



**Air Pollution Control Board**  
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**Air Pollution Control Officer**  
R. J. Sommerville

## NOTICE OF WORKSHOP

### FOR DISCUSSION OF NEW PROPOSED RULE 60.2—LIMITING POTENTIAL TO EMIT— SYNTHETIC MINOR SOURCES

The San Diego County Air Pollution Control District will hold a public workshop to consider proposed new Rule 60.2—Limiting Potential to Emit—Synthetic Minor Sources. Proposed new Rule 60.2 will allow certain sources to opt out of the Title V permit program by accepting permit conditions that limit their air contaminant emissions to less than major source thresholds. Comments concerning this proposal may be submitted in writing before, or made at, the workshop which is scheduled as follows:

**DATE:**            Wednesday - January 29, 1997  
**TIME:**            9:00 to 11:00 a.m.  
**PLACE:**          Air Pollution Control District  
                         Conference Room 139  
                         9150 Chesapeake Drive  
                         San Diego, CA

The federal Clean Air Act requires that states or local air districts develop a program to issue federal operating permits, often referred to as Title V permits, to affected facilities. District Regulation XIV describes how the District will implement the Title V permit program locally. Under Regulation XIV, Title V applications from affected sources are due by March 6, 1997.

Currently, Regulation XIV requires Title V permits for major stationary sources of air pollution, as defined by the Environmental Protection Agency (EPA). EPA considers a facility to be a major source if its *potential* to emit is above one or more major source thresholds (see Attachment A). Potential to emit is defined as the maximum capacity of a facility to emit a pollutant based on its physical and operational design. Facilities whose *actual* emissions are below major source levels can be affected by the Title V permit program if they have a theoretical potential to emit above major source levels.

The District intends to focus initial Title V permit requirements on sources whose actual emissions are above the major source thresholds. However, because EPA has designed this program to apply to major sources based on their potential emissions, sources whose actual emissions are less than the major source thresholds are at some risk of EPA or citizen enforcement of the requirement to apply for a Title V permit.

EPA allows certain facilities to opt out of Title V permit requirements by limiting their potential emissions below major source thresholds. These sources are referred to as synthetic minor sources. EPA is currently developing a rule to establish requirements for sources that want to become synthetic minor sources. However, this rule is not expected to be proposed before the middle of 1997. In the interim, EPA has published a transition policy, which applies through July,

1998, that allows facilities whose actual emissions are less than the major source thresholds to opt out of Title V requirements.

The transition policy considers sources with actual emissions less than all major source thresholds, but with potential emissions greater than one or more major source thresholds, to be in one of two groups. The first group is those sources with actual emissions between 50% and 100% of one or more major source thresholds. To opt out of Title V permitting, the EPA transition policy requires that this group of sources become synthetic minor sources by maintaining District permits with practicably enforceable permit conditions that limit emissions to less than major source thresholds. Proposed Rule 60.2 is designed as a mechanism for this first group of sources to apply for and receive synthetic minor source status.

Because of the added costs to the sources and the added workload for the District, and because EPA's transition policy is an interim policy, synthetic minor source status is not mandatory. A source can elect to apply for a Title V permit (based on potential emissions), OR elect to apply for synthetic minor source status under Rule 60.2, OR can elect to apply for local permit conditions that limit total facility emissions without using Rule 60.2, OR can continue to operate under their current District permits during EPA's transition period (through July, 1998). A source can elect the last option after deciding the risk of EPA or citizen enforcement of Title V permit requirements does not warrant the expense of the first three options.

