RULE 20.3
NEW SOURCE REVIEW
MAJOR STATIONARY SOURCES AND PSD STATIONARY SOURCES
(ADOPTED AND EFFECTIVE 5/17/94)

Table of Contents

Table of Contents

NOTE: Rules 20.1, 20.2, 20.3 and 20.4 were replaced on May 17, 1994, and Rules 20.9 and 20.10 were added on May 17, 1994 to implement the New Source Review (NSR) requirements of the California Clean Air Act and the NSR and Prevention of Significant Deterioration (PSD) requirements of the federal 1990 Clean Air Act Amendments. Rule 20.7 was repealed on May 17, 1994. The versions of Rules 20.1, 20.2, 20.3, 20.4 and 20.7 that were in place before May 17, 1994 remain in effect for permit applications undergoing evaluation prior to May 17, 1994 under the terms prescribed in replacement Rule 20.1.

Replacement Rules 20.1, 20.2, 20.3 and 20.4 became effective May 17, 1994 for purposes of the California Clean Air Act. For purposes of the federal 1990 Clean Air Act Amendments, Rules 20.1, 20.9 and 20.10 will become effective upon EPA approval and upon EPA delegation of the authority to implement and enforce the NSR and PSD federal programs.

RULE 20.3. NEW SOURCE REVIEW - MAJOR STATIONARY SOURCES AND PREVENTION OF SIGNIFICANT DETERIORATION (PSD) STATIONARY SOURCES

(Effective: 11/4/76; Rev. Adopted and Effective May 17, 1994)

(a) APPLICABILITY

This rule applies to any new or modified major stationary source, to any new or modified emission unit and to any relocated emission unit being moved from 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.

(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) Maintenance emissions from emergency equipment shall be exempt from the Lowest Achievable Emission Rate (LAER) requirements of Subsection (d)(1) and shall instead be subject to the Best Available Control Technology (BACT) provisions of Subsection (d)(1)(v), as applicable.

(2) Emission units which are to be temporarily relocated to another stationary source shall be exempt from the provisions of Subsection (d)(1)(iii) 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.

(3) Emission units which are intended to be permanently relocated to another stationary source shall be exempt from the provisions of Subsection (d)(1)(iii), 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, and

(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) AND LOWEST ACHIEVABLE EMISSION RATE (LAER)

The Air Pollution Control Officer shall deny an Authority to Construct for any emission unit 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 and which unit has a post-project potential to emit 10 pounds per day or more of particulate matter (PM_{10}), oxides of nitrogen (NOx), volatile organic compounds (VOC), oxides of sulfur (SOx), carbon monoxide (CO), or lead (Pb) shall be equipped with Best Available Control Technology (BACT) for each such air contaminant. Except as provided for in Subsection (d)(7) and (d)(8), Lowest Achievable Emission Rate (LAER) shall be required instead of BACT 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.

(ii) New or Modified Emission Units - Non-Criteria Pollutants

Any new or modified emission unit at a PSD stationary source, which emission unit has an emission increase equal to or greater than the non-criteria pollutant emissions significance levels, shall be equipped with BACT for each such air contaminant.

(iii) Relocated Emission Units

Except as provided for in Subsections (b)(2) and (b)(3), any relocated emission unit with a post-project potential to emit of 10 pounds per day or more of particulate matter, oxides of nitrogen, volatile organic compounds, oxides of sulfur, or carbon monoxide, shall be equipped with BACT for each such air contaminant. Except as provided for in Subsections (d)(7) and (d)(8), LAER shall be required instead of BACT 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.

(iv) Replacement Emission Units

Any replacement emission unit with a post-project potential to emit of 10 pounds per day or more of particulate matter, oxides of nitrogen, volatile organic compounds, oxides of sulfur, or carbon monoxide, shall be equipped with BACT for each such air contaminant. Except as provided for in Subsections (d)(7) and (d)(8), LAER shall be required instead of BACT 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.

(v) Emergency Equipment Emission Units

Any new or modified emergency equipment emission unit which has any increase in its potential to emit and which unit has a post-project potential to emit of 10 pounds per day or more of particulate matter, oxides of nitrogen, volatile organic compounds, oxides of sulfur, or carbon monoxide, shall be equipped with BACT for

each such air contaminant. BACT shall apply based on the unit's maintenance emissions and excluding the unit's emissions while operating during emergency situations.

