

AIR POLLUTION CONTROL DISTRICT
COUNTY OF SAN DIEGO

DRAFT PROPOSED AMENDMENTS TO
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
& PSD STATIONARY SOURCES
RULE 20.4 – NEW SOURCE REVIEW-PORTABLE EMISSION UNITS
RULE 26.0 – BANKING OF EMISSION REDUCTION CREDITS (ERCs)-
GENERAL REQUIREMENTS
RULE 1415 – PERMIT PROCESS-PUBLIC NOTIFICATION

REVISED
WORKSHOP REPORT

The San Diego County Air Pollution Control District (District) held a public workshop on November 28 2018, to discuss and receive input on the draft proposed amendments to 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 PSD Stationary Sources*, Rule 20.4 – *New Source Review-Portable Emission Units*, Rule 26.0 – *Banking of Emission Reduction Credits (ERCs)-General Requirements*, and Rule 1415 – *Permit Process-Public Notification*. A meeting notice was mailed to each permit holder, applicant, registration holder, chamber of commerce in the region, interested parties through the County of San Diego’s electronic mail service, the U.S. Environmental Protection Agency (EPA), the California Air Resources Board (ARB), other interested parties, and posted on the District’s website.

The workshop was attended by 35 people. The comments and District responses are provided below:

1. WORKSHOP COMMENT

Regarding the interpollutant offsets. Can you clarify if it because there is no modeling support before the rule is submitted? Is that the concern for option one of the timing?

DISTRICT RESPONSE

Yes, that is the concern with option 1 (to re-establish the ratio now). With the new proposed rule from EPA, the requirements that you have to meet to establish that interpollutant ratio have changed. If the District did not ask South Coast, who did the modeling in the past, to do the type of analysis that would support this because the District did not know what the new requirements would be, we may not be able to re-establish it now. Whether or not the information exists, the District could ask CARB now but the results would not be received in time.

2. WORKSHOP COMMENT

You mentioned that when the State Implementation Plan (SIP) is updated and ARB completes the attainment modeling, there might be a chance there would be some extra time before San Diego is classified as Severe. When will this be known?

DISTRICT RESPONSE

With the SIP process, starting in the first or second quarter of 2019.

3. WORKSHOP COMMENT

If San Diego were to be classified as Severe, will the 5-year contemporaneous emission increase of 25 tons will go to basically any emission increase?

DISTRICT RESPONSE

If San Diego were to be classified as Severe while you are tackling a potential major modification at an existing major source, you would look to see if the increase from the project itself is over the threshold. If so, then you look at all of the increases and the decreases that happened in the last 5-years and if that sum is also over the threshold, than it is a major modification. However, if a classification were to go to Extreme, you would look only at the increase from the current project. It would not matter what happened in the past, as it would just be the current increase that would say whether you are a major modification or not. If you are Severe, you would still complete the two-step test.

4. WORKSHOP COMMENT

When do you expect San Diego to be reclassified as Serious?

DISTRICT RESPONSE

EPA has proposed this, it has been published, and it is now open for a 30-day comment period. At some point, EPA will finalize the proposal. Once it is finalized, the District has a year to re-do its rules. New standards would come into play as soon as San Diego is reclassified as Serious, and the District's new source review (NSR) rule already accommodates this so there is nothing additional that would happen. The District will have a year to re-do any rules, to do a Plan to show attainment, propose any rules that will be needed to get further reductions, and this would also affect Title V. The District would have to work on its Title V rules but new standards would not take effect until EPA approved the rule, so it is a long process.

5. WORKSHOP COMMENT

Are the presentation slides on the District's website?

DISTRICT RESPONSE

Not at the moment but they can be posted after the workshop.

6. POST-WORKSHOP CHANGES

As indicated during the workshop (and related to Comment #1 above), the District has researched the available regional modeling information to determine if the existing interpollutant offset ratios can be re-established, as would be required by EPA's proposed 2015 ozone standard implementation rule. The District has concluded that these ratios cannot be re-established at this time based on the information the District currently has, the additional information that can be provided by the South Coast Air Quality Management District (who did the most recent regional modeling), the need to get the revised rules to EPA by July 31, 2019, and the fact that EPA is affected by the partial federal government shutdown and is not currently available for consultation. Therefore, the project specific ratio option that was discussed at the workshop will be included in Rule 20.3, preserving the ability to use interpollutant offsetting. The District will be working with ARB, who will perform the next round of regional modeling, to establish new interpollutant ratios that project applicants will be able to use in their project specific interpollutant offset ratio proposals.

Additionally, to ensure that people who rely on newspaper notifications are not excluded from receiving notices of projects that trigger public notification, the District has decided to perform both the traditional newspaper noticing as well as the proposed electronic notification. In order to comply with Federal law, the electronic notification has been selected to be the "consistent noticing method" pursuant to 40 CFR 51.165(i) and 40 CFR 70.7(h), relating to notices required by Rules 20.3 and 1415, respectively.

Subsequent to the workshop, EPA notified the District that the method for calculating the pre-project potential to emit for modified units at major sources is incorrect, in that the allowance for a unit with actual emissions equal to or greater than 80% of the unit's potential to emit to use their potential to emit, contained in Rule 20.1 – Subsection (d)(1)(i)(C)(2), can only be used to determine the quantity of offsets required for a federal major modification, but cannot be used to determine if the project is federal major modification or not. Clarifications have been made in Rule 20.1 – Subsection (d)(1)(i)(C) and new Subsection (d)(1)(i)(D), and also in Rule 20.3 – Subsections (d)(5)(ii)(A) and (E) to account for this.

JS:jlm
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