For those sources electing to limit their emissions under Rule 60.2, the rule will:

- Not apply to sources subject to Title V for any reason other than being a major source.
- Define a synthetic minor source and define legally and practicably enforceable permit limits that allow a source to limit its emissions.
- Allow synthetic minor source status on a pollutant-by-pollutant basis.
- Require sources applying for or receiving synthetic minor source status to keep specified records and show that their annual emissions (based on a rolling 12-month year) do not exceed their permitted levels.
- Allow synthetic minor source status without specific, practicably enforceable permit limits on every emission unit. Only a certain level of actual emissions will be allowed from emission units without practicably enforceable permit limits. The amount of allowed emissions will vary but will generally be 25% or less of the difference between a major source threshold and the emissions allowed by permit limits for the majority of the facility's emission units.
- Specify the schedule for submittal and content of applications for synthetic minor source status.
- Provide that a source applying for synthetic minor source status before March 6, 1997, will not be considered a major stationary source by the District unless the application is canceled or denied.
- Describe procedures for processing and renewing applications for synthetic minor source status.
- Specify that a synthetic minor source is not considered a major stationary source if it is in compliance with its permit limits and the requirements of the rule.

- Specify that application, renewal and compliance fees for synthetic minor sources will be based on actual increased District costs.

Sources that choose to apply for synthetic minor source status will be required to reimburse the District for its costs in developing the necessary permit conditions and emission estimates. Depending on the complexity of the source, application fees for synthetic minor source status could average \$5,000 to \$10,000 per facility. In addition, a source accepting synthetic minor source status may incur additional recordkeeping costs and costs associated with District determinations of ongoing compliance.

There is a second group of sources under EPA's transition policy; those whose actual emissions are less than 50% of all major source thresholds. The transition policy requires these sources to keep adequate records to show actual emissions remain below 50% of major source levels. Requirements for these sources are not addressed by Rule 60.2 and will be separately addressed through a District advisory to be issued in February, 1997.

If you would like a copy of proposed Rule 60.2, please call Juanita Ogata at (619) 694-8851. If you have any questions concerning the proposal, please call Steve Moore at (619) 694-3198 or me at (619) 694-3303.



RICHARD J. SMITH  
Deputy Director

RJSm:SM:jo  
12/30/96

## ATTACHMENT A

### Major Source Thresholds

Pollutant	Major Source Threshold (tons per year)
Oxides of nitrogen (NO <sub>x</sub> )	50
Volatile organic compounds (VOC)	50
PM <sub>10</sub> particulate matter	100
Carbon monoxide (CO)	100
Sulfur oxides (SO <sub>x</sub> )	100
Any single hazardous air pollutant (HAP)	10
Any combination of HAPs	25
Any other regulated pollutant (e.g., CFCs, HCFCs, ammonia)	100

**AIR POLLUTION CONTROL DISTRICT  
COUNTY OF SAN DIEGO**

**PROPOSED NEW RULE 60.2 (LIMITING POTENTIAL TO EMIT-  
SYNTHETIC MINOR SOURCES)**

Proposed New Rule 60.2 is to read as follows:

**RULE 60.2. LIMITING POTENTIAL TO EMIT—SYNTHETIC MINOR  
SOURCES**

**(a) APPLICABILITY**

This rule applies to any stationary source for which the owner or operator applies for synthetic minor source status in accordance with this rule or to any stationary source which is issued synthetic minor source status for a regulated air pollutant, as defined herein, pursuant to this rule. This rule shall not apply to any source subject to Regulation XIV for any reason other than being a major source.

**(b) EXEMPTIONS (RESERVED)**

**(c) DEFINITIONS**

All terms used in this rule shall retain the definitions provided under Regulation XIV, unless otherwise defined herein. For the purposes of this rule the following definitions shall apply:

- (1) **“Actual Emissions”** means the actual emissions of a regulated air pollutant from a stationary source as determined by the Air Pollution Control Officer including emissions from insignificant units as deemed necessary by the Air Pollution Control Officer and emissions during startup, shutdown, upset and breakdown conditions.
- (2) **“Administratively Complete”** means a completed application form; a written certification signed by a responsible official that the contents of the application are true, accurate, and complete; a fee deposit sufficient to cover the estimated costs to the District to review, evaluate, and act on the application, and submittal of sufficient information as specified in Subsection (e)(1)(i) through (e)(1)(iv) to allow the District to begin processing the application.
- (3) **“Aggregate Actual Emissions”** means the sum of actual emissions, including fugitive emissions, of a regulated air pollutant from all emission units at a stationary source.
- (4) **“Aggregate Allowed Emissions”** means the sum of emissions of a regulated air pollutant at a stationary source that are maximally allowed by legally and practicably enforceable permit limits from all emission units that have such limits and from all emission units for which application for such limits has been made.
- (5) **“Aggregate Potential to Emit”** means the sum of all emission units’ potentials to emit a regulated air pollutant at a stationary source, including fugitive emissions.
- (6) **“Compliance Timeframe”** means each clock hour, calendar day, calendar month, or twelve consecutive calendar months.