(2) AIR QUALITY IMPACT ANALYSIS (AQIA)

The Air Pollution Control Officer shall deny an Authority to Construct for any emission unit subject to this rule unless the following requirements are satisfied. Area fugitive emissions of particulate matter (PM_{10}) shall not be included in the demonstrations required below, unless the Air Pollution Control Officer determines, on a case-by-case basis, that a project's area fugitive emissions of PM_{10} must be evaluated in order to protect public health and welfare.

(i) AQIA for New or Modified Units

For each project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.3 - 1, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer through an Air Quality Impact Analysis (AQIA), that the project will not:

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

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

(C) 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

(D) prevent nor interfere with the attainment or maintenance of any state or national ambient air quality standard.

If a particulate matter AQIA is required, the AQIA shall include both directly emitted particulate matter and particulate matter which would be formed by precursor air contaminants prior to discharge to the atmosphere.

TABLE 20.3 - 1
AQIA Trigger Levels

Air Contaminant	Emission Rate (lb/hr)	(lb/day)
Particulate Matter (PM_{10})	---	100
Oxides of Nitrogen (NOx)	25	250
Oxides of Sulfur (SOx)	25	250
Carbon Monoxide (CO)	100	550
Lead and Lead Compounds	---	3.2

(ii) AQIA for Replacement Emission Units

For each replacement project which results in an emission increase equal to or greater than any of the amounts listed in Table 20.3 - 1, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer through an AQIA, that the replacement project will not:

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

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

(C) 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

(D) prevent nor interfere with the attainment or maintenance of any state or national ambient air quality standard.

If a particulate matter AQIA is required, the AQIA shall include both directly emitted particulate matter and particulate matter which would be formed by precursor air contaminants prior to discharge to the atmosphere.

(iii) **AQIA for Relocated Emission Units**

Prior to issuance of a permit allowing an emission unit or a project to be relocated to a major stationary source, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer through an AQIA, that operating the emission unit or project at the new location will not:

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

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

(C) 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) below, nor

(D) prevent nor interfere with the attainment or maintenance of any state or national ambient air quality standard.

This demonstration is required for each air contaminant for which the project has a potential to emit equal to or greater than the amounts listed in Table 20.3 - 1. If a particulate matter AQIA is required, the AQIA shall include both directly emitted particulate matter and particulate matter which would be formed by precursor air contaminants prior to discharge to the atmosphere.

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

Notwithstanding the requirements of Subsections (d)(2)(i), (ii), or (iii) a demonstration shall not be required for determining the impacts from a project's oxides of nitrogen (NOx) or volatile organic compound (VOC) emissions on the state or national ambient air quality standard for ozone, unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of oxides of nitrogen or volatile organic compound emissions from point sources on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board or the federal Environmental Protection Agency.

(v) **AQIA Requirements for PM_{10} Impacts May be Waived**

Notwithstanding the requirements of Subsection (d)(2)(i), (ii), or (iii) the Air Pollution Control Officer may waive the AQIA requirements for particulate matter (PM_{10}) impacts on the state ambient air quality standards, as follows:

(A) If the project will result in a maximum particulate matter air quality impact of less than 5 $\mu g/m^3$ (24-hour average basis) and 3 $\mu g/m^3$ (annual geometric mean basis), all of the project's particulate matter emission increases, including area fugitive emissions of particulate matter, must be offset at a ratio of 2 to 1 in accordance with Subsection (d)(5)(ii)(C).

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

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

(2) all of the project's particulate matter emission increases, including area fugitive emissions of particulate matter, must be offset at an overall ratio of 2 to 1 in accordance with Subsection (d)(5)(ii)(C),

(3) sufficient emission offsets must be provided within the project's impact area to offset all of the project's particulate matter emission increases, including area fugitive emissions of particulate matter, 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 particulate matter ambient air quality impact minus 5 $\mu g/m^3$ (24-hour average basis) and 3 $\mu g/m^3$ (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 particulate matter air quality impact equal to or greater than 10 $\mu g/m^3$ (24-hour average basis) or equal to or greater than 6 $\mu g/m^3$ (annual geometric mean basis).

