

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)

Table of Contents

| <u>SECTION TITLE</u> | <u>PAGE NO.</u> |
|--|-----------------|
| (a) APPLICABILITY | 1 |
| (b) EXEMPTIONS | 1 |
| (c) DEFINITIONS | 1 |
| (d) STANDARDS | 2 |
| (1) BACT and LAER for New or Modified Portable Emission Units | 2 |
| (i) New or Modified Portable Emission Units | 2 |
| (ii) New or Modified Type III Portable Emission Units..... | 2 |
| (iii) New or Modified Portable Emission Units - PSD Stationary Sources..... | 2 |
| (2) Air Quality Impact Analysis (AQIA) | 2 |
| (i) AQIA for Portable Emission Units..... | 3 |
| Table 20.4 - 1: AQIA Trigger Levels | 3 |
| (ii) AQIA Not Required for NO _x or VOC Impacts on Ozone | 3 |
| (iii) AQIA Requirements for <u>PM₁₀</u> Impacts May be Waived | 4 |
| (iv) AQIA May be Required..... | 4 |
| (3) Prevention of Significant Deterioration (PSD)..... | 5 |
| (i) Federal Land Manager and Federal EPA Notification | 5 |
| (ii) ARB, SCAQMD and Imperial APCD Notification..... | 6 |
| (4) Public Notice and Comment..... | 6 |
| (i) Public Comment Period..... | 6 |
| (ii) Applicant Response | 6 |
| (iii) Publication of Notice..... | 6 |
| (iv) Information to be Made Available for Public Inspection | 7 |

Table of Contents

| <u>SECTION TITLE</u> | <u>PAGE NO.</u> |
|---|-----------------|
| (5) Emission Offsets..... | 7 |
| (i) Emission Offsets - Type I Portable Emission Units..... | 7 |
| (ii) Emission Offsets - Type III Portable Emission Units..... | 7 |
| (iii) RESERVED..... | 7 |
| (iv) Interpollutant Offset Ratios..... | 7 |
| Table 20.4 - 2: Interpollutant Offset Ratio..... | 8 |
| (v) Alternative Offsetting..... | 8 |

NOTE: (12/17/97) 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):

Subsections (d)(1)(i), (d)(2)(iii) and (d)(5)(i).

Subsections (d)(2)(i), (d)(2)(ii), and (d)(2)(iv) will be submitted to EPA for inclusion in the SIP only with respect to national ambient air quality standards.

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)

(a) **APPLICABILITY**

This rule applies to any new or modified portable emission unit.

(b) **EXEMPTIONS**

The exemptions contained in Rule 20.1, Section (b) apply to this rule. In addition, the provisions of this rule shall not apply to any previously permitted portable emission unit, unless such unit is modified.

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.

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

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) "**Initial Permit Issuance**" means the first instance an Authority to Construct is issued for an emission unit pursuant to Rules 20.1 and 20.4, as they are currently in effect.

(2) "**Previously Permitted**" means a portable emission unit which has a valid Authority to Construct or Permit to Operate issued pursuant to these rules and regulations prior to May 17, 1994 and that the emission unit has not been modified since May 17, 1994 or otherwise undergone initial permit issuance.

(3) "**Type I Portable Emission Unit**" means a portable emission unit that can be operated only at stationary sources which have an aggregate potential to emit of less than 50 tons per year of oxides of nitrogen (NO_x) and 50 tons per year of volatile organic compounds (VOC). Type I portable emission units may also operate at stationary sources which have an aggregate potential to emit greater than these levels if emission offsets at the ratios specified for Type III portable emission units in Section (d)(5)(ii) are provided for the period of time the portable emission unit is located at such a stationary source.

(4) **RESERVED**

(5) "**Type III Portable Emission Unit**" means a portable emission unit that can be operated at any stationary source, regardless of the source's aggregate potential to emit.

(d) **STANDARDS**

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

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

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

Unless a new or modified portable emission unit is equipped to comply with Lowest Achievable Emission Rate (LAER) as provided in Subsection (d)(1)(ii), any new or modified portable 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 (PM₁₀), NO_x, VOC, or oxides of sulfur (SO_x) shall be equipped with Best Available Control Technology (BACT) for each such air contaminant.