(7) **“De Minimis Emissions”** means that quantity of actual emissions of a regulated air pollutant that is 25% of the synthetic minor margin for that pollutant.

(8) **“Fugitive Emissions”** means those quantifiable nonvehicular emissions from a stationary source that could not reasonably pass through a stack, chimney, flue, vent, or other functionally equivalent opening; and

(i) Are volatile organic compounds (VOCs), oxides of nitrogen (NO<sub>x</sub>), or hazardous air pollutants (HAPs); or

(ii) Are any other regulated air pollutant, but only if the stationary source belongs to one of the following source categories:

- (A) coal cleaning plants (with thermal dryers);
- (B) kraft pulp mills;
- (C) portland cement plants;
- (D) primary zinc smelters;
- (E) iron and steel mills;
- (F) primary aluminum ore reduction plants;
- (G) primary copper smelters;
- (H) municipal incinerators capable of charging more than 250 tons of refuse per day;
- (I) hydrofluoric, sulfuric, or nitric acid plants;
- (J) petroleum refineries;
- (K) lime plants;
- (L) phosphate rock processing plants;
- (M) coke oven batteries;
- (N) sulfur recovery plants;
- (O) carbon black plants (furnace process);
- (P) primary lead smelters;
- (Q) fuel conversion plants;
- (R) sintering plants;
- (S) secondary metal production plants;
- (T) chemical process plants;
- (U) fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units (Btu) per hour heat input;
- (V) petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;
- (W) taconite ore processing plants;
- (X) glass fiber processing plants;
- (Y) charcoal production plants;

(Z) fossil-fuel-fired steam electric plants of more than 250 million British thermal units (Btu) per hour heat input; or

(AA) all other stationary source categories regulated by a standard promulgated under Section 112 of the federal Clean Air Act, but only with respect to those air pollutants that have been regulated for that category.

(9) "**Hazardous Air Pollutant (HAP)**" means any substance listed in Section 112(b)(1) of the Federal Clean Air Act unless the substance has been delisted pursuant to Section 112(b)(3) of the Federal Clean Air Act.

(10) "**Legally and Practicably Enforceable Permit Limits**" means 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:

(i) Contain any combination of operational, production, or verifiable emission limitations that limit the actual emissions of regulated air pollutant(s) during a specified compliance timeframe; and

(ii) Are not in violation of any applicable provisions of these Rules and Regulations or state law; and

(iii) Require sufficient recordkeeping, reporting, and monitoring to determine ongoing compliance with the actual emission limitations; and

(iv) Incorporate a legally enforceable obligation for the permit owner to adhere to the terms and conditions.

(11) "**Major Source Threshold**" means the following quantities of emissions:

(i) 50 tons per year of VOCs or NO<sub>x</sub>; or

(ii) 10 tons per year of any HAP; or

(iii) 25 tons per year of any combination of HAPs; or

(iv) 100 tons per year of any other regulated air pollutant.

(12) "**Modification**" means any physical or operational change at a source which necessitates a revision of any legally and practicably enforceable permit limits or associated reporting, monitoring, and recordkeeping permit conditions that were established pursuant to this rule, or by any other mechanism, and that establishes synthetic minor source status for the source.

(13) "**Operational Limitation**" means a limit on a process's operating inputs including, but not limited, to hours of operation, raw materials used, or fuel combusted for which a technically accurate correlation exists between actual emissions and the quantity limited or an air pollution control device with specified key operating parameters that assure a specified control efficiency combined with operational, production, or verifiable emission limitation, that limit the device's input emissions.