(vi) **AQIA May be Required**

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:

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

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

(C) 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

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

(3) PREVENTION OF SIGNIFICANT DETERIORATION (PSD)

The Air Pollution Control Officer shall deny an Authority to Construct for any project subject to this rule unless the applicant demonstrates that the following requirements are satisfied.

(i) Applicability

(A) New PSD Stationary Source and PSD Modification

The provisions of Subsections (d)(3)(ii) through (vii) 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 of the national ambient air quality standard.

(B) Significant Impact

The provisions of Subsections (d)(3)(ii) through (vii) shall apply to any 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), regardless of the Class I area's national attainment or non-attainment classification. For Class II areas, the provisions of Subsections (d)(3)(ii) through (vii) apply only if, in addition to causing a significant impact, the Class II area where the significant impact occurs is classified as attainment of the national ambient air quality standard for that pollutant.

(C) Non-Criteria Pollutant Emissions Significance Levels

The provisions of Subsections (d)(3)(ii), (iii), (v), and (vii) 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 emissions significance level for the air contaminant.

(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

Environmental Protection Agency 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 the Environmental Protection Agency (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 Air Resources Board (ARB), the South Coast Air Quality Management District (SCAQMD) 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 sulfur dioxide, nitrogen dioxide, or particulate matter national ambient air quality standard 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 non-major 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 & 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 Environmental Protection Agency.

(B) Stack Height Requirement

The applicant for any new or modified PSD stationary source with a stack height greater than 65 meters must demonstrate to the satisfaction of the Air Pollution Control Officer that the new or modified stationary source complies

with the most recent Good Engineering Practice (GEP) requirements contained in the 1993 version of 40 CFR 51.100 (ii).

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

(D) Cancellation of Authority to Construct

Any Authority to Construct issued to a PSD stationary source subject to the provisions of Subsection (d)(3) of this rule, shall become invalid if construction is not commenced within 18 months after its issuance or if construction 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 for any project subject to the AQIA or notification requirements of Subsections (d)(2) or (d)(3) 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 Air Resources Board and federal Environmental Protection Agency 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 and to the extent consistent with Rule 18, 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 for public review.

(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, 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 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 OFFSETS

Except as provided for in Subsection (d)(8), the Air Pollution Control Officer shall not issue an Authority to Construct for any project subject to this rule unless emission offsets are provided on a pollutant specific basis for emission increases of non-attainment air contaminants and their precursors. Emission offsets shall be provided for emission increases to the extent by which the stationary source's post-project aggregate potential to emit is greater than 15 tons per year, as specified below. Interpollutant offsets may be used, provided such offsets meet the requirements of Subsection (d)(5)(vi).

(i) **Offset Requirements for VOC and NOx Emission Increases - New or Modified Emission Units**

(A) Offset Requirements for VOC Emission Increases

The volatile organic compound (VOC) emission increase from a new or modified emission unit located at a stationary source with a volatile organic compound post-project aggregate potential to emit equal to or greater than 15 tons per year, shall be offset at the offset ratio specified in Table 20.3 - 2. If the District is reclassified to a "serious" ozone non-attainment area by the federal Environmental Protection Agency, the offset ratios shall be those specified in Table 20.3 - 2A.

(B) Offset Requirements for NOx Emission Increases

The oxides of nitrogen (NOx) emission increase from a new or modified emission unit located at a stationary source with an oxides of nitrogen post-

project aggregate potential to emit equal to or greater than 15 tons per year, shall be offset at the offset ratio specified in Table 20.3 - 2. If the District is reclassified as a "serious" ozone non-attainment area by the federal Environmental Protection Agency, the offset ratios shall be those specified in Table 20.3 - 2A.

