a major stationary source, or a modification of an existing stationary source which modification itself constitutes a major stationary source.

(50) **"New Stationary Source"** means a stationary source which, prior to the project under review, did not contain any permitted equipment, excluding portable emission units.

(51) **"Nonattainment"** means designated as not in attainment of a National Ambient Air Quality Standard (NAAQS) pursuant to Section 107(d) of the federal Clean Air Act or of a State Ambient Air Quality Standard (SAAQS) pursuant to Section 39608 of the California Health and Safety Code, as applicable. For the purposes of these Rules 20.1, 20.2, 20.3 and 20.4, nonattainment of a NAAQS means also designated as nonattainment by EPA in 40 CFR Section 81.305.

(52) **"Non-Criteria Pollutant Emissions Significance Level"** means a contemporaneous net emissions increase occurring at any new or modified PSD stationary source, equal to or greater than the amounts listed in Table 20.1 - 8.

TABLE 20.1 - 8
Non-Criteria Pollutant Emissions Significance Levels

<u>Air contaminant:</u>	<u>Emission Rate</u> <u>(Ton/yr)</u>
Fluorides	3
Hydrogen Sulfide (H ₂ S)	10
Mercury	0.1
Reduced Sulfur Compounds	10
Sulfuric Acid Mist	7

(53) **"Non-Major Stationary Source"** means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified Permit to Operate, an aggregate potential to emit, including fugitive emissions, of each air contaminant listed in Table 20.1-6b less than the applicable emission rates specified in Table 20.1-6b.

(54) **"Offset Ratio"** means the required proportion of emission offsets to emission increases, as specified in Rules 20.3 or 20.4.

(55) **"Permanent"** means enforceable and which will exist for an unlimited period of time.

(56) **"Permit Limitation on Potential to Emit"** means an enforceable permit condition that restricts, or will restrict, the maximum potential emissions from an emission unit or aggregation of emission units and that does not violate any District, state or federal law, rule, regulation, order, or permit condition.

(57) **"Portable Emission Unit"** means an emission unit that is subject to the permit requirements of Rule 10 of these Rules and Regulations, and is designed to be and capable of being carried or moved from one location to another. Indicia of portability include, but are not limited to, wheels, skids, carrying handles, dolly, trailer or platform. For the purposes of this regulation, dredge engines on a boat or barge are considered portable. An emission unit is not portable if any of the following apply:

(i) The unit, or its replacement, is attached to a foundation or, if not so attached, will reside at the same location for more than 12 consecutive months. Any portable emission unit such as a backup or standby unit that replaces a portable emission unit at a location and is intended to perform the same function as the unit being replaced will be included in calculating the consecutive time period. In that case, the cumulative time of all units, including the time between the removal of the original unit(s) and installation of the replacement unit(s), will be counted toward the consecutive time period; or

(ii) The emission unit remains or will reside at a location for less than 12 consecutive months if the unit is located at a seasonal source and operates during the full annual operating period of the seasonal source. A seasonal source is a stationary

source that remains in a single location on a permanent basis (i.e., at least two years) and operates at that single location at least three months each year; or

(iii) The emission unit is moved from one location to another in an attempt to circumvent the portable emission unit residence time requirements.

Days when portable emission units are stored in a designated holding or storage area shall not be counted towards the above time limits, provided the emission unit was not operated on that calendar day except for maintenance and was in the designated holding or storage area the entire calendar day.

The Air Pollution Control Officer may determine, on a case-by-case basis, that emission units which exceed the above time limits will be considered as relocated equipment and will be subject to the applicable requirements for relocated emission units contained in Rules 20.1, 20.2 and 20.3.

(58) **"Post-Project Potential to Emit"** means an emission unit's potential to emit after issuance of an Authority to Construct for the proposed project, calculated pursuant to Section (d).

(59) **"Potential to Emit"** means the maximum quantity of air contaminant emissions, including fugitive emissions, that an emission unit is capable of emitting or permitted to emit, calculated pursuant to Section (d).

(60) **"Precursor Air Contaminants"** means any air contaminant which forms or contributes to the formation of a secondary air contaminant for which an ambient air quality standard exists. For purposes of this rule, the precursor relationships are listed in Table 20.1 - 9.

**TABLE 20.1 - 9
Precursor Air Contaminants**

<u>Precursor Air Contaminant</u>	<u>Secondary Air Contaminant</u>
NO _x	NO ₂
	PM ₁₀
	PM _{2.5}
	Ozone
VOC	PM ₁₀
	Ozone
SO _x	SO ₂
	PM ₁₀
	PM _{2.5}

(61) **"Pre-Project Actual Emissions"** means an emission unit's actual emissions prior to issuance of an Authority to Construct for the proposed project, calculated pursuant to Section (d).

(62) **"Pre-Project Potential to Emit"** means an emission unit's potential to emit prior to issuance of an Authority to Construct for a proposed project, calculated pursuant to Section (d).

(63) **"Project"** means an emission unit or aggregation of emission units for which an application or combination of applications for one or more Authorities to Construct or modified Permits to Operate is under District review.

(64) **"Proven in Field Application"** means demonstrated in field application to be reliable, in continuous compliance and maintaining a stated emission level for a period of at least one year, as determined by the Air Pollution Control Officer.

(65) **"PSD Modification"** means a contemporaneous net emissions increase occurring at a modified PSD stationary source equal to or greater than the amounts listed in Table 20.1 - 10 or any non-criteria pollutant emissions significance level listed in Table 20.1-8.

**TABLE 20.1 - 10
PSD Modification**

<u>Air contaminant:</u>	<u>Emission Rate (Ton/yr)</u>
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NO _x)	40
Volatile Organic Compounds (VOC)	40
Oxides of Sulfur (SO _x)	40
Carbon Monoxide (CO)	100
Lead and Lead Compounds (Pb)	0.6

(66) **"PSD Stationary Source or Prevention of Significant Deterioration Stationary Source"** means any stationary source, as specified in Table 20.1 - 11, which has, or will have after issuance of a permit, an aggregate potential to emit one or more air contaminants in amounts equal to or greater than any of the emission rates listed in Table 20.1 - 11.

**TABLE 20.1 - 11
PSD Stationary Sources and Trigger Levels**

<u>For stationary sources consisting of:</u>	
1. Fossil fuel fired steam electrical plants of more than 250 MM Btu/hr heat input	
2. Fossil fuel boilers or combinations thereof totaling more than 250 MM Btu/hr of heat input	
3. Municipal incinerators capable of charging more than 250 tons of refuse per day	
4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels	
5. Charcoal production plants	17. Phosphate rock processing plants
6. Chemical process plants	18. Petroleum refineries
7. Coal cleaning plants with thermal dryers	19. Primary aluminum ore reduction plants
8. Coke oven batteries	20. Primary copper smelters
9. Fuel conversion plants	21. Primary lead smelters
10. Furnace process carbon black plants	22. Primary zinc smelters
11. Glass fiber processing plants	23. Portland cement plants
12. Hydrofluoric acid plants	24. Secondary metal production plants
13. Iron and steel mill plants	25. Sintering plants
14. Kraft pulp mills	26. Sulfuric acid plants
15. Lime plants	27. Sulfur recovery plants
16. Nitric acid plants	28. Taconite ore processing plants
<u>The following emission rates:</u>	
<u>Air Contaminant</u>	<u>(Ton/yr)</u>
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)	100
Volatile Organic Compounds (VOC)	100
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100
<u>For all other stationary sources:</u>	
<u>Air Contaminant</u>	<u>(Ton/yr)</u>
Particulate Matter (PM ₁₀)	250
Oxides of Nitrogen (NO _x)	250
Volatile Organic Compounds (VOC)	250
Oxides of Sulfur (SO _x)	250
Carbon Monoxide (CO)	250

(67) "Quantifiable" means that a reliable basis to estimate emission reductions in terms of both their amount and characteristics can be established, as determined by the Air Pollution Control Officer. Quantification may be based upon emission factors, stack tests, monitored values, operating rates and averaging times, process or production inputs, mass balances or other reasonable measurement or estimating practices.

(68) "**Real**" means actually occurring and which will not be replaced, displaced or transferred to another emission unit at the same or other stationary source within San Diego County, as determined by the Air Pollution Control Officer.

(69) "**Reasonably Available Control Technology**" or "**RACT**" means the lowest emission limit that a particular source is capable of meeting by the application of control technology that is reasonably available, as determined by the Air Pollution Control Officer pursuant to the federal Clean Air Act, considering technological and economic feasibility.

(70) "**Relocated Emission Unit**" means a currently permitted emission unit or grouping of such units which is to be moved within San Diego County from one stationary source to another stationary source. The moving of a portable emission unit shall not be considered a relocated emission unit.

(71) "**Replacement Emission Unit**" means an emission unit which supplants another emission unit where the replacement emission unit serves the same function and purpose as the emission unit being replaced, as determined by the Air Pollution Control Officer.

(72) "**Secondary Emissions**" means emissions which would occur as a result of the construction, operation or modification of a PSD stationary source, but which are not directly emitted from any emission unit at the stationary source. Except as provided below, secondary emissions exclude emissions which come directly from mobile sources, such as emissions from the tailpipe of a motor vehicle. Secondary emissions include, but are not limited to:

(i) Emissions from ships or trains coming to or from the stationary source, unless such emissions are regulated by Title II of the federal Clean Air Act, and

(ii) Emission increases from any emission unit at a support facility not located at the stationary source, but which would not otherwise be constructed or increase emissions, and

(iii) Emissions from any emission unit mounted on a ship, boat, barge, train, truck or trailer, where the operation of the emission unit is dependent upon, or affects the process or operation (including duration of operation) of any emission unit located on the stationary source.

(73) "**Significant Impact**" means an increase in ambient air concentration, resulting from emission increases at a new or modified stationary source, equal to or greater than any of the levels listed in Tables 20.1 - 12 and 20.1 - 13.

**TABLE 20.1 - 12
Stationary Sources Impacting Any Class I Area**

<u>Air Contaminant</u>	<u>Significant Impact (24-hour Maximum)</u>
Particulate Matter (PM ₁₀)	1.0 µg/m ³
Nitrogen Dioxide (NO ₂)	1.0 µg/m ³
Sulfur Dioxide (SO ₂)	1.0 µg/m ³
Carbon Monoxide (CO)	1.0 µg/m ³

**TABLE 20.1 - 13
Stationary Sources Impacting Any Class II Area**

<u>Air Contaminant</u>	<u>Significant Impact</u>
<u>Particulate Matter (PM₁₀)</u>	
Annual arithmetic mean	1.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
<u>Nitrogen Dioxide (NO₂)</u>	
Annual arithmetic mean	1.0 µg/m ³
<u>Sulfur Dioxide (SO₂)</u>	
Annual arithmetic mean	1.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
<u>Carbon Monoxide (CO)</u>	
8-hr. maximum	500.0 µg/m ³
1-hr. maximum	2000.0 µg/m ³

(74) **"State Ambient Air Quality Standards (SAAQS)"** means the maximum allowable ambient air concentrations for specified air contaminants and monitoring periods as established by the California Air Resources Board (ARB).

(75) **"Surplus"** means any emission reduction which is surplus of federal requirements, as defined herein, and is also in excess of:

(i) Any stationary source emission reduction measure contained in the San Diego Regional Air Quality Strategy, California Clean Air Act requirements, or state law, and any District rule, regulation, or order, including those which carry out such emission reduction measures. A variance issued by the Air Pollution Control District Hearing Board is not an order within the meaning of this subsection.