(14) "**Owner or Operator**" means any person who owns, operates, controls, or supervises a stationary source.

(15) **“Production Limitation”** means a limit on a source’s production rate for which a technically accurate correlation exists between the production rate and actual emissions.

(16) **“Regulated Air Pollutant”** means any of the following:

(i) Oxides of nitrogen and volatile organic compounds.

(ii) Any pollutant for which a national ambient air quality standard has been promulgated pursuant to Section 109 of the federal Clean Air Act.

(iii) Any pollutant subject to new source performance standards promulgated pursuant to Section 111 of the federal Clean Air Act.

(iv) Any ozone-depleting compound specified as a Class I or Class II substance pursuant to Title VI of the federal Clean Air Act.

(v) Any HAP subject to a standard or requirement promulgated pursuant to Section 112 of the federal Clean Air Act.

(17) **“Residual Actual Emissions”** means a stationary source's aggregate actual emissions of a regulated air pollutant less the sum of actual emissions of that pollutant from all emission units that are subject to legally and practicably enforceable permit limits that limit the actual emissions of that pollutant or from all emission units for which such limits have been applied for.

(18) **“Synthetic Minor Margin”** means that quantity of actual emissions of a regulated air pollutant that is equal to the applicable major source threshold less the aggregate allowed emissions for that pollutant.

(19) **“Synthetic Minor Source”** means a stationary source which is subject to legally and practicably enforceable permit limits that limit the emissions of a specified regulated air pollutant such that the residual actual emissions of the pollutant are less than or equal to de minimis emissions.

(20) **“Technically Accurate”** means based on accepted scientific or engineering principles, reliable measurements, or information, policies, or procedures of the California Air Resources Board, U. S. Environmental Protection Agency, or the District as approved by the Air Pollution Control Officer.

(21) **“Verifiable Emission Limitation”** means an emission limitation which is verifiable by a continuous emission monitoring system approved in advance by the Air Pollution Control Officer, an emission limitation on surface coating or solvent cleaning operations for which there is no emission control device and VOC and HAP emissions are calculated by assuming complete emission of all VOCs and HAPs present in any coatings or solvents used, or an emission limitation that is equal to a emission unit’s potential to emit.

#### (d) STANDARDS

The following standards shall apply to the owner or operator of any stationary source who submits an application to the Air Pollution Control Officer, or is granted synthetic minor source status.



- (1) Ongoing compliance with legally and practicably enforceable permit limits shall be determined on:
  - (i) A hourly basis for a clock hour compliance timeframe; or
  - (ii) A daily basis for a calendar day compliance timeframe; or
  - (ii) A monthly basis for a calendar month or twelve consecutive calendar months compliance timeframes.
- (2) For purposes of these Rules and Regulations, a source shall not be considered a major source for a regulated air pollutant if it is determined to be:
  - (i) In ongoing compliance with legally and practicably enforceable permit limits that establish synthetic minor source status for that pollutant; and
  - (ii) All other requirements of this rule.
- (3) An exceedance of any legally and practicably enforceable permit limit used to establish synthetic minor source status for that pollutant is deemed a violation of this rule.
- (4) The owner or operator of a stationary source that is a synthetic minor source for a regulated air pollutant shall demonstrate that residual actual emissions of that pollutant are less than de minimis emissions within 30 calendar days of a written request for such demonstration by the Air Pollution Control Officer.
- (5) If the Air Pollution Control Officer determines that residual actual emissions of a regulated air pollutant for which synthetic minor source status has been established have exceeded de minimis emissions or that inadequate information has been provided by the source pursuant to Subsection (d)(4) to make such a determination, the source shall be deemed in violation of this rule.
- (6) The owner or operator of a source that exceeds any emission limitations for a regulated air pollutant identified as legally and practicably enforceable shall report such exceedances to the Air Pollution Control Officer within 30 calendar days of the occurrence of such exceedance.
- (7) Except as provided in Subsection (d)(8), a source requesting synthetic minor source status shall not be relieved of the responsibility of complying with the application or other requirements of Regulation XIV until the District takes final action to issue a Permit to Operate in accordance with Section (f).
- (8) If an administratively complete application, including applicable fees and proposed legally and practicably enforceable permit limits, is submitted requesting synthetic minor source status on or before the date by which an initial application is required by Regulation XIV and the source begins maintaining records in accordance with Subsection (h) by that date, the source shall not be considered a major stationary source for purposes of these Rules and Regulations unless the Air Pollution Control Officer cancels or denies the source's application for synthetic minor source status.
- (9) A modification to a source with synthetic minor source status for a regulated air pollutant shall comply with all applicable requirements of these District Rules and Regulations.