TABLE 20.3 - 2
VOC and NOx Offset Ratios
Federal Severe Ozone Non-Attainment Classification

Stationary Source's Post-Project Aggregate VOC or NOx Potential to Emit	Offset Ratio NOx	Offset Ratio VOC
Potential < 15 tons/year	None	None
15 tons/year ≤ Potential < 25 tons/year	1 : 1	1 : 1
Potential ≥ 25 tons/year	1.3:1.0	1.3:1.0

TABLE 20.3 - 2A
VOC and NOx Offset Ratios
Federal Serious Ozone Non-Attainment Classification

Stationary Source's Post-Project Aggregate VOC or NOx Potential to Emit	*Offset Ratio NOx*	*Offset Ratio VOC*
Potential < 15 tons/year	*None*	*None*
15 tons/year ≤ Potential < 50 tons/year	*1 : 1*	*1 : 1*
Potential ≥ 50 tons/year	*1.2:1.0*	*1.2:1.0*

NOTE: The offset ratios specified in this Table shall be used only if San Diego County has received final reclassification to a "serious" ozone non-attainment area by the federal Environmental Protection Agency. As of May 17, 1994, San Diego County was classified as a "severe" ozone nonattainment area by the federal Environmental Protection Agency.

(ii) **Offset Requirements for PM_{10} and SOx Emission Increases - New or Modified Emission Units**

(A) Offset Requirements for SOx Emission Increases

The oxides of sulfur (SOx) emission increase from a new or modified emission unit located at a stationary source with an oxides of sulfur post-project aggregate potential to emit equal to or greater than 15 tons per year shall be offset at the offset ratio specified in Table 20.3 - 3.

(B) Offset Requirements for PM_{10} Emission Increases

The particulate matter (PM_{10}) emission increase from a new or modified emission unit located at a stationary source with a particulate matter post-project aggregate potential to emit equal to or greater than 15 tons per year shall be offset at the offset ratio specified in Table 20.3 - 3.

TABLE 20.3 - 3
PM_{10} and SOx Offset Ratio

Stationary Source's Post-Project Aggregate PM_{10} or SOx Potential to Emit	Offset Ratio PM_{10}	Offset Ratio SOx
Potential < 15 tons/year	None	None
15 tons/year ≤ Potential < 100 tons/year	1 : 1	1 : 1
Potential ≥ 100 tons/year	1 : 1	1 : 1

(C) PM_{10} Waiver Provisions

To qualify for the AQIA waiver provisions of Subsection (d)(2)(v), emission offsets for particulate matter must be provided at a 2 to 1 offset ratio.

(iii) **Offset Requirements for CO Emission Increases - New or Modified Emission Units**

(A) Offset Requirements for CO Emission Increases

The carbon monoxide (CO) emission increase from a new or modified emission unit located at a stationary source with a carbon monoxide post-project aggregate potential to emit equal to or greater than 15 tons per year, shall be offset at the offset ratio specified in Table 20.3 - 4.

TABLE 20.3 - 4
CO Offset Ratio

Stationary Source's Post-Project Aggregate CO Potential to Emit	Offset Ratio CO
Potential < 15 tons/year	None
15 tons/year ≤ Potential < 100 tons/year	1 : 1
Potential ≥ 100 tons/year	1 : 1

(B) Waiver of CO Offset Requirements

Notwithstanding the offset provisions of Subsection (d)(5)(iii)(A), if an applicant demonstrates to the satisfaction of the Air Pollution Control Officer, by means of an AQIA, that the new or modified emission unit will not cause or contribute to a violation, nor interfere with the attainment or maintenance, of any state or national ambient air quality standard for carbon monoxide, emission offsets for carbon monoxide shall not be required.

(iv) **Offset Requirements - Relocated and Replacement Emission Units**

For each pollutant for which a stationary source has a post-project potential to emit equal to or greater than 15 tons per year, the volatile organic compounds, oxides of nitrogen, particulate matter, oxides of sulfur, or carbon monoxide emission increase from a relocated or replacement emission unit shall be offset as specified in Subsections (d)(5)(i) through (iii), as applicable.