(76) **"Surplus of Federal Requirements"** means any emission reduction which is in excess of:

(i) Any standard, emission reduction measure or other requirement contained in the San Diego portion of the California SIP;

(ii) The most recent version of any standard, emission reduction measure or other requirement adopted by the Air Pollution Control Board and submitted for EPA approval into the SIP;

(iii) Any standard or other requirement under Sections 111 or 112 of the federal Clean Air Act;

(iv) Any standard or other requirement of the Acid Rain Program under Title IV of the federal Clean Air Act or the regulations promulgated thereunder;

(v) Any stationary source emission reduction measure contained in the federal Clean Air Act or federal law, and any District or state law, rule, regulation, or order which carry out such emission reduction measures. A variance issued by the Air Pollution Control District Hearing Board is not an order within the meaning of this subsection;

(vi) Any term or condition of an Authority to Construct issued pursuant to these rules and regulations which term or condition is imposed pursuant to 40 CFR Parts 60 or 61, 40 CFR Part 63, 40 CFR Part 52.21 or 40 CFR Part 51, Subpart I; and

(vii) Emission reductions which have already been approved as ERCs or otherwise committed for air quality purposes, including but not limited to as emission offsets.

(77) "**Temporary**" means enforceable, existing and valid for a specified, limited period of time.

(78) "**Yearly**" means twelve consecutive months.

(d) EMISSION CALCULATIONS

The emission calculation provisions and requirements of this Section (d) shall be applied on an air contaminant-specific basis.

(1) POTENTIAL TO EMIT

The potential to emit of each air contaminant shall be calculated on an hourly, daily and yearly basis.

(i) Calculation of Pre-Project and Post-Project Potential to Emit

Except as provided in Subsections (d)(1)(i)(A) through (F), the pre-project and post-project potential to emit of each emission unit shall be calculated based on the maximum design capacity or other operating conditions which reflect the maximum potential emissions, including fugitive emissions.

(A) Permit Limitations on Pre-Project and Post-Project Potential to Emit Shall be Used

Except as provided in Subsections (d)(1)(i)(C) and (D), if specific enforceable permit limitations on potential to emit restrict or will restrict maximum potential emissions of an emission unit on an hourly, daily or annual basis to a lower level, these limitations shall be used to calculate the pre-project or post-project potential to emit, as applicable, on an hourly, daily and annual basis.

(B) Calculation of Pre-Project Potential to Emit for Modified Emission Units Where No Permit Limitations Exist

If there are no specific enforceable conditions limiting an emission unit's pre-project potential to emit, the pre-project potential to emit shall be limited to the emission unit's highest actual emissions calculated pursuant to Subsection (d)(2), unless limited to a lower level of emissions, as the applicant and the Air Pollution Control Officer may agree, by a permit limitation on potential to emit for the emission unit.

(C) Calculation of Pre-Project Potential to Emit for Modified Emission Units Located at Major Stationary Sources

If a modified emission unit is or will be located at an existing major stationary source, or if a modified emission unit will itself be a major stationary source, the pre-project potential to emit of the emission unit shall be calculated as follows.

(1) If the modified emission unit's pre-project actual emissions are less than 80 percent of the emission unit's potential to emit calculated pursuant to Subsections (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be the same as the unit's actual emissions.

(2) If the modified emission unit's pre-project actual emissions are equal to or greater than 80 percent of the emission unit's potential to emit calculated pursuant to Subsection (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be as calculated pursuant to Subsection (d)(1)(i)(A) and (B).

(3) Notwithstanding paragraphs (1) and (2) above, if an Authority to Construct has previously been issued for an emission unit pursuant to New Source Review rules for the District, and the previous emission increases that resulted from that emission unit were offset in accordance with the New Source Review rules in

effect at that time, the emission unit's pre-project potential to emit shall be as calculated pursuant to Subsection (d)(1)(i)(A) and (B).

(4) The provisions of paragraph (3) above shall not apply to a modified emission unit which constitutes a federal major modification for an air contaminant, or its precursors, for which the San Diego Air Basin is designated as nonattainment of a national ambient air quality standard. In such case, the pre-project potential to emit of the modified emission unit shall equal the unit's actual emissions.

(D) Calculation of Pre-Project Potential to Emit for New Emission Units

Notwithstanding any other provision of this rule, the pre-project potential to emit for a new emission unit shall be zero.

(E) Calculation of Post-Project and Pre-Project Potential to Emit for Projects

The post-project and pre-project potential to emit for a project shall be calculated as the sum of all the post-project or pre-project potentials to emit, as applicable, for the emission units aggregated in the project unless limited to a lower level of emissions, as the applicant and the Air Pollution Control Officer may agree, by a permit limitation on potential to emit for the project. The aggregate pre-project and post-project potentials to emit for a project shall not affect the applicability of BACT requirements in Rules 20.2, 20.3 and 20.4 to individual emission units that are a part of the project.

(ii) Calculation of Aggregate Potential to Emit - Stationary Source

Except as provided for below in Subsections (d)(1)(ii)(A) through (E), the aggregate potential to emit of a stationary source shall be calculated as the sum of the post-project potential to emit of all emission units permitted for the stationary source, including emission units under District review for permit and those to which Subsection (b)(1) applies.

(A) Permit Limitations on Post-Project Potential to Emit Shall be Used

If specific, enforceable limiting conditions restrict, or will restrict, emissions of a stationary source, or an aggregation of emission units at a stationary source, to a lower level on an hourly, daily or annual basis, these limitations on post-project potential to emit shall be used in calculating the aggregate potential to emit of the stationary source.

(B) Permit-Exempt Equipment

The potential to emit of emission units exempt from permit requirements under these Rules and Regulations or state law shall not be included in the aggregate potential to emit of a stationary source except that emissions of any air contaminant from such emission units shall be included if the actual emissions of such air contaminant would be determining as to whether the stationary source is a federal major stationary source.

The applicant and the Air Pollution Control Officer may agree to place all permit-exempt emission units which would be classified under the same class or category of source under permit for purposes of creating emission reduction credits (ERCs). In such case, the potential to emit of such emission units shall be included in the stationary source's aggregate potential to emit.

(C) Emergency Equipment

The potential to emit from the operation of emergency equipment during emergency situations shall not be included in the calculation of a stationary source's aggregate potential to emit. The potential to emit from operation of emergency equipment during non-emergency situations shall be included in the calculation of a stationary source's aggregate potential to emit.

(D) Portable Emission Units

The potential to emit of portable emission units which are considered under the same major industrial grouping, as identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*, as the stationary source where such units are or will be operated, or which are used as part of or to supplement a primary process at the stationary source where the operation of one is dependent upon or affects the operation of the other, shall be included in such stationary source's aggregate potential to emit. All other portable emission units shall be excluded from the calculation of a stationary source's aggregate potential to emit.

(E) Military Tactical Support Equipment Engines

Emissions from portable engines, including gas turbines, used exclusively in conjunction with portable military tactical support equipment shall be excluded from the calculation of a stationary source's aggregate potential to emit.

(2) ACTUAL EMISSIONS

Actual emissions are used: to determine pre-project potential to emit where specified in Subsection (d)(1) of this rule; and, in procedures to quantify emission reductions as specified in Subsection (d)(4)(ii) of this rule. Actual emissions are calculated based on the actual operating history of the emission unit and shall be calculated in accordance with Subsections (d)(2)(i), (ii), (iii) and (iv) below, as applicable.

(i) Calculation of Actual Emissions for Purposes of Determining Pre-Project Potential to Emit

Actual emissions of an existing emission unit shall be calculated in accordance with Subsections (d)(2)(i)(A) or (B) below on an operating hour, day and year basis for purposes of determining an emission unit's pre-project potential to emit.

(A) The emission unit's pre-project actual hourly, daily and yearly emissions shall be based on the highest level of hourly, daily and yearly emissions, respectively, occurring during a twenty-four consecutive month period representative of normal operations within the five-year period preceding the receipt date of the application.

(B) The pre-project actual emissions for emission units operated for a period less than twenty-four consecutive months shall be based on the longest operating time period determined by the Air Pollution Control Officer to be most representative of actual operations.

(ii) Calculation of Actual Emissions for Purposes of Quantifying Emission Reductions

(A) Actual emissions of an existing emission unit shall be calculated on an operating hour, day and year basis averaged over the most representative twenty-four consecutive months within the five years preceding the receipt date of an application, as determined by the Air Pollution Control Officer.

(B) For emission units which have not been operated for a twenty-four consecutive month period which is representative of actual operations within the five years preceding the receipt date of the application, the calculation of actual emissions shall be based on the average of any two twelve consecutive month operating periods determined by the Air Pollution Control Officer to be representative within that five-year period. If two representative twelve consecutive month operating time periods do not exist, the calculation of actual emissions shall be based on the average of the total operational time period within that five-year period.

(iii) **Adjustments for Violations**

If an emission unit was operated in violation of any District, state or federal law, rule, regulation, order or permit condition during the period used to determine actual emissions, the actual emissions calculated pursuant to this Subsection (d)(2) shall be adjusted to reflect the level of emissions which would have occurred if the emission unit had not been in violation.

(iv) **Adjustments for Currently Applicable Federally Enforceable Requirements**

For an emission unit being modified, replaced or relocated, and which will be located at a federal major stationary source, the actual emissions calculated on an operating year (yearly) basis pursuant to this Subsection (d)(2) shall be further adjusted to reflect the level of emissions which would have occurred had the emission unit been required to comply with all federally enforceable requirements applicable to the emission unit at the time that a complete application to modify, replace or relocate the emission unit is submitted. This subsection (d)(2)(iv) shall only apply to air contaminants, and their precursors, for which the San Diego Air Basin is designated as nonattainment of a national ambient air quality standard. This subsection (d)(2)(iv) shall not apply to any existing electric utility steam generating unit which is intended to supply more than one-third of its potential electric output capacity and more than 25 megawatts electrical output to any utility power distribution system for sale. Any steam supplied to a steam distribution system for the purpose of providing steam to a steam-electric generator that would produce electrical energy for sale shall be included in determining the electrical energy output of the unit.

(3) **EMISSION INCREASE**

A project's or emission unit's emission increase shall be calculated as follows:

(i) **New Emission Units**

Emission increases from a new emission unit shall be equal to the post-project potential to emit for the emission unit.

(ii) **Modified Emission Units**

Emission increases from a modified emission unit shall be calculated as the emission unit's post-project potential to emit minus the emission unit's pre-project potential to emit.

(iii) **Relocated Emission Units**

Emission increases from a relocated emission unit at its new location shall be equal to the emission unit's post-project potential to emit.

(iv) **Replacement Emission Units**

Emission increases from a replacement emission unit shall be calculated as the replacement emission unit's post-project potential to emit minus the existing emission unit's pre-project potential to emit.

(v) **Portable Emission Units**

Emission increases from a portable emission unit shall be calculated as the emission unit's post-project potential to emit minus the emission unit's pre-project potential to emit.

(vi) **Projects**

Emission increases from a project shall be calculated as the project's post-project potential to emit minus the project's pre-project potential to emit.

(vii) **Determining Emissions Increases for Federal Major Modifications and Federal Major Stationary Sources**

When calculating emissions increases for the sole purpose of determining whether a project at an existing federal major stationary source constitutes a federal major modification, or whether a modification at an existing stationary source constitutes a new federal major stationary source, and thereafter applying the provisions of this Rule 20.1 and Rules 20.2, 20.3, and 20.4 of these Rules and Regulations specific to federal major modifications and federal major stationary sources, an applicant for such project or modification may choose to use the methods contained in 40 CFR 51.165 (a)(2)(ii)(B) through (F), and references therein, as they existed on *(date of adoption of this amended Rule 20.1)*. References in 40 CFR 51.165 (a)(2)(ii)(B) through (F) to major modification and to major stationary source shall be read as referring to federal major modification and federal major stationary source as defined in Section (c) of this rule. The provisions of this Section (d) for determining emissions increases, excluding this Subsection (d)(3)(vii), shall apply for all other purposes of this Rule 20.1 and Rules 20.2, 20.3 and 20.4.

(4) EMISSION REDUCTION - POTENTIAL TO EMIT, ACTUAL EMISSION REDUCTION, EMISSION REDUCTION CREDITS

A project's or emission unit's emission reduction shall be calculated as follows:

(i) **Reduction in the Potential to Emit**

(A) **Modified Emission Units**

Reduction in the potential to emit for a modified emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit.