**(e) APPLICATION FOR SYNTHETIC MINOR SOURCE STATUS**

A stationary source subject to this rule may apply for synthetic minor source status for any regulated air pollutant by submitting an application to modify some or all of the source's Permits to Operate or, with the approval of the Air Pollution Control Officer, an application for a new Permit to Operate in accordance with the following:

**(1) Application Content**

An application shall include:

(i) Specification of the regulated air pollutant(s) for which synthetic minor source status is requested; and

(ii) The identification and description of all existing emission units at the source emitting the specified pollutant(s), except for insignificant units unless deemed necessary by the Air Pollution Control Officer to determine the source's actual emissions.

(iii) A demonstration that the stationary source's aggregate actual emissions of all regulated air pollutants are less than the applicable major source thresholds; and

(iv) Proposed legally and practicably enforceable permit limits which:

(A) Identify the emission units or groups of emission units that such conditions shall be applied to; and

(B) Limit the actual emissions of the specified regulated air pollutant(s) to a level such that the stationary source is a synthetic minor source for that pollutant(s); and

(v) A written certification signed by a responsible official that the contents of the application are true, accurate, and complete; and

(vi) A fee deposit sufficient to cover the estimated costs to the District to review, evaluate, and act on the application.; and

(vii) Any additional information requested by the Air Pollution Control Officer.

**(2) Timely Application**

An owner or operator of a stationary source who chooses to apply for synthetic minor source status shall make such a request within the following timeframes:

(i) For any stationary source that is not a synthetic minor source and is operating or is scheduled to commence operating on or before March 6, 1997, the owner or operator shall apply for synthetic minor source status no later than 60 calendar days before an application is required under Regulation XIV or March 6, 1997, whichever is later; or

(ii) For any stationary source that commences operating after March 6, 1997, the owner or operator shall apply for synthetic minor source status no later than 60 calendar days before an application is required under Regulation XIV; or

(iii) For any major stationary source that is operating in compliance with a Title V permit issued pursuant to Regulation XIV, the owner or operator shall request synthetic minor source status no later than eight calendar months prior to permit renewal; or

(iv) On a case by case basis and with the agreement of the affected stationary source, the Air Pollution Control Officer may establish an alternative date to the applicable dates in Subsections (e)(2)(i) through (e)(2)(iii) for submittal of an application for synthetic minor source status.

**(f) DISTRICT PROCEDURES**

**(1) Action on Applications**

The District shall take actions on applications for synthetic minor source status in accordance with Regulation II.

**(2) Renewal of Synthetic Minor Source Status**

Renewal of synthetic minor source status shall be made in accordance with permit renewals described in Rule 10 with renewal fees determined pursuant to Subsection (g).

**(3) Content of Synthetic Minor Source Permits**

Permits to Operate issued or modified pursuant to this rule that establish synthetic minor source status shall:

(i) Include a statement that the source has synthetic minor source status for specified regulated air pollutants; and

(ii) Identify all permit conditions necessary to establish synthetic minor source status for a specified regulated air pollutant(s); and

(iii) Include legally and practicably enforceable permit limits that limit the actual emissions of individual emission units or groups of emission units such that the source meets the definition of a synthetic minor source for the specified regulated air pollutant(s); and

(iv) Include a statement that all permit conditions necessary to establish synthetic minor source status are required for compliance with Regulation XIV.

