



March 24, 2010

COMPLIANCE ADVISORY

ALLOWABLE USES OF PORTABLE MARINE COATING EQUIPMENT

The intent of this advisory is to provide guidance on how to conduct marine coating operations in compliance with San Diego Air Pollution Control District rules regarding uses of portable and stationary emission units.

Stationary sources that routinely conduct marine coating operations under a stationary marine coating permit have also been using contractors (i.e., those using portable marine coating permits) to conduct part or most of their coating operations. These operations may involve multiple contractors on a single project, or sequential operations by different contractors on different marine parts. However, these operations all perform the same function (i.e., marine coating) at the same stationary source.

Marine coating operations conducted by contractors are performed at marine stationary sources on a regular basis and in most cases throughout the year over multiple years. Equipment operated in this manner does not meet the definition of portable equipment and is not eligible for operation as portable equipment. Portable permits issued by the District are not intended to replace routine operations conducted at a stationary source and this practice could potentially result in circumvention of new source review rules.¹

Specifically, Rule 20.1(c)(49)(i) provides that an emission unit is not portable if:

“The unit or its replacement is attached to a foundation or, if not 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 consecutive time of all units, including the time between the removal of the original unit and installation of the replacement unit(s), will be counted towards the consecutive time period, or...”

In order to address this issue, the District is outlining the following policy for stationary and portable permit holders:

1. Stationary Sources That Currently have a Marine Coating Permit to Operate

Marine coating operations are not allowed to be conducted under portable permits to operate (PO) at stationary sources that routinely conduct marine coating operations. Instead, these

¹ Portable abrasive blasting equipment is exempt from NSR requirements if certified abrasive materials are used. Therefore, no change is being proposed to the existing permitting requirements for portable abrasive blasting operations.

operations must be conducted under a stationary marine coating operation permit issued to the stationary source.

If the emission limitation in an existing stationary marine coating operation permit is not sufficient for the operations that are currently being conducted, including those currently conducted under portable POs, an application to modify the stationary PO will be required.

Since the emissions from coating operations currently conducted under portable and stationary POs at a stationary source are existing emissions, the District will use the actual emissions from these operations to determine the pre-project potential to emit. The actual emissions will be calculated in accordance with Rule 20.1(d)(1)(i). After establishing this baseline, any emission increase will be subject to the applicable NSR requirements.

Stationary sources that do not have a marine coating PO and use contractors (i.e., portable operations) to do their coating operations, must apply for a stationary marine coating PO. Stationary sources will be exempt from permitting requirements only if the combined usage of marine coatings at the facility is less than 20 gallons in any 12 consecutive month period or the combined emissions from marine coating operations at the facility are less than 150 pounds in any 12 consecutive month period.

By January 1, 2011, all marine coating operations conducted at stationary sources that routinely conduct marine coating operations must be conducted under a marine coating PO issued to the stationary source. If a stationary source does not have a stationary permit to operate or if the existing emission limitation in the stationary permit to operate is not sufficient for the operations that are currently being conducted under portable POs, a permit application will be required by July 1, 2010.

2. Portable Marine Coating Operations

All active portable marine coating POs are still valid. Permitted portable marine coating operations can be conducted anywhere but at stationary sources that conduct marine coating operations at levels greater than 20 gallons in any 12 consecutive month period or where the combined emissions from marine coating operations at the facility are greater than 150 pounds in any 12 consecutive month period. Operators with portable permits will now operate under the stationary source's permit when conducting marine coating operations at marine stationary sources.

3. Enforcement of Marine Coating Operation Requirements

The District offers the following general guidance relating to liability for non-compliance with marine coating permit conditions, the marine coating rule, or other District, state or federal requirements. Enforcement actions may deviate from this guidance depending on the specific facts of the situation.

Contractors who violate any District rule requirement or other applicable requirement while operating under the stationary source permit shall be cited for that violation. This includes failure to maintain records as required and failure to submit required records to the stationary source.

If an employee of the stationary source violates a facility permit requirement, any District rule or other applicable requirement, the stationary source shall be cited for that violation. If the stationary source instructs a contractor to conduct work contrary to permit/rule requirements or fails to stop non-complying activities by the contractor once discovered or reported, both the contractor and stationary source may be cited for the violation(s).

District Enforcement policy with regard to Title V facilities is unchanged. Contractor operations at Title V facilities are a part of the facility operations in accordance with the EPA stationary source definition is 40 CFR Part 70.2. Therefore, the facility operator must certify to the compliance status of such operations, including reporting contractor violations as Title V deviations and including contractor violations in Annual Compliance Certifications/ Reports of Required Monitoring. Whenever District staff issue a notice of violation or notice to comply to a contractor, a copy will be given to the stationary source for their records.

Should you have any questions or wish to meet to discuss this issue, please contact Mahiany Luther at (858) 586-2725.

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