(B) Relocated Emission Units

Reduction in the potential to emit for a relocated emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit. Notwithstanding the foregoing, the post-project potential to emit of a relocated emission unit shall be used in determining the aggregate potential to emit of, and any contemporaneous net emissions increase at, the stationary source to which it is relocated, and the emission increase of any project which the relocated emission unit is a part.

(C) Replacement Emission Units

Reduction in the potential to emit for a replacement emission unit shall be calculated as the existing emission unit's pre-project potential to emit minus the replacement emission unit's post-project potential to emit.

(D) Portable Emission Units

Reduction in the potential to emit for a portable emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit.

(E) Projects

Reduction in the potential to emit for a project shall be calculated as the project's pre-project potential to emit minus the project's post-project potential to emit.

(ii) Actual Emission Reduction

Notwithstanding any other provision of this rule, actual emissions calculated pursuant to Subsection (d)(2)(ii), (iii) and (iv) shall be used for purposes of determining an actual emission reduction in accordance with this Subsection (d)(4)(ii) and Subsection (d)(4)(iii). An actual emission reduction must be real, surplus, enforceable, quantifiable and permanent. Actual emission reductions shall be calculated as follows:

(A) Shutdowns

Unless an emission unit is replaced, actual emission reductions from the shutdown of an emission unit shall be calculated based on the emission unit's pre-project actual emissions. Actual emission reductions from the shutdown and

replacement of an emission unit shall be calculated pursuant to Subsection (d)(4)(ii)(D).

(B) Modified Emission Units

Actual emission reductions from a modified emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(C) Relocated Emission Units

Actual emission reductions from a relocated emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(D) Replacement Emission Units

Actual emission reductions from a replacement emission unit shall be calculated as the existing emission unit's pre-project actual emissions minus the replacement emission unit's post-project potential to emit.

(E) Portable Emission Units

Actual emission reductions from a portable emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(F) Projects

Actual emission reductions from a project shall be calculated as the sum of all the pre-project actual emissions from the emission units aggregated in the project minus the project's post-project potential to emit.

(iii) **Adjustments For Determining Actual Emission Reductions**

The following adjustments shall be made in determining actual emission reductions:

(A) Units Permitted and Operated Less Than Two Years

If an emission unit has been permitted and operated for a period less than two years, the emission unit's actual emissions (in tons per year) shall be calculated as the unit's actual emissions (in tons) that occurred during the actual operating time period multiplied by the actual operating time period in days divided by 1,460 days.

(B) Adjustments for Permitted Emission Units

Actual emission reductions from permitted emission units shall exclude emission reductions which are not surplus at the time the actual emission reduction is determined.

(C) Adjustments for Emission Units Exempt from Permit Requirements

This provision shall apply to actual emission reductions from an emission unit which is exempt from permit requirements pursuant to Rule 11. Such actual emission reductions shall be determined in accordance with Subsections (d)(2)(ii), (d)(2)(iii) and (d)(4)(ii) of this rule, but shall not be further reduced in accordance with this rule at the time the actual emission reduction is determined. However, at the time the emission reduction credits (ERCs) or actual emission reductions created from such an exempt emission unit are used to meet an emission offset requirement of these Rules 20.1 and 20.3 or 20.4, the ERCs or the actual emission reduction, as applicable, shall be further adjusted to exclude emission reductions which are not surplus at the time the ERC or actual emission reduction is so used. A condition shall be included in any ERC for such an exempt emission unit requiring such adjustment to occur at the time of use of the ERC.

(iv) Emission Reduction Credits (ERCs)

The following procedures shall be followed in evaluating and acting on an application for emission reduction credits:

(A) An emission reduction credit may be approved by the Air Pollution Control Officer upon determining that the actual emission reduction that is the basis of such credit meets the applicable requirements of this Rule 20.1, and of these Rules and Regulations, in effect at the time that such credit is approved.

(B) The Air Pollution Control Officer's approval of an emission reduction credit shall be in writing and shall contain conditions necessary to ensure the validity of the credit.

(C) Such approval shall be first subject to public notice in a newspaper of general circulation and a 30-calendar day period for public, agency and applicant review and comment. A copy of the public notice shall be provided to the federal EPA, through its Region 9 office, and to the California ARB.

(D) An applicant for an emission reduction credit may appeal the denial or conditional approval of a credit to the Air Pollution Control District Hearing Board within 30 days of receipt of such denial or conditional approval.

(E) The use of an emission reduction credit to meet an emission offset requirement of these Rules 20.1, 20.3 or 20.4 shall be subject to the applicable requirements of those rules.

(5) EMISSION OFFSETS

Emission offsets are actual emission reductions which are provided to mitigate emission increases where required by these Rules and Regulations. In order to be considered an emission offset, actual emission reductions or ERCs must be valid for the life of the emission increase which they are offsetting. Emission offsets must meet the applicable criteria specified in this Rule 20.1 and Rules 20.3 and 20.4.

(i) Emission offsets shall consist of:

(A) actual emission reductions calculated in accordance with Subsections (d)(4)(ii) and (d)(4)(iii) of this rule; or,

(B) ERCs meeting the applicable requirements of Rules 20.1 through 20.4 in effect at the time such ERCs were approved; or,

(C) mobile source ERCs issued pursuant to Rule 27.1; or,

(D) emission reduction credits issued pursuant to a District rule which has been approved by the federal EPA into the District portion of the State Implementation Plan and which contains standards for the creation and approval of such credits.

(ii) In order to qualify as an emission offset, actual emission reductions shall have been evaluated and approved as an emission reduction credit by the Air Pollution Control Officer pursuant to the applicable requirements of Rules 20.1, 20.3 and 20.4 or Rule 27.1, or an applicable District emission reduction credit creation and approval rule approved by the federal EPA into the State Implementation Plan, unless the actual emission reductions are being proposed to offset emission increases occurring concurrently at the stationary source. In such a case, the Air Pollution Control Officer may choose to administratively forego the issuance of ERCs.

(iii) Emission offsets shall be in effect and enforceable at the time of startup of the emission unit, project or stationary source requiring the offsets.

(iv) Emission offsets must be federally enforceable at the time of issuance of an Authority to Construct if the source is a new federal major stationary source or a federal major modification for the pollutant for which offsets are being provided.

(v) Actual emission reductions and ERCs used to meet the emission offset requirements of Rules 20.3 applicable to a new federal major stationary source or a federal major modification shall be surplus of federal requirements at the time such

emission reductions and ERCs are to be used as offsets. If the actual emission reductions, which were the basis of any such offsetting emission reductions or ERCs, resulted from the shutdown or curtailment in production and/or operating hours of an existing emission unit or existing stationary source, where such shutdown or curtailment occurred on or before the last day of the baseline year used in the Air Pollution Control District's most recent NAAQS attainment plan, such emissions must have been included in the projected emissions inventory used to develop the attainment demonstration associated with that plan.

(vi) Emission offsets shall be provided on a ton per year basis.

(vii) Emission offsets shall be located in San Diego County, except as provided pursuant to a District rule, approved by the California ARB and the federal EPA into the District portion of the State Implementation Plan, containing standards for the creation and approval of emission reduction credits in coastal waters adjacent to San Diego County.

(e) OTHER PROVISIONS

(1) CONTINUITY OF EXISTING PERMITS

All of the conditions contained in any Authority to Construct or Permit to Operate issued prior to (*effective date of revised rule*), shall remain valid and enforceable for the life of the Authority to Construct or Permit to Operate, unless specifically modified by the District.

2. Proposed amended Rule 20.2 is to read as follows:

RULE 20.2
NEW SOURCE REVIEW
NON - MAJOR STATIONARY SOURCES
(ADOPTED AND EFFECTIVE 5/17/94)
(REV. ADOPTED AND EFFECTIVE 12/17/97)
(REV. ADOPTED 11/4/98; EFFECTIVE 12/17/98)
(REV. ADOPTED *(date of adoption)*; EFFECTIVE *(date of EPA approval into SIP)*)

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NOTE: The following listed sections and subsections will not be submitted to the federal Environmental Protection Agency (EPA) for inclusion in the San Diego State Implementation Plan (SIP). As such, the following listed sections and subsections are not enforceable by EPA, but remain enforceable by the San Diego County Air Pollution Control District.

Subsections (d)(2)(i)(B), (d)(2)(v) and (d)(2)(vi)(B); and Subsection (d)(3).

RULE 20.2. NEW SOURCE REVIEW - NON-MAJOR STATIONARY SOURCES
(Adopted & Effective 5/17/94)
(Rev. Adopted & Effective 12/17/97)
(Rev. Adopted 11/4/98 & Effective 12/17/98)
(Rev. Adopted *(date of adoption)*; Effective *(date of EPA approval into SIP)*)

(a) APPLICABILITY

This rule applies to any new or modified stationary source, to any new or modified emission unit, to any replacement emission unit, and to any relocated emission unit being moved to a stationary source provided that, after completion of the project, the stationary source is not a major stationary source. This rule does not apply to identical or like-kind replacement emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. This rule does not apply to any portable emission unit. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these rules and regulations, or state and federal law.

(b) EXEMPTIONS

The exemptions contained in Rule 20.1, Section (b) apply to this rule. In addition, for purposes of this rule, the following exemptions shall apply.

(1) An existing permitted emission unit which is to be relocated from one stationary source within San Diego County to another shall be exempt from the BACT requirements of Subsection (d)(1)(ii), provided that:

(i) The emission unit is not being modified,

(ii) There is no increase in the emission unit's potential to emit,

(iii) The unit is not located for more than 180 days at the stationary source where it is moved to, and

(iv) The emission unit is not located at more than two stationary sources over any 365-day period.

(2) An existing permitted emission unit which is to be permanently relocated from one stationary source within San Diego County to another stationary source shall be exempt from the BACT requirements of Subsection (d)(1)(ii), provided that:

(i) There is no increase in the emission unit's potential to emit,

(ii) The relocation occurs within 10 miles of the previous stationary source,

(iii) The relocated emission unit commences operating at the stationary source it was relocated to within one year of the emission unit ceasing operations at its previous stationary source.

(c) **DEFINITIONS**

The definitions contained in Rule 20.1, Section (c) apply to this rule.

(d) **STANDARDS**

(1) **BEST AVAILABLE CONTROL TECHNOLOGY (BACT)**

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit and project subject to this rule unless the applicant demonstrates that the following requirements will be satisfied:

(i) **New or Modified Emission Units**

Any new or modified emission unit which has any increase in its potential to emit particulate matter (PM₁₀), oxides of nitrogen (NO_x), volatile organic compounds (VOC) or oxides of sulfur (SO_x) and which unit has a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC, or SO_x shall be equipped with Best Available Control Technology (BACT) for each such air contaminant.

(ii) **Relocated Emission Units**

Except as provided for in Subsections (b)(1) and (b)(2), any relocated emission unit with a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(iii) **Replacement Emission Units**

Any replacement emission unit with a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(iv) **Emergency Equipment Emission Units**

For any emergency equipment emission unit subject to the BACT requirements of Subsections (d)(1)(i), (ii) or (iii) of this rule, BACT shall apply based on the unit's non-emergency operation emissions and excluding the unit's emissions while operating during emergency situations.

(v) **Projects with Multiple Emission Units**

Where a project at a stationary source consists of multiple new, modified, relocated or replacement emission units required by this Subsection (d)(1) to

be equipped with BACT, BACT shall be evaluated for each such emission unit pursuant to (d)(1)(i) through (iv). The Air Pollution Control Officer may require that BACT be also evaluated for combinations of such emission units. Where technologically feasible, lowest emitting and cost-effective, the Air Pollution Control Officer may require that BACT be applied to a combination of such emission units. In such case, BACT applied to such combinations shall not result in greater emissions for the project nor for each emission unit that is part of the project than were BACT applied to each emission unit.