**(4) Compliance with Regulation XIV**

If the Air Pollution Control Officer cancels an application for synthetic minor source status pursuant to Subsection (f)(1)(ii) or denies an application for synthetic minor source status, the applicant shall be deemed subject to the requirement to submit an application pursuant to Regulation XIV from the first day such an application was required under Regulation XIV.

(g) **FEES**

The owner operator of a stationary source for which synthetic minor source status is applied for in accordance with this rule or a stationary source which is issued synthetic minor source status pursuant to this rule shall pay a fee sufficient to recover the actual costs incurred by the Air Pollution Control District to review, evaluate, and act upon applications for such status and the actual costs associated with annual permit renewal and compliance determinations. The actual costs shall be the additional cost that the Air Pollution Control Officer determines are not otherwise recovered from other applicable fees prescribed in Rule 40. The actual costs shall be determined using the application related indirect cost multiplier and labor rates specified in Rule 40, Schedule 94, except that the costs associated with annual permit renewals and compliance determinations shall be determined using the permit related indirect cost multiplier.

(h) **RECORDKEEPING**

The owner or operator of a stationary source that has applied for or received legally and practicably enforceable permit limit pursuant to this rule shall maintain records, as necessary to determine actual emissions, in accordance with the following:

(1) For each emission unit or group of emission units for which legally and practicably permit limits have established production limitations or operational limitations, not including air pollution control devices, the owner or operator shall maintain, as applicable, the following records:

(i) Information on the process and equipment including, but not limited to, the following: equipment type, description, make and model; maximum design process rate or throughput; type and description of any control device(s); and

(ii) Information on the identity and composition of each material used or consumed and product produced; and

(iii) Monthly or daily records of operating hours, the identity and amount of each material used or consumed, and the identity and amount of each product produced; and

(iv) For emission units with limits having a specified compliance timeframe of twelve consecutive calendar months, records of the total operating hours, the total amount of each material used or consumed, and the total amount of each product produced during each twelve consecutive calendar month period; and

(iv) Purchase orders, invoices, laboratory reports, material safety data sheets, and other documents necessary to support the information on material compositions and information in the monthly or daily records; and

(v) Any additional information requested in writing by the Air Pollution Control Officer.

(2) For emission control devices that are used to establish legally and practicably enforceable permit limits, the owner or operator shall maintain the following records:

(i) Information identifying all key system operating parameters such as temperatures, pressures, and flow rates that are necessary to determine the overall control efficiency of the device; and

(ii) Daily records of key system operating parameters sufficient to document the overall control efficiency of the device on an ongoing basis; and

(iii) A daily log of hours of operation including notation of any control unit breakdowns, upsets, repairs, maintenance and any other deviations from equipment design and key operating parameters.

(3) For verifiable emission limitations that are used to establish legally and practicably enforceable permit limits, the owner or operator shall maintain the following records, as applicable:

(i) Continuous emission monitoring records as specified by the Air Pollution Control Officer; or

(ii) For all VOC and HAP containing materials:

(A) Information on the identity and VOC and HAP content of each material used ; and

(B) Monthly or daily records of the identity and amount of each material used; and

(C) For limits having a specified compliance timeframe of twelve consecutive calendar months, records of the total amount of each material used during each twelve consecutive calendar month period; and

(D) Purchase orders, invoices, laboratory reports, material safety data sheets, and other documents necessary to support the information on material compositions and information in the monthly or daily records; and

(E) Any additional information requested in writing by the Air Pollution Control Officer.

(4) All records shall be retained on site for at least three years and be made available to the District upon request.

The recordkeeping requirements of this rule shall not supersede any recordkeeping requirements contained in any Authority to Construct, Temporary Permit to Operate, or Permit to Operate pursuant to these Rules and Regulations, or any District, State, or Federal rule or regulation.