(v) **Offset Requirements - Emission Control Equipment Installed Pursuant to District Rules & Regulations**

If emission offsets are required for emission increases from an emission unit operating prior to May 17, 1994 resulting from the installation of air contaminant control equipment being installed to comply with a requirement of these Rules and Regulations, but not including Rules 20.1, 20.2, 20.3, 20.4, 20.5, 20.9 or 20.10, inclusive, the Air Pollution Control Officer may elect to provide a portion or all of the emission offsets through the District's Community Bank, consistent with the provisions of Subsection (d)(6) of this rule. In order for the emission unit to be eligible to receive emission reduction credits from the Community Bank, the Air Pollution Control Officer must determine that the following are satisfied:

(A) The control equipment satisfies the applicable requirement of these Rules and Regulations,

(B) BACT has been installed on all emission increases associated with the installation of the control equipment,

(C) The amount of the emission reduction credits to be obtained from the Community Bank do not exceed 10 tons per year on a pollutant specific basis,

(D) If oxides of nitrogen emission reduction credits are being sought from the Community Bank, the stationary source is not major for oxides of nitrogen, and

(E) If volatile organic compound emission reduction credits are being sought from the Community Bank, the stationary source is not major for volatile organic compounds.

(F) The Air Pollution Control Officer determines that there are sufficient offsets available from the District's Community Bank.

This provision shall not apply to offsets required for emission increases that result from any changes which result in the creation of an Emission Reduction Credit pursuant to Rules 26.0 et seq.

(vi) **Interpollutant Offset Ratios**

The Air Pollution Control Officer may allow the use of interpollutant emission offsets at the ratios specified in Table 20.3 - 5 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 emission offset ratios required by Subsection (d)(5) to determine the final offset ratio.

TABLE 20.3 - 5
Interpollutant Ratio

Emission Increase	Emission Decrease	Interpollutant Ratio
Particulate Matter (PM_{10})	PM_{10}	1.0
	VOC	1.1
	NOx	1.1
	SOx	1.1
Oxides of Sulfur (SOx)	SOx	1.0
	PM_{10}	1.1
	VOC	1.1
	NOx	1.1
Oxides of Nitrogen (NOx)	NOx	1.0
	VOC	2.0
Volatile Organic Compounds (VOC)	VOC	1.0
	NOx	1.0

(6) **EMISSION OFFSET REQUIREMENTS: USE OF COMMUNITY BANK EMISSION REDUCTION CREDITS**

The Air Pollution Control Officer may elect to provide emission offsets from a District developed and maintained Community Bank in the manner prescribed in Subsection (d)(5)(v), provided that the following are satisfied:

(i) The Community Bank has been established consistent with the provisions of Rule 26.1 et seq.,

(ii) The Community Bank contains sufficient emission reduction credits to allow for the emissions to be fully offset, if necessary with a combination of emission reductions from the Community Bank and emission reductions provided directly by the affected stationary source,

(iii) Only banked emission reduction credits in excess of those necessary to demonstrate compliance with the no net increase permit program provisions of the California Clean Air Act are utilized,

(iv) The use of Community Bank Emission Reduction Credits shall be prioritized in the following order. In order to make this prioritization, the Air Pollution Control Officer shall determine, based on a review of the District's permit program for the previous calendar year, the amount of emission reductions credits from the Community Bank which are to be allocated for each category:

(A) For use to demonstrate compliance with the no net increase permit program provisions of the California Clean Air Act,

(B) For use by essential public service projects, as defined in Rule 20.1 and as provided for in Subsection (d)(5)(v) of Rule 20.2,

(C) For use for emission control equipment as provided for in Subsection (d)(5)(vi) of Rule 20.2, and

(D) For use for emission control equipment as provided for in Subsection (d)(5)(v).

(7) BACT INSTEAD OF LAER

Any stationary source which provides volatile organic compounds or oxides of nitrogen emission reductions from within the stationary source at a ratio of at least 1.3 to 1.0 for any increase of volatile organic compounds or oxides of nitrogen subject to the LAER provisions of Subsection (d)(1), may apply BACT instead of LAER for such increases. In addition, any modification of an existing stationary source which results in an emission increase of volatile organic compounds or oxides of nitrogen, may apply BACT instead of LAER, provided the stationary source's post-project aggregate potential to emit is less than 100 tons per year of volatile organic compounds or oxides of nitrogen. This provision shall apply on a pollutant specific basis.