(2) AIR QUALITY IMPACT ANALYSIS (AQIA)

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit and project subject to this rule unless the following requirements are satisfied.

The demonstrations required by this Subsection (d)(2) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) AQIA for New, Modified, Replacement or Relocated Emission Units and Projects

(A) For each new, modified, replacement or relocated emission unit and project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.2 – 1 below, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer through an AQIA, as defined in Rule 20.1, that such emissions increase will not:

- (1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, nor
- (2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, nor
- (3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard.

(B) For each new, modified, replacement or relocated emission unit and project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.2 – 1 below, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer through an AQIA that such emissions increase will not:

- (1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(v), nor

(3) prevent or interfere with the attainment or maintenance of a state ambient air quality standard.

TABLE 20.2 - 1
AQIA Trigger Levels

<u>Air Contaminant</u>	<u>Emission Rate</u>		
	<u>(lb/hr)</u>	<u>(lb/day)</u>	<u>(tons/yr)</u>
Particulate Matter (PM ₁₀)	---	100	15
Fine Particulate Matter (PM _{2.5})	---	67	10
Oxides of Nitrogen (NO _x)	25	250	40
Oxides of Sulfur (SO _x)	25	250	40
Carbon Monoxide (CO)	100	550	100
Lead and Lead Compounds	---	3.2	0.6

(ii) **AQIA for PM_{2.5} and PM₁₀ Emission Increases**

In determining if a PM_{2.5} or PM₁₀ AQIA is required under this Subsection (d)(2), the emissions increases shall include both directly emitted PM_{2.5} and PM₁₀, and PM_{2.5} and PM₁₀ which would condense after discharge to the atmosphere. If a PM_{2.5} or PM₁₀ AQIA is required, the AQIA shall include both directly emitted PM_{2.5} or PM₁₀, and PM_{2.5} or PM₁₀ which would condense after discharge to the atmosphere. Any permit terms or conditions limiting emissions of PM_{2.5} or PM₁₀ as a result of the requirements of this Subsection (d)(2) shall apply to the combination of both directly emitted and condensable PM_{2.5} or PM₁₀. The provisions of this Subsection (d)(2)(ii) shall apply separately to PM_{2.5} and PM₁₀.

(iii) **AQIA for Projects**

Where a project consists of multiple new, modified, replacement or relocated emission units, the determination of whether an air quality impact analysis is required under this Subsection (d)(2) shall be based on the aggregate total of emission increases occurring from those project emission units for which emissions are increasing, excluding any concurrent actual emission reductions occurring from other emission units at the same stationary source. If an air quality impact analysis is required, the air quality impacts of the project shall be based on the aggregate of the air quality impacts of each unit's emission increases at each off-site location analyzed. The simultaneous air quality impact reduction at each off-site location analyzed that results from any concurrent, enforceable actual emission reductions occurring from other emission units at the same stationary source may be included to determine the net air quality impacts of a project at each off-site location.

(iv) **AQIA Not Required for NO_x or VOC Impacts on Ozone**

Notwithstanding the requirements of this Subsection (d)(2), a demonstration shall not be required for determining the impacts from an emission unit's or project's NO_x or VOC emissions on an ambient air quality standard for ozone unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of NO_x or VOC emissions from such emission unit or project on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board (ARB) with regard to state ambient air quality standards and the federal Environmental Protection Agency (EPA) with regard to national ambient air quality standards.

(v) **AQIA Requirements for PM₁₀ Impacts May be Waived**

Notwithstanding the requirements of Subsection (d)(2)(i), the Air Pollution Control Officer may waive the AQIA requirements for PM₁₀ impacts on the state ambient air quality standards, as follows:

(A) If the project will result in a maximum PM₁₀ air quality impact of less than 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis), all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at a ratio of 1.5 to 1.

(B) If the project will result in a maximum PM₁₀ air quality impact equal to or greater than 5 µg/m³ but less than 10 µg/m³ (24-hour average basis) or equal to or greater than 3 µg/m³ but less than 6 µg/m³ (annual geometric mean basis):

(1) the project must be equipped with BACT for PM₁₀ emissions without consideration for cost-effectiveness,

(2) all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at an overall ratio of 1.5 to 1,

(3) sufficient emission offsets must be provided within the project's impact area to offset all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, at a ratio of at least 1 to 1,

(4) emission offsets in an amount and location which are demonstrated to have a modeled off-stationary source air quality impact at least equal to the project's PM₁₀ ambient air quality impact minus 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis) must be provided, and

(5) all reasonable efforts to reduce the air quality impacts of the project are made.

(C) In no case shall the project result in a maximum PM₁₀ air quality impact equal to or greater than 10 µg/m³ (24-hour average basis) or equal to or greater than 6 µg/m³ (annual geometric mean basis).

(vi) **AQIA May be Required**

(A) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any new or modified stationary source, any new or modified emission unit or any project if the stationary source, emission unit or project may be expected to:

- (1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, or
- (2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, or
- (3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any stationary source, emission unit or project for which an AQIA is required pursuant to this Subsection (d)(2)(vi)(A) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such source, unit or project will not result in any of the impacts to the national ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(vi)(A).

(B) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any new or modified stationary source, any new or modified emission unit or any project if the stationary source, emission unit or project may be expected to:

- (1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, or
- (2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(v), or
- (3) prevent or interfere with the attainment or maintenance of a state ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any stationary source, emission unit or project for which an AQIA is required pursuant to this Subsection (d)(2)(vi)(B) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such source, unit or

project will not result in any of the impacts to state ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(vi)(B).

(3) SIGNIFICANT IMPACT IN CLASS I AREAS

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any emission unit or project which is expected to have a significant impact on any Class I area, as determined by an AQIA required pursuant to Subsection (d)(2), unless the following requirements are satisfied. The Air Pollution Control Officer shall:

(i) Federal Land Manager and Federal EPA Notification

Notify the Federal Land Manager and the federal EPA, in writing. This notification shall include all of the information specified by Subsection (d)(4)(iv), the location of the project, the project's approximate distance from all Class I areas within 100 km of San Diego County (as specified in Table 20.1 - 3) and the results of the AQIA, and

(ii) ARB, SCAQMD and Imperial County APCD Notification

Notify and submit to the California ARB, the South Coast Air Quality Management District and the Imperial County Air Pollution Control District the information specified in Subsection (d)(4)(iv).

(4) PUBLIC NOTICE AND COMMENT

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any emission unit or project subject to the AQIA or notification requirements of Subsection (d)(2) or (d)(3), nor for any emission unit or project which results in an emissions increase of VOCs equal to or greater than 250 pounds per day or 40 tons per year, unless the following requirements are satisfied.

(i) Public Comment Period

At least 40 days before taking final action on an application subject to the requirements of Subsection (d)(2) or (d)(3), the Air Pollution Control Officer shall:

(A) provide the public with notice of the proposed action in the manner prescribed by Subsection (d)(4)(iii), and

(B) provide a copy of the public notice to the federal EPA Administrator, through its Region 9 office, to the California ARB and to any tribal air pollution control agencies having jurisdiction in the San Diego Air Basin, and

(C) make available for public inspection all information relevant to the proposed action as specified in Subsection (d)(4)(iv), and

(D) provide at least a 30-day period within which comments may be submitted.

The Air Pollution Control Officer shall consider all comments submitted.

(ii) **Applicant Response**

Except as agreed to by the applicant and the Air Pollution Control Officer, no later than 10 days after close of the public comment period, the applicant may submit written responses to any comment received during the public comment period. Responses submitted by the applicant shall be considered prior to the Air Pollution Control Officer taking final action. The applicant's responses shall be made available in the public record of the permit action.

(iii) **Publication of Notice**

The Air Pollution Control Officer shall publish a notice of the proposed action in at least one newspaper of general circulation in San Diego County. The notice shall:

(A) describe the proposed action, including the use of any modified or substitute air quality impact model as allowed under 40 CFR Part 51, Appendix W, and

(B) identify the location(s) where the public may inspect the information relevant to the proposed action, and

(C) indicate the date by which all comments must be received by the District for consideration prior to taking final action.

(iv) **Information to be Made Available for Public Inspection**

The relevant information to be made available for public inspection shall include but not be limited to:

(A) the application and all analyses and documentation used to support the proposed action, the District's evaluation of the project, a copy of the draft Authority to Construct or modified Permit to Operate and any information submitted by the applicant not previously labeled Trade Secret pursuant to Regulation IX, and

(B) the proposed District action on the application, including the preliminary decision to approve, conditionally approve or deny the application and the reasons therefore.

(5) **RESERVED**

(6) **RESERVED**

3. Proposed amended Rule 20.3 is to read as follows:

RULE 20.3
NEW SOURCE REVIEW
MAJOR STATIONARY SOURCES AND PSD STATIONARY SOURCES
 (ADOPTED AND EFFECTIVE 5/17/94)
 (REV. ADOPTED AND EFFECTIVE 12/17/97)
 (REV. ADOPTED 11/4/98; EFFECTIVE 12/17/98)
 (REV. ADOPTED *(date of adoption)*; EFFECTIVE *(date of EPA approval into SIP)*)

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NOTE: The following listed sections and subsections will not be submitted to the federal Environmental Protection Agency (EPA) for inclusion in the San Diego State Implementation Plan (SIP). As such, the following listed sections and subsections are not enforceable by EPA, but remain enforceable by the San Diego County Air Pollution Control District.

Subsection(d)(1)(vi); Subsections (d)(2)(i)(B), (d)(2)(v), and (d)(2)(vi)(B); and, Subsection (d)(3).

RULE 20.3. NEW SOURCE REVIEW - MAJOR STATIONARY SOURCES AND PREVENTION OF SIGNIFICANT DETERIORATION (PSD) STATIONARY SOURCES
(Adopted & Effective 5/17/94)
(Rev. Effective 12/17/97)
(Rev. Adopted 11/4/98; Effective 12/17/98)
(Rev. Adopted *(date of adoption)*; Effective *(date of EPA approval into SIP)*)

(a) APPLICABILITY

This rule applies to any new or modified major stationary source, to any new or modified emission unit, to any replacement emission unit, and to any relocated emission unit being moved to a stationary source if, after completion of the project, the stationary source will be a major stationary source or a Prevention of Significant Deterioration (PSD) Stationary Source. This rule does not apply to identical or like-kind replacement emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. This rule does not apply to any portable emission unit. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these rules and regulations, or state and federal law.

(b) EXEMPTIONS

The exemptions contained in Rule 20.1, Section (b) apply to this rule. In addition, for purposes of this rule, the following exemptions shall apply.

(1) An existing permitted emission unit which is to be temporarily relocated from one stationary source within San Diego County to another stationary source shall be exempt from the BACT requirements of Subsection (d)(1)(ii) provided that:

- (i) The emission unit is not being modified,
- (ii) There is no increase in the emission unit's potential to emit,
- (iii) The unit is not located for more than 180 days at the stationary source where it is moved to,
- (iv) The emission unit is not located at more than two stationary sources over any 365-day period, and
- (v) The emission unit at the new location does not constitute a new federal major stationary source nor a federal major modification.

(2) An existing permitted emission unit which is to be permanently relocated from one stationary source within San Diego County to another stationary source shall be exempt from the BACT requirements of Subsection (d)(1)(ii), provided that:

- (i) There is no increase in the emission unit's potential to emit,

(ii) The relocation occurs within 10 miles of the previous stationary source,

(iii) The relocated emission unit commences operating at the stationary source it was relocated to within one year of the emission unit ceasing operations at its previous stationary source, and

(iv) The emission unit at the new location does not constitute a new federal major stationary source nor a federal major modification.

(3) Emission increases resulting from an air contaminant emission control project shall be exempt from the emission offset requirements of Subsection (d)(5) of this rule to the extent that the project does not include an increase in the capacity of the emission unit being controlled. Emission increases that are associated with an increase in capacity of the emission unit being controlled shall be subject to the emission offset provisions of this rule, as applicable. This exemption from offsets shall not apply to any air contaminant for which the emissions increase constitutes a new federal major stationary source or a federal major modification.

(c) **DEFINITIONS**

The definitions contained in Rule 20.1, Section (c) apply to this rule.

(d) **STANDARDS**

(1) **BEST AVAILABLE CONTROL TECHNOLOGY (BACT) AND LOWEST ACHIEVABLE EMISSION RATE (LAER)**

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit and project subject to this rule unless the applicant demonstrates that the following requirements will be satisfied:

(i) **New or Modified Emission Units - BACT**

Except as provided in Subsection (d)(1)(v), any new or modified emission unit which has any increase in its potential to emit particulate matter (PM₁₀), oxides of nitrogen (NO_x), volatile organic compounds (VOC), or oxides of sulfur (SO_x) and which unit has a post-project potential to emit 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(ii) **Relocated Emission Units - BACT**

Except as provided in Subsections (b)(1), (b)(2) and (d)(1)(v), any relocated emission unit with a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(iii) **Replacement Emission Units - BACT**

Except as provided in Subsection (d)(1)(v), any replacement emission unit with a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(iv) **Emergency Equipment Emission Units**

For any emergency equipment emission unit subject to the BACT requirements of Subsections (d)(1)(i), (ii), (iii) or (vi) of this rule, BACT shall apply based on the unit's non-emergency operation emissions and excluding the unit's emissions while operating during emergency situations.

(v) **Lowest Achievable Emission Rate (LAER)**

(A) Except as provided for in paragraphs (d)(1)(v)(B) and (C) below, LAER shall be required for each new, modified, relocated or replacement emission unit and project which results in an emissions increase which constitutes a new major stationary source or major modification. LAER shall be required only for those air contaminants and their precursors for which the stationary source is major and for which the District is classified as non-attainment of a national ambient air quality standard.

(B) If actual emission reductions of VOC or NO_x, as applicable, are provided from within the stationary source at a ratio of at least 1.3 to 1.0 for the emissions increases of VOC or NO_x from an emissions unit or project subject to the LAER provisions of this Subsection (d)(1)(v), such emission increases shall be exempt from the requirement for LAER and from further emission offsets under Subsection (d)(5) of this rule and shall instead be subject to BACT.

(C) A new, modified, relocated or replacement emission unit or project at an existing major stationary source which results in an emission increase of VOC or NO_x, and which increase would be otherwise subject to LAER, shall be subject to BACT instead of LAER provided the stationary source's post-project aggregate potential to emit is less than 100 tons per year of VOC or NO_x. This provision shall apply on a pollutant-specific basis.

(vi) **New, Modified, Relocated or Replacement Emission Units – PSD Stationary Sources**

Any new, modified, relocated or replacement emission unit at a PSD stationary source, which emission unit has an emission increase of one or more air contaminants which constitutes a new PSD stationary source (see Table 20.1-11) or PSD modification (see Tables 20.1-8 and 20.1-10), shall be equipped with BACT for each such air contaminant.

(vii) **Projects with Multiple Emission Units**

Where a project at a stationary source consists of more than one new, modified, relocated or replacement emission unit required by this Subsection (d)(1) to be equipped with BACT or LAER, BACT or LAER, as applicable, shall be evaluated for each such emission unit. The Air Pollution Control Officer may require that BACT or LAER, as applicable, be also evaluated for combinations of such emission units. Where technologically feasible, lowest emitting and, for BACT, cost-effective, the Air Pollution Control Officer may require that BACT or LAER be applied to a combination of such emission units. In such case, BACT or LAER applied to such combinations shall not result in greater emissions for the project nor for each emission unit that is part of the project than were BACT or LAER, as applicable, applied to each emission unit.

(2) **AIR QUALITY IMPACT ANALYSIS (AQIA)**

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit or project subject to this rule unless the following requirements are satisfied.

The demonstrations required by this Subsection (d)(2) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) **AQIA for New, Modified, Replacement or Relocated Emission Units and Projects**

(A) For each new, modified, replacement or relocated emission unit and project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.3 – 1 below, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer through an AQIA, as defined in Rule 20.1, that such emissions increase will not:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, nor

(3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard, nor

(4) by itself, result in an increase in ambient concentrations of any air contaminant, for which San Diego County is in attainment of the applicable national ambient air quality standards, greater than the applicable air quality increment above the baseline concentration for that air contaminant in any Class I or Class II area. This provision shall only

apply if the emissions increase constitutes a new federal major stationary source or federal major modification.

(B) For each new, modified, replacement or relocated emission unit and project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.3 – 1 below, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, that such emissions increase will not:

- (1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, nor
- (2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(v), nor
- (3) prevent or interfere with the attainment or maintenance of any state ambient air quality standard.

TABLE 20.3 - 1
AQIA Trigger Levels

<u>Air Contaminant</u>	<u>Emission Rate</u>		
	<u>(lb/hr)</u>	<u>(lb/day)</u>	<u>(tons/yr)</u>
Particulate Matter (PM ₁₀)	---	100	15
Fine Particulate Matter (PM _{2.5})	---	67	10
Oxides of Nitrogen (NO _x)	25	250	40
Oxides of Sulfur (SO _x)	25	250	40
Carbon Monoxide (CO)	100	550	100
Lead and Lead Compounds	---	3.2	0.6

(ii) **AQIA for PM_{2.5} and PM₁₀ Emission Increases**

In determining if a PM_{2.5} or PM₁₀ AQIA is required under this Subsection (d)(2), the emissions increases shall include both directly emitted PM_{2.5} and PM₁₀, and PM_{2.5} and PM₁₀ which would condense after discharge to the atmosphere. If a PM_{2.5} or PM₁₀ AQIA is required, the AQIA shall include both directly emitted PM_{2.5} or PM₁₀, and PM_{2.5} or PM₁₀ which would condense after discharge to the atmosphere. Any permit terms or conditions limiting emissions of PM_{2.5} or PM₁₀ as a result of the requirements of this Subsection (d)(2) shall apply to the combination of both directly emitted and condensable PM_{2.5} or PM₁₀. The provisions of this Subsection (d)(2)(ii) shall apply separately to PM_{2.5} and PM₁₀.

(iii) **AQIA for Projects**

Where a project consists of multiple new, modified, replacement or relocated emission units, the determination of whether an air quality impact analysis is required under this Subsection (d)(2) shall be based on the aggregate total of emissions increases occurring from those project emission units for which emissions are increasing, excluding any concurrent actual emission reductions occurring from

other emission units at the same stationary source. If an air quality impact analysis is required, the air quality impacts of the project shall be based on the aggregate of the air quality impacts of each unit's emission increases at each off-site location analyzed. The air quality impact reduction at any off-site location analyzed that results from any concurrent, enforceable actual emission reductions occurring from other emission units, at the same stationary source, may be included to determine the net air quality impacts of a project at such off-site location.

(iv) **AQIA Not Required for NOx or VOC Impacts on Ozone**

Notwithstanding the requirements of this Subsection (d)(2), a demonstration shall not be required for determining the impacts from an emission unit's or project's NOx or VOC emissions on an ambient air quality standard for ozone, unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of NOx or VOC emissions from such emission unit or project on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board (ARB) with regard to state ambient air quality standards and the federal Environmental Protection Agency (EPA) with regard to national ambient air quality standards.

(v) **AQIA Requirements for PM₁₀ Impacts May be Waived**

Notwithstanding the requirements of Subsection (d)(2)(i), the Air Pollution Control Officer may waive the AQIA requirements for PM₁₀ impacts on the state ambient air quality standards, as follows:

(A) If the project will result in a maximum PM₁₀ air quality impact of less than 5 $\mu\text{g}/\text{m}^3$ (24-hour average basis) and 3 $\mu\text{g}/\text{m}^3$ (annual geometric mean basis), all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at a ratio of 1.5 to 1.

(B) If the project will result in a maximum PM₁₀ air quality impact equal to or greater than 5 $\mu\text{g}/\text{m}^3$ but less than 10 $\mu\text{g}/\text{m}^3$ (24-hour average basis) or equal to or greater than 3 $\mu\text{g}/\text{m}^3$ but less than 6 $\mu\text{g}/\text{m}^3$ (annual geometric mean basis):

(1) the project must be equipped with BACT for PM₁₀ emissions without consideration for cost-effectiveness,

(2) all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at an overall ratio of 1.5 to 1,

(3) sufficient emission offsets must be provided within the project's impact area to offset all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, at a ratio of at least 1 to 1,

(4) emission offsets in an amount and location which are demonstrated to have a modeled off-stationary source air quality impact at least equal to the project's PM_{10} ambient air quality impact minus $5 \mu\text{g}/\text{m}^3$ (24-hour average basis) and $3 \mu\text{g}/\text{m}^3$ (annual geometric mean basis) must be provided, and

(5) all reasonable efforts to reduce the air quality impacts of the project are made.

(C) In no case shall the project result in a maximum PM_{10} air quality impact equal to or greater than $10 \mu\text{g}/\text{m}^3$ (24-hour average basis) or equal to or greater than $6 \mu\text{g}/\text{m}^3$ (annual geometric mean basis).

(vi) **AQIA May be Required**

(A) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any new or modified stationary source, any emission unit or any project if the stationary source, emission unit or project may be expected to:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, or

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, or

(3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard, or

(4) by itself, result in an increase in ambient concentrations of any air contaminant, for which San Diego County is in attainment of the applicable national ambient air quality standards, greater than the applicable air quality increment above the baseline concentration for that air contaminant in any Class I or Class II area. This provision shall only apply if the emissions increase constitutes a new federal major stationary source or federal major modification.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any stationary source, emission unit or project for which an AQIA is required pursuant to this Subsection (d)(2)(vi)(A) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such source, unit or project will not result in any of the impacts to the national ambient air quality standards or an air quality increment specified above in (1), (2), (3) and (4) of this Subsection (d)(2)(vi)(A).

(B) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any new or modified stationary source, any emission unit or any project if the stationary source, emission unit or project may be expected to:

(1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, or

(2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(v), or

(3) prevent or interfere with the attainment or maintenance of any state ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any stationary source, emission unit or project for which an AQIA is required pursuant to this Subsection (d)(2)(vi)(B) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emissions increases from such source, unit or project will not result in any of the impacts to state ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(vi)(B).

(3) PREVENTION OF SIGNIFICANT DETERIORATION (PSD)

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any project subject to this Subsection (d)(3) unless the applicant demonstrates that the following requirements are satisfied. The demonstrations required by this Subsection (d)(3) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) Applicability

(A) PSD Stationary Sources

(1) The provisions of Subsections (d)(3)(ii) through (vii) below shall apply to any new PSD stationary source and to any PSD modification, for those air contaminants for which the District is classified as attainment or unclassified with respect to a national ambient air quality standard.

(2) The provisions of Subsections (d)(3)(ii), (iii), (v) and (vii) below shall apply to any emission increase of a non-criteria air contaminant at a PSD stationary source with a potential to emit equal to or greater than a non-criteria pollutant emissions significance level (see Table 20.1-8) for the air contaminant.

(B) Major Stationary Sources – Projects Causing a Significant Impact

The provisions of Subsections (d)(3)(ii) through (vii) shall apply to any project at a new or modified major stationary source, which project is expected to have, as determined by an AQIA required pursuant to Subsection (d)(2):

(1) a significant impact on any Class I area, regardless of the Class I area's national attainment or nonattainment classification, or

(2) a significant impact on any Class II area where the Class II area is classified as attainment of the national ambient air quality standard for that air contaminant for which there is a significant impact.

(ii) Notification Requirements

(A) Notification of Federal Land Manager - Before Application Submittal

The applicant shall provide written notification to the Federal Land Manager of the applicant's intent to file an application for an Authority to Construct, Permit to Operate, or a Determination of Compliance pursuant to Rule 20.5, not less than 30 days prior to application submittal. The applicant's notification to the Federal Land Manager shall include copies of all of the analyses required by this Subsection (d)(3). Concurrently, the applicant shall notify the federal EPA and the District, and provide copies of the written notification given to the Federal Land Manager.