(8) USE OF CONTEMPORANEOUS EMISSION INCREASES FOR DETERMINING APPLICABILITY OF LAER AND OFFSET PROVISIONS

The applicant for any project at a major stationary source may request that the LAER provisions of Subsection (d)(1) and Emission Offsets provisions for oxides of nitrogen) and volatile organic compounds of Subsection (d)(5) be applied based on the stationary source's contemporaneous emission increases, instead of on an individual emission unit or project basis as applicable, provided such a request is made in writing. Once such a request is made, all new and existing emission units at the stationary source shall be required to comply with said Subsections as provided for below.

(i) Requirements

If a request to utilize this Subsection (d)(8) is made, the applicant shall submit with each application for new or modified equipment, sufficient information to determine the contemporaneous emission increases at the stationary source. Each application shall be accompanied by a current tabulation of contemporaneous emission increases at the stationary source. For any stationary source undergoing a major modification based on the stationary source's contemporaneous emission increase, the LAER and Offset provisions shall apply as follows:

(A) Lowest Achievable Emission Rate (LAER)

The LAER provisions of Subsection (d)(1) shall apply to any emissions increase occurring at a stationary source where there is a major modification, on a pollutant specific basis. This provision shall not relieve a source from complying with the BACT provisions of Subsection (d)(1), as applicable in Subsection (d)(1).

(B) Emission Offsets

The oxides of nitrogen and volatile organic compound emission increases from a new or modified emission unit located at a stationary source with an oxides of nitrogen or volatile organic compound post-project aggregate potential to emit equal to or greater than 15 tons per year, shall be offset as prescribed in Table 20.3 - 6, on a pollutant specific basis. If the District is reclassified to a

"serious" ozone non-attainment area by the federal Environmental Protection Agency, the offset ratios shall be those specified in Table 20.3 - 6A.

TABLE 20.3 - 6
VOC and NOx Offset Ratios
Federal Severe Ozone Non-Attainment Designation

Stationary Source's Post-Project Aggregate VOC or NOx Potential to Emit	Offset Ratio NOx	Offset Ratio VOC
Potential < 15 tons/year	None	None
15 tons/year ≤ Potential < 25 tons/year	1 : 1	1 : 1
Potential ≥ 25 tons/year		
Non-major modification	1 : 1	1 : 1
Major modification	1.3:1.0	1.3 : 1.0

TABLE 20.3 - 6A
VOC and NOx Offset Ratios
Federal Serious Ozone Non-Attainment Designation

Stationary Source's Post-Project Aggregate VOC or NOx Potential to Emit	*Offset Ratio NOx*	*Offset Ratio VOC*
Potential < 15 tons/year	*None*	*None*
15 tons/year ≤ Potential < 50 tons/year	*1 : 1*	*1 : 1*
Potential ≥ 50 tons/year		
Non-major modification	*1 : 1*	*1 : 1*
Major modification	*1.2:1.0*	*1.2:1.0*

NOTE: The offset ratios specified in this Table shall be used only if San Diego County has received final reclassification to a "serious" ozone non-attainment area by the federal Environmental Protection Agency. As of May 17, 1994, San Diego County was classified as a "severe" ozone nonattainment area by the federal Environmental Protection Agency.

(C) Limitations

Once an applicant has requested to use this Subsection (d)(8) provisions for contemporaneous emission increases, the applicant may, at any time, request in writing that the individual emission unit or project applicability provisions of Subsections (d)(1) and (d)(5) be used to determine LAER and emission offset applicability for the stationary source. However, such a stationary source may not again be eligible for the Subsection (d)(8) contemporaneous emission increase provisions for a period of five years from the time the request to use the individual emission unit or project applicability criteria was made.

(e) ADDITIONAL REQUIREMENTS

(1) Compliance Certification

Prior to receiving an Authority to Construct pursuant to this rule, an applicant for any new or modified stationary source required to satisfy the LAER of Subsection (d)(1) or the major source offset requirements of Subsection (d)(5) 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 major stationary source required to satisfy the LAER provisions of Subsection (d)(1) or the major source offset requirements of Subsection (d)(5), shall conduct an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source which demonstrates that the benefits of the proposed source 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.