(B) Notification of Federal Land Manager - After Application Submittal

If a project is modified prior to issuance of an Authority to Construct such that it becomes subject to Subsection (d)(3), the Air Pollution Control Officer shall provide the notification required by Subsection (d)(3)(ii)(A) no later than 15 days after it is determined that the provisions of Subsection (d)(3) apply.

(C) Failure to Notify

If the applicant has failed to provide the notification required by Subsection (d)(3)(ii)(A) within the time periods described in that subsection, the applicant shall provide the notification required by that subsection no later than 15 days after the Air Pollution Control Officer informs the applicant that the provisions of Subsection (d)(3) apply.

(iii) Air Quality Impact Analysis (AQIA)

Notwithstanding the emission threshold requirements of Subsection (d)(2), the applicant shall perform an AQIA as prescribed in Subsection (d)(2) for those

pollutants for which, pursuant to Subsection (d)(3)(i), Subsection (d)(3) applies. In conducting the AQIA, projected growth calculated pursuant to (d)(3)(v)(A) shall be taken into account. The Air Pollution Control Officer shall comply with the public comment and notice provisions of Subsection (d)(4) and with the following:

(A) Federal Land Manager and Federal EPA Notification

Notify the Federal Land Manager and EPA. This notification shall include all of the analyses required by Subsection (d)(3), the location of the project, the project's approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1, Table 20.1 - 3), and the results of the AQIA, at least 60 days prior to the public comment period required by Subsection (d)(4).

(B) ARB, SCAQMD and Imperial County APCD Notification

Notify and submit to the California ARB, the South Coast Air Quality Management District and the Imperial County Air Pollution Control District all of the information required by Subsection (d)(4)(iv).

(iv) Air Quality Increment

If the stationary source is located in an area designated as attainment or unclassified for the SO₂, NO₂, PM_{2.5} or PM₁₀ national ambient air quality standards pursuant to Section 107(d)(1)(D) or (E) of the federal Clean Air Act, the following shall be satisfied:

(A) The applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, using procedures approved by the Air Pollution Control Officer, that the applicable air quality increments are not exceeded within the project's impact area.

(B) The demonstration required by Subsection (d)(3)(iv)(A) shall include the following:

(1) a description of the federal attainment area where a significant impact occurs and the attainment area's corresponding minor source baseline date, and

(2) an analysis of the air quality impacts of all increment consuming and increment expanding emissions within the impact area, and

(3) an analysis of the air quality impacts of increment consuming and increment expanding emissions outside the impact area that may have a significant impact within the impact area.

(v) Additional Impacts Analyses

The analyses required by Subsections (d)(3)(v)(A) through (C) shall include the impacts of total emissions which exceed a non-criteria emissions significance level.

(A) Growth Analysis

The applicant shall prepare a growth analysis containing all of the following:

- (1) an assessment of the availability of residential, commercial, and industrial services in the area surrounding the stationary source,
- (2) a projection of the growth in residential, industrial and commercial sources, construction related activities, and permanent and temporary mobile sources which will result from the construction of the new major stationary source or major modification, including any secondary emissions associated with the construction,
- (3) an estimate of the emission of all pollutants from the projected growth, and
- (4) a determination of the air quality impacts occurring due to the combined emissions from the projected growth and the stationary source's emissions increase.

(B) Soils and Vegetation Analysis

The applicant shall perform an analysis of the impacts from air contaminants on soils and vegetation containing all of the following:

- (1) the analysis shall be based on an inventory of the soils and vegetation types found in the impact area, including all vegetation with any commercial or recreational value, and
- (2) the analysis shall consider the impacts of the combined emissions from projected growth as determined above, pursuant to Subsection (d)(3)(v)(A) and the stationary source's emissions increase.

(C) Visibility Impairment Analysis

The applicant shall perform a visibility impairment analysis. The analysis shall focus on the effects of the emission increases from the new PSD stationary source or PSD modification and their impacts on visibility within the impact area. The analysis shall include a catalog of scenic vistas, airports, or other areas which could be affected by a loss of visibility within the impact area, a determination of the visual quality of the impact area, and an initial

screening of emission sources to assess the possibility of visibility impairment. If the screening analysis indicates that a visibility impairment will occur, as determined by the Air Pollution Control Officer, a more in-depth visibility analysis shall be prepared.

(vi) **Protection of Class I Areas**

(A) **Requirements**

(1) An AQIA shall be prepared as prescribed in Subsection (d)(2) for all emission increases attributable to the new or modified stationary source, notwithstanding the emission threshold requirements of Subsection (d)(2). The AQIA shall include a demonstration that the new or modified stationary source will not cause or contribute to a violation of any national ambient air quality standard nor interfere with the attainment or maintenance of those standards.

(2) The analyses contained in Subsections (d)(3)(iii) through (v) shall be prepared for all emission increases which will result in a significant impact.

(B) **Application Denial - Federal Land Manager/Air Pollution Control Officer Concurrence**

The Air Pollution Control Officer shall deny an Authority to Construct for a new or modified stationary source subject to this Subsection (d)(3)(vi), if the Federal Land Manager demonstrates, and the Air Pollution Control Officer concurs, that granting the Authority to Construct would result in an adverse impact on visibility, soils, vegetation or air quality related values of a Class I area. The Air Pollution Control Officer shall take into consideration mitigation measures identified by the Federal Land Manager in making the determination.

(vii) **Additional Requirements**

(A) **Tracking of Air Quality Increment Consumption Sources**

The Air Pollution Control Officer shall track air quality increment consumption, consistent with current requirements established by the federal EPA.

(B) **Preconstruction Monitoring Requirement**

The applicant shall submit at least one year of continuous monitoring data, unless the Air Pollution Control Officer determines that a complete and adequate analysis can be accomplished with monitoring data gathered over a shorter period. Such shorter period shall not be less than four consecutive

months. The requirement for monitoring may be waived by the Air Pollution Control Officer if representative monitoring data is already available.

(C) Cancellation of Authority to Construct

Any Authority to Construct or modified Permit to Operate issued to a PSD stationary source subject to the provisions of Subsection (d)(3) of this rule, shall become invalid if construction or modification is not commenced within 18 months after its issuance or if construction or modification is discontinued for a period of 18 months or more after its issuance. The 18-month period may be extended by the Air Pollution Control Officer for good cause.

(4) PUBLIC NOTICE AND COMMENT

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any emission unit or project subject to the AQIA or notification requirements of Subsections (d)(2) or (d)(3) above, nor for any emission unit or project which results in an emissions increase of VOC equal to or greater than 250 pounds per day or 40 tons per year, nor for any emission unit or project that would otherwise constitute a new major stationary source or a major modification, unless the following requirements are satisfied.

(i) Public Comment Period

At least 40 days before taking final action on an application, the Air Pollution Control Officer shall:

(A) provide the public with notice of the proposed action in the manner prescribed in Subsection (d)(4)(iii), and

(B) provide the California ARB, federal EPA, and any tribal air pollution control agencies having jurisdiction in the San Diego Air Basin with notice of the proposed action and all of the information specified in Subsection (d)(4)(iv), and

(C) make available for public inspection all information relevant to the proposed action as specified in Subsection (d)(4)(iv), and

(D) provide at least a 30-day period within which comments may be submitted.

The Air Pollution Control Officer shall consider all comments submitted.

(ii) Applicant Response

Except as agreed to by the applicant and the Air Pollution Control Officer, no later than 10 days after close of the public comment period, the applicant may

submit written responses to any comment received during the public comment period. Responses submitted by the applicant shall be considered prior to the Air Pollution Control Officer taking final action. The applicant's responses shall be made available in the public record of the permit action.

(iii) **Publication of Notice**

The Air Pollution Control Officer shall publish a notice of the proposed action in at least one newspaper of general circulation in San Diego County. The notice shall:

(A) describe the proposed action, including the use of any modified or substitute air quality impact model as allowed under 40 CFR Part 51, Appendix W, and

(B) identify the location(s) where the public may inspect the information relevant to the proposed action, and

(C) indicate the date by which all comments must be received by the District for consideration prior to taking final action.

(iv) **Information to be Made Available for Public Inspection**

The relevant information to be made available for public inspection shall include, but not be limited to:

(A) the application and all analyses and documentation used to support the proposed action, the District's evaluation of the project, a copy of the draft Authority to Construct or modified Permit to Operate and any information submitted by the applicant not previously labeled Trade Secret pursuant to Regulation IX, and

(B) the proposed District action on the application, including the preliminary decision to approve, conditionally approve or deny the application and the reasons therefor.

(5) **EMISSION OFFSET REQUIREMENTS**

Except as provided for in Subsection (b)(3), the Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any new or modified stationary source, new or modified emission unit, replacement or relocated emission unit or project which results in an emissions increase that constitutes a new major stationary source or a major modification for NO_x or VOC, or for any air contaminant, or its precursor air contaminants, for which the San Diego Air Basin has been designated by EPA as nonattainment for the NAAQS for such air contaminant, unless emission offsets are provided, on a pollutant-specific basis, for such emission increases as specified below. Interpollutant offsets may be used, provided such offsets meet the requirements of Subsection (d)(5)(iii).

(i) **Determination of Applicability**

The determination that a new emission unit, project or new stationary source is a new major stationary source shall be based on the emission unit's post-project potential to emit, or the project's or stationary source's aggregate post-project potential to emit, respectively. The determination that a new, modified, replacement or relocated emission unit or project at an existing major stationary source is a major modification shall be based on the stationary source's contemporaneous net emissions increase. These determinations shall be made on a pollutant-specific basis.

The applicant for a new major stationary source or a new, modified, replacement or relocated emission unit or project at an existing major stationary source shall submit, with each application for such emission unit, project or source, sufficient information to determine the emissions increases for the unit, project or source, and the contemporaneous net emissions increases if located at an existing major stationary source.

(ii) **Emission Offsets**

(A) If the NO_x or VOC emissions increase from the project under review constitutes a new major stationary source or a major modification, such emissions increase shall be offset at a ratio of 1.2 to 1.0. For any other EPA designated nonattainment air contaminant or its precursor for which the emissions increase from the project under review constitutes a new major stationary source or a major modification, such emissions increase shall be offset at a ratio of 1.0 to 1.0. Interpollutant offsets may be used provided they meet the requirements of Subsection (d)(5)(iii) of this rule.

(B) When an emissions increase from a new, modified, replacement or relocated emission unit or project has been determined to be subject to, and approved as in compliance with, the emission offset requirements of this rule, the contemporaneous net emissions increase for the subject air contaminant shall thereafter not include the amount of such offset emissions increase from the new or modified emission unit or project, on a pollutant-specific basis.

(C) When the emissions offset requirements of this Subsection (d)(5) are being applied to a new federal major stationary source or federal major modification, the amount of creditable emission reductions from any emission reduction credits to be provided shall be adjusted as specified in Rule 20.1, Subsection (d)(5)(v). Such adjustments shall be made at the time that an Authority to Construct is issued, for credits provided by the applicant on or before such issuance, and at the time that a credit is surrendered, for credits provided by the applicant after issuance of the Authority to Construct.

(iii) **Interpollutant Offsets**

The Air Pollution Control Officer may allow the use of interpollutant emission offsets at the ratios specified in Table 20.3 – 2 to satisfy the VOC and NOx offset requirements of this Subsection (d)(5). For any other EPA-designated nonattainment air contaminant having precursor air contaminant relationships specified in Table 20.1-9 of Rule 20.1, the Air Pollution Control Officer may allow the use of interpollutant offsets of such precursor air contaminants in addition to or in lieu of providing offsets of the nonattainment air contaminant only if done pursuant to an interpollutant offset protocol approved by the Air Pollution Control Officer and the federal EPA. Interpollutant offsets may only be allowed if the applicant demonstrates, to the satisfaction of the Air Pollution Control Officer, that the AQIA requirements of Subsection (d)(2), as applicable, are satisfied for the emissions increases. The interpollutant ratios shall be multiplied by the emission offset ratios required by this rule to determine the final offset ratio.

TABLE 20.3 – 2
Interpollutant Ratio

Emission Increase	Decrease	Interpollutant Ratio
Oxides of Nitrogen (NOx)	NOx	1.0
	VOC	2.0
Volatile Organic Compounds (VOC)	VOC	1.0
	NOx	1.0

(e) **ADDITIONAL REQUIREMENTS – FEDERAL MAJOR STATIONARY SOURCES**

(1) **Compliance Certification**

Prior to receiving an Authority to Construct or modified Permit to Operate pursuant to this rule, an applicant for any new federal major stationary source or federal major modification shall certify that all major stationary sources owned or operated by such person, or by any entity controlling, controlled by or under common control with such a person, in the state are in compliance, or on an approved schedule for compliance, with all applicable emission limitations and standards under the federal Clean Air Act.

(2) **Alternative Siting and Alternatives Analysis**

The applicant for any new federal major stationary source or federal major modification shall conduct an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source or modification which demonstrates that the benefits of the proposed source or modification outweigh the environmental and social costs imposed as a result of its location or construction. Analyses conducted in conjunction with state or federal statutory requirements may be used.

(3) ANALYSIS OF VISIBILITY IMPAIRMENT IN CLASS I AREAS

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit or project which constitutes a new federal major stationary source or federal major modification and which may have an impact on visibility in a Class I area unless the applicant demonstrates that the following requirements are satisfied. The demonstrations required by this Subsection (e)(3) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) Required Analyses

At the time of application submittal, the applicant shall provide an initial screening analysis of the impairment to visibility, including any integral vista, in each affected Class I area as a result of the emissions increases from the new federal major stationary source or federal major modification, and any general commercial, residential, industrial and other growth associated with the new source or modification. If a screening analysis indicates that a visibility impairment will occur, as determined by the Air Pollution Control Officer, a more in-depth visibility impairment analysis shall be prepared. All analyses of impairment to visibility shall be conducted using applicable methods and procedures promulgated or approved by the federal EPA.

(ii) Notification Requirements

The Air Pollution Control Officer shall notify the Federal Land Manager and EPA not later than 30 days after receipt of an application for a new federal major source or a federal major modification subject to the requirements of this Subsection (e)(3). The notification shall include a copy of the application submittal, the location of the project, the project's approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1, Table 20.1 - 3), the results of any AQIA, and the results of any screening analysis and any more in-depth analysis of the impacts of the project on visibility in any Class I area.

(iii) Application Denial

The Air Pollution Control Officer shall deny an Authority to Construct or Permit to Operate for any new federal major stationary source or federal major modification if the Air Pollution Control Officer finds, after consideration of comments and any analysis from the Federal Land Manager, that the emissions increases from such new source or modification would have an adverse impact on visibility in a Class I area. As defined in 40 CFR 52.21(b)(29), an adverse impact on visibility means visibility impairment which interferes with the management, protection, preservation or enjoyment of the visitor's visual experience of the Class I area.

4. Proposed amended Rule 20.4 is to read as follows:

RULE 20.4
NEW SOURCE REVIEW
PORTABLE EMISSION UNITS
 (ADOPTED AND EFFECTIVE 5/17/94)
 (REV. ADOPTED AND EFFECTIVE 12/17/97)
 (REV. ADOPTED 11/4/98; EFFECTIVE 12/17/98)
 (REV. ADOPTED AND EFFECTIVE *(date of adoption)*)

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NOTE: The following listed sections and subsections will not be submitted to the federal Environmental Protection Agency (EPA) for inclusion in the San Diego State Implementation Plan (SIP). As such, the following listed sections and subsections are not enforceable by EPA, but remain enforceable by the San Diego County Air Pollution Control District.

Subsections (b)(2) and (b)(3); Subsection (d)(1)(iii); Subsections (d)(2)(i)(B), (d)(2)(iv), and (d)(2)(v)(B); and Subsections (d)(3) and (d)(5).

RULE 20.4. NEW SOURCE REVIEW - PORTABLE EMISSION UNITS

(Adopted & Effective 5/17/94)

(Rev. Effective 12/17/97)

(Rev. Adopted 11/4/98; Effective 12/17/98)

(Rev. Adopted & Effective (*date of adoption*))

(a) APPLICABILITY

This rule applies to any new, modified or replacement portable emission unit. Subsection (d)(2)(v) of this rule also applies to any stationary source where one or more portable emission units will be located. This rule does not apply to identical or like-kind replacement portable emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these rules and regulations, or state and federal law.

(b) EXEMPTIONS

The exemptions contained in Rule 20.1, Section (b) apply to this rule. In addition, for purposes of this rule, the following exemptions shall apply.

(1) Except as provided in Subsection (d)(2)(v) of this rule, the provisions of this rule shall not apply to any previously permitted portable emission unit, unless such unit is modified or replaced.

(2) Emission increases resulting from an air contaminant emission control project to reduce emissions from a portable emission unit shall be exempt from the emission offset requirements of Subsection (d)(5) of this rule to the extent that the project does not include an increase in the capacity of the emission unit being controlled. Emission increases that are associated with an increase in capacity of the emission unit being controlled shall be subject to the emission offset provisions of this rule, as applicable. This exemption from offsets shall not apply to any air contaminant for which the emissions increase constitutes a new federal major stationary source or a federal major modification.

(3) The emission offset requirements of Subsection (d)(5) of this rule shall not apply to a portable emission unit operating at a stationary source if the operation of such unit is not related to the primary activities of the stationary source, as defined herein.

(c) DEFINITIONS

The definitions contained in Rule 20.1, Section (c) shall apply to this rule. In addition, for purposes of this rule, the following definitions shall apply.

(1) "**Related to the Primary Activities of the Stationary Source**" means with regard to the operation of a portable emission unit, that the unit is considered under the same major industrial grouping, as identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*, as the stationary source where such

unit will be operated, or is used as part of or supplements a primary process at the stationary source where the operation of one is dependent upon or affects the operations of the other. This includes industrial processes, manufacturing processes and any connected processes involving a common material, service or product.

(d) STANDARDS

(1) BACT AND LAER FOR NEW, MODIFIED OR REPLACEMENT PORTABLE EMISSION UNITS

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit unless the applicant demonstrates that the following requirements will be satisfied. These requirements shall be applied on an air contaminant-specific basis.

(i) Portable Emission Units - BACT

Unless a portable emission unit is equipped to comply with Lowest Achievable Emission Rate (LAER), as provided in Subsection (d)(1)(ii) of this rule, for the following air contaminants otherwise subject to BACT, any new or modified portable emission unit which has any increase in its potential to emit particulate matter (PM₁₀), NO_x, VOC, or oxides of sulfur (SO_x), and which unit has a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC, or SO_x, respectively, and any replacement portable emission unit which has such a post-project potential to emit, shall be equipped with Best Available Control Technology (BACT) for each such air contaminant.

(ii) Portable Emission Units - LAER

Any new, modified or replacement portable emission unit which has any emissions increase of an air contaminant or its precursors for which the District is designated as non-attainment with respect to a national ambient air quality standard, and which may be expected to operate at a stationary source that is a major stationary source of such air contaminant or precursor, shall be equipped to comply with LAER for each such air contaminant or precursor except as provided in (A) or (B) below. For each air contaminant for which LAER is not required by the following, BACT shall apply:

(A) LAER shall not apply if the applicant demonstrates, to the satisfaction of the Air Pollution Control Officer, and agrees to federally enforceable permit conditions to ensure that, the emissions increase of such nonattainment air contaminant or precursor from such unit will not constitute a new major source or a major modification at any stationary source at which it is to be located and which is major for such non-attainment air contaminant or precursor.

(B) LAER shall not apply if operation of the portable emission unit is not related to the primary activities of the major stationary source at which it is to be located, provided the portable emission unit, or aggregation of such portable emission units co-located at the same stationary source, does not constitute a new federal major stationary source.

(iii) **Portable Emission Units - PSD Stationary Sources**

Any new, modified or replacement portable emission unit which may be located at a Prevention of Significant Deterioration (PSD) stationary source, and which emission unit has an emission increase of one or more air contaminants which constitutes a new PSD stationary source (see Table 20.1-11) or PSD modification (see Tables 20.1-8 and 20.1-10) shall be equipped with BACT for each such air contaminant.

(2) **AIR QUALITY IMPACT ANALYSIS (AQIA)**

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit unless the following requirements are satisfied. Modeling shall be used to conduct any Air Quality Impact Analysis (AQIA). The AQIA shall be performed using maximum expected ambient air contaminant concentrations within San Diego County, based on existing data, unless the applicant agrees to enforceable permit conditions that require a new AQIA whenever the equipment is to be located at a stationary source for which the initial AQIA was not representative.

The demonstrations required by this Subsection (d)(2) shall be based on the emission unit emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) **AQIA for Portable Emission Units**

(A) For each new, modified or replacement portable emission unit which results in an emissions increase equal to or greater than the amounts listed in Table 20.4 - 1, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, as defined in Rule 20.1, that the new, modified or replacement portable emission unit will not:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, nor

(3) prevent or interfere with the attainment or maintenance of national ambient air quality standard.

(B) For each new, modified or replacement portable emission unit which results in an emissions increase equal to or greater than the amounts listed in Table 20.4 - 1, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, that the new, modified or replacement portable emission unit will not:

- (1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, nor
- (2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection(d)(2)(iv), nor
- (3) prevent or interfere with the attainment or maintenance of any state ambient air quality standard.

TABLE 20.4 - 1
AQIA Trigger Levels

<u>Air Contaminant</u>	<u>Emission Rate</u>		
	<u>(lb/hr)</u>	<u>(lb/day)</u>	<u>(tons/yr)</u>
Particulate Matter (PM ₁₀)	---	100	15
Fine Particulate Matter (PM _{2.5})	---	67	10
Oxides of Nitrogen (NO _x)	25	250	40
Oxides of Sulfur (SO _x)	25	250	40
Carbon Monoxide (CO)	100	550	100
Lead and Lead Compounds	---	3.2	0.6

(ii) **AQIA for PM_{2.5} and PM₁₀ Emission Increases**

In determining if a PM_{2.5} or PM₁₀ AQIA is required under this Subsection (d)(2), the emissions increases shall include both directly emitted PM_{2.5} and PM₁₀, and PM_{2.5} and PM₁₀ which would condense after discharge to the atmosphere. If a PM_{2.5} or PM₁₀ AQIA is required, the AQIA shall include both directly emitted PM_{2.5} or PM₁₀, and PM_{2.5} or PM₁₀ which would condense after discharge to the atmosphere. Any permit terms or conditions limiting emissions of PM_{2.5} or PM₁₀ as a result of the requirements of this Subsection (d)(2) shall apply to the combination of both directly emitted and condensable PM_{2.5} or PM₁₀. The provisions of this Subsection (d)(2)(ii) shall apply separately to PM_{2.5} and PM₁₀.

(iii) **AQIA Not Required for NO_x or VOC Impacts on Ozone**

Notwithstanding any other provision of this rule, a demonstration shall not be required for determining the impacts from a portable emission unit's NO_x or VOC emissions on an ambient air quality standard for ozone, unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of NO_x or VOC emissions from such portable emission units on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board (ARB) with regard to state ambient air quality

standards and the federal Environmental Protection Agency (EPA) with regard to national ambient air quality standards.

(iv) **AQIA Requirements for PM₁₀ Impacts May be Waived**

Notwithstanding the requirements of Subsection (d)(2)(i) above, the Air Pollution Control Officer may waive the AQIA requirements for PM₁₀ impacts on the state ambient air quality standards, as follows:

(A) If the emission unit, individually or in combination with any other portable emission units proposed to be co-located, will result in a maximum particulate matter air quality impact of less than 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis), all of the emission unit's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at a ratio of 1.5 to 1.

(B) If the emission unit, individually or in combination with any other portable emission units proposed to be co-located, will result in a maximum PM₁₀ air quality impact equal to or greater than 5 µg/m³ but less than 10 µg/m³ (24-hour average basis) or equal to or greater than 3 µg/m³ but less than 6 µg/m³ (annual geometric mean basis):

(1) the emission unit must be equipped with BACT for PM₁₀ without consideration for cost-effectiveness,

(2) all of the emission unit's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at an overall ratio of 1.5 to 1,

(3) sufficient emission offsets must be provided within the emission unit's impact area to offset all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, at a ratio of at least 1 to 1,

(4) emission offsets in an amount and location which are demonstrated to have a modeled off-stationary source air quality impact at least equal to the emission unit's PM₁₀ ambient air quality impact minus 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis) must be provided, and

(5) all reasonable efforts to reduce the air quality impacts of the project are made.

(C) In no case shall the emission unit, individually or in combination with any other portable emission units proposed to be co-located, result in a maximum PM₁₀ air quality impact equal to or greater than 10 µg/m³ (24-hour

average basis) or equal to or greater than $6 \mu\text{g}/\text{m}^3$ (annual geometric mean basis).

(v) **AQIA May be Required**

(A) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any portable emission unit, or aggregation of portable emission units, if it may be expected to:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, or

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, or

(3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit or aggregation of portable emission units for which an AQIA is required pursuant to this Subsection (d)(2)(v)(A) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such unit or aggregation of units will not result in any of the impacts to the national ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(v)(A).

(B) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any portable emission unit, or aggregation of portable emission units, if it may be expected to:

(1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, or

(2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(iv), or

(3) prevent or interfere with the attainment or maintenance of any state ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit or aggregation of portable emission units for which an AQIA is required pursuant to this Subsection (d)(2)(v)(B) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such unit or aggregation of units will not result in any of the impacts to state ambient air

quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(v)(B).

(C) If the Air Pollution Control Officer determines that concurrent operations of more than one portable emission unit at the same stationary source may be expected to cause any of the air quality impacts specified in this Subsection (d)(2)(v) to occur, the Air Pollution Control Officer may require the owner or operator of the units, or of the stationary source, to apply for and obtain a Permit to Operate for the operations and to demonstrate that the operations will not cause any such air quality impacts to occur.

This Subsection (d)(2)(v) may be invoked notwithstanding the equipment being previously permitted.

(3) SIGNIFICANT IMPACT IN CLASS I AREAS

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit which is expected to have a significant impact on any Class I area, as determined by an AQIA required pursuant to Subsection (d)(2), unless the following requirements are satisfied. The Air Pollution Control Officer shall:

(i) Federal Land Manager and Federal EPA Notification

Notify the Federal Land Manager and the federal EPA in writing. This notification shall include all of the information specified by Subsection (d)(4)(iv), the location(s) where operation of the portable emission unit may cause a significant impact on any Class I area, the approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1, Table 20.1-3) and the results of the AQIA, and

(ii) ARB, SCAQMD and Imperial County APCD Notification

Notify and submit to the California ARB, the South Coast Air Quality Management District and the Imperial County Air Pollution Control District the information specified in Subsection (d)(4)(iv).

(4) PUBLIC NOTICE AND COMMENT

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any portable emission unit subject to the AQIA or notification requirements of Subsections (d)(2) or (d)(3), nor for any emission unit or project which results in an emissions increase of VOCs equal to or greater than 250 pounds per day or 40 tons per year, unless the following requirements are satisfied.

(i) **Public Comment Period**

At least 40 days before taking final action on an application subject to the requirements of Subsections (d)(2) or (d)(3), the Air Pollution Control Officer shall:

(A) provide the public with notice of the proposed action in the manner prescribed in Subsection (d)(4)(iii), and

(B) provide a copy of the public notice to the federal EPA Administrator, through its Region 9 office, to the California ARB, and to any tribal air pollution control agencies having jurisdiction in the San Diego Air Basin, and

(C) make available for public inspection all information relevant to the proposed action as specified in Subsection (d)(4)(iv), and

(D) provide at least a 30-day period within which comments may be submitted.

The Air Pollution Control Officer shall consider all comments submitted.

(ii) **Applicant Response**

Except as agreed to by the applicant and the Air Pollution Control Officer, no later than 10 days after close of the public comment period, the applicant may submit written responses to any comment received during the public comment period. Responses submitted by the applicant shall be considered prior to the Air Pollution Control Officer taking final action. The applicant's responses shall be made available in the public record of the permit action.

(iii) **Publication of Notice**

The Air Pollution Control Officer shall publish a notice of the proposed action in at least one newspaper of general circulation in San Diego County. The notice shall:

(A) describe the proposed action, including the use of any modified or substitute air quality impact model as allowed under 40 CFR Part 51, Appendix W, and

(B) identify the location(s) where the public may inspect the information relevant to the proposed action, and

(C) indicate the date by which all comments must be received by the District for consideration prior to taking final action.

(iv) **Information to be Made Available for Public Inspection**

The relevant information to be made available for public inspection shall include, but is not limited to:

(A) the application and all analyses and documentation used to support the proposed action, the District's compliance evaluation, a copy of the draft Authority to Construct or Permit to Operate and any information submitted by the applicant not previously labeled Trade Secret pursuant to Regulation IX, and

(B) the proposed District action on the application, including the preliminary decision to approve, conditionally approve or deny the application and the reasons therefore.

(5) **EMISSION OFFSETS**

Except as provided in Subsections (b)(3) and (b)(4) of this rule, the Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit or project which has any emissions increase of VOC or NO_x and which may be located at a major stationary source of such air contaminant unless emission offsets are provided for such emission increases. Emission offsets shall be required on an air contaminant-specific basis and shall meet the requirements specified below and in Subsection (d)(5) of Rule 20.1 of these Rules and Regulations. Interpollutant offsets may be used, provided such offsets meet the requirements of Subsection (d)(5)(iv) below.

(i) **Emission Offsets - Portable Emission Units**

Emission offsets shall be required for emission increases of VOC and NO_x emissions from portable emission units which may be operated at a major stationary source of VOC or NO_x emissions, respectively. If the VOC and NO_x emission increases of the portable emission unit have been previously fully offset by permanent, enforceable emission reductions or the permanent surrender of emission reduction credits pursuant to these Rules and Regulations, no further offsets shall be required unless the unit is subsequently modified resulting in an emissions increase.

If the NO_x and VOC emissions of the unit have not previously been fully and permanently offset, the owner or operator of such unit shall first apply for and obtain a modified Permit to Operate for operation at the major stationary source and shall provide emission offsets, on a pollutant-specific basis, for all VOC and NO_x emissions from the portable emission unit. Emission offsets shall be provided at a ratio of 1.2 to 1.0 if the portable emission unit is equipped to comply with LAER for VOC or NO_x emissions, as applicable, or at a ratio of 1.3 to 1.0 if the portable emission unit is equipped to comply with BACT for VOC or NO_x emissions, as applicable.

If a portable emission unit is brought onto a major stationary source of VOC or NOx to remedy an immediately occurring emergency situation, the application for a modified Permit to Operate the portable emission unit shall be submitted within 24 hours from the time the portable emission unit is first located at the affected stationary source.

(ii) **Permanent and Temporary Emission Offsets**

Emission offsets required by this Subsection (d)(5) shall be provided as specified in paragraphs (A) or (B) below.

(A) Permanent Emission Offsets

The owner or operator of a portable emission unit may satisfy the offset requirements of this Subsection (d)(5) by permanently surrendering to the Air Pollution Control Officer sufficient emission reduction credits or providing sufficient permanent actual emission reductions prior to the first date such new, modified or replacement portable emission unit commences operating at a major stationary source of VOC or NOx emissions, as applicable, in San Diego County. Thereafter, further emission offsets shall not be required for the applicable air contaminant unless such unit is modified resulting in an emissions increase.

(B) Temporary Emission Offsets

The owner or operator of a portable emission unit may satisfy the emission offset requirements of this Subsection (d)(5) by temporarily surrendering to the Air Pollution Control Officer sufficient emission reduction credits or temporarily providing concurrent, enforceable actual emission reductions for the entire period of time that the portable emission unit is located at the stationary source where emission offsets are required.

(iii) **RESERVED**

(iv) **Interpollutant Offsets**

The Air Pollution Control Officer may allow the use of interpollutant emission offsets at the ratios specified in Table 20.4 - 2 to satisfy the offset requirements of this Subsection (d)(5), provided the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the AQIA requirements of Subsection (d)(2), as applicable, are satisfied for the emission increase. The interpollutant ratios shall be multiplied by the applicable emission offset ratios required by Subsection (d)(5)(i) of this rule to determine the final offset ratio.

TABLE 20.4 - 2
Interpollutant Ratios

Emission Increase	Decrease	Interpollutant Ratio
Oxides of Nitrogen (NOx)	NOx	1.0
	VOC	2.0
Volatile Organic Compounds (VOC)	VOC	1.0
	NOx	1.0

5. Proposed amended Rule 20.6 is to read as follows:

RULE 20.6. STANDARDS FOR PERMIT TO OPERATE AIR QUALITY ANALYSIS

(Adopted and Effective 11/4/76)

(Rev. Adopted and Effective 12/14/87)

(Rev. Adopted and Effective *(date of adoption)*)

(a) The Air Pollution Control Officer shall deny a Permit to Operate to any stationary source until the source has obtained an Authority to Construct granted pursuant to the Rules and Regulations except as provided in Section (b) of this rule.

(b) The Air Pollution Control Officer shall not grant a Permit to Operate to any stationary source that emits quantities of air contaminants greater than those assumed in the analysis required for the authority to construct for the source, unless the Air Pollution Control Officer determines that best available control technology or the lowest achievable emission rate is used as required under Rules 20.2, 20.3 or 20.4, and, where applicable, the Air Pollution Control Officer performs the air quality impact analysis required by Section (d) of Rules 20.2, 20.3 or 20.4, as applicable, and determines that the actual emissions from the source may not be expected to result in the violation of any national ambient air quality standard or any applicable air quality increment or interfere with the attainment or maintenance of any ambient air quality standard. In the event the stationary source emits or contributes to any air contaminant for which a national ambient air quality standard is exceeded and where the actual emissions from the source exceed the applicability or emission thresholds of Rule 20.3, the requirements of Rule 20.3(d) must be satisfied.

(c) The Air Pollution Control Officer shall impose reasonable conditions on a Permit to Operate as are necessary to ensure that the stationary source will be operated in the manner assumed in making the analysis required by Rules 20.1, 20.2, 20.3 and 20.4 or Section (b) of this rule, whichever is applicable. Where appropriate, this shall include a condition to prohibit the operation of an existing source after the replacement source is effectively operating.

IT IS FURTHER RESOLVED AND ORDERED that proposed amended Rules 20.1, 20.2, and 20.3 of Regulation II shall take effect on the *(date of EPA approval into SIP)*.

IT IS FURTHER RESOLVED AND ORDERED that proposed amended Rules 20.4 and 20.6 of Regulation II shall take effect on this 27th day of April.

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL

BY: Paula Forbis, Senior Deputy

The foregoing Resolution was passed and adopted by the Air Pollution Control District, County of San Diego, State of California, on this 27th day of April, 2016, by the following vote:

AYES: Cox, Jacob, D. Roberts, R. Roberts, Horn

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STATE OF CALIFORNIA)
County of San Diego)^{SS}

I hereby certify that the foregoing is a full, true and correct copy of the Original Resolution entered in the Minutes of the San Diego County Air Pollution Control Board.

DAVID HALL
Clerk of the Air Pollution Control Board

By 
Elizabeth Miller, Deputy



Resolution No. 16-041
04/27/16 (AP1)