(ii) **New or Modified Type III Portable Emission Units**

Any new or modified Type III 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, shall be equipped to comply with LAER. This requirement 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 from such unit will not constitute a new major source or a major modification at any stationary source which is major for a non-attainment air contaminant or precursor, or if the emissions increase is offset at a ratio of 1.3 to 1.0 by actual emission reductions at each major stationary source at which it is located.

(iii) **New or Modified Portable Emission Units - PSD Stationary Sources**

Any new or modified portable emission unit which may be located at a Prevention of Significant Deterioration (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.

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any 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 requires a new AQIA whenever the equipment is to be located at a stationary source for which the initial AQIA was not representative. Area fugitive emissions of PM10 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 PM10 must be evaluated in order to protect public health and welfare.

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

(A) **Initial Permit Issuance**

For each new or modified 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 or modified portable emission unit will not:

- (1) cause a violation of a state or 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) 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)(iii), nor
- (4) prevent or interfere with the attainment or maintenance of any state or national ambient air quality standard.

If a PM10 AQIA is required, the AQIA shall include both directly emitted PM10 and PM10 which would be formed by precursor air contaminants prior to discharge to the atmosphere.

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 (PM10) | --- | 100 | 15 |
| Oxides of Nitrogen (NOx) | 25 | 250 | 40 |
| Oxides of Sulfur (SOx) | 25 | 250 | 40 |
| Carbon Monoxide (CO) | 100 | 550 | 100 |
| Lead and Lead Compounds | --- | 3.2 | 0.6 |

(ii) **AQIA Not Required for NOx 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 NOx or VOC emissions on the state or national ambient air quality standards for ozone, unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of NOx or VOC emissions from point sources on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board (ARB) and the federal EPA.

(iii) **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 will result in a maximum particulate matter 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 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 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 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 $5 \mu\text{g}/\text{m}^3$ (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 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).

(iv) **AQIA May be Required**

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:

(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)(iii), or

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

This provision may be invoked notwithstanding the equipment being previously permitted or having undergone initial permit issuance.

(3) **PREVENTION OF SIGNIFICANT DETERIORATION (PSD)**

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.

(i) **Federal Land Manager and Federal EPA Notification**

The Federal Land Manager and the federal EPA have been notified 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**

The California ARB, the South Coast Air Quality Management District and the Imperial County Air Pollution Control District have been notified and have been provided 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 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) make available for public inspection all information relevant to the proposed action as specified in Subsection (d)(4)(iv), and

(C) 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 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 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 therefor.

(5) **EMISSION OFFSETS** (Rev. Adopted 11/4/98; Effective 12/17/98)

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

Emission offsets shall not be required for Type I portable emission units.

(ii) **Emission Offsets - Type III Portable Emission Units**

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any Type III portable emission unit unless emission offsets are provided on a pollutant specific basis for any emission increases of air contaminants and their precursors for which the District is designated as non-attainment with respect to a national ambient air quality standard. Emission offsets shall be provided at a ratio of 1.2 to 1.0 for VOC and for NOx emission increases. As provided for in Subsection (d)(5)(iv), interpollutant offsets may be used.

(iii) **RESERVED**

(iv) **Interpollutant Offset Ratios**

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 emission offset ratios required by Subsection (d)(5) to determine the final offset ratio.

TABLE 20.4 - 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 |

(v) **Alternative Offsetting**

Emission offsets required by Subsection (d)(5) may, instead of being provided on a unit by unit basis, be provided in the following manner.

(A) **Emission Offset Pool**

The owner or operator of a portable emission unit may satisfy the offset requirements of Subsection (d)(5) by the use of an emission offset pool. An emission offset pool shall consist of emission offsets which are designated for use by any number of portable emission units. Prior to renting, leasing or otherwise making portable emission units available for use, the owner or operator shall reserve the appropriate amount of offsets based on the portable emission unit Type. The following recordkeeping requirements shall apply:

- (1) The owner of portable emission units shall maintain daily records containing sufficient information to ensure compliance with the provisions of this rule and compile these records into a log. The daily logs shall be kept and shall include the following information for each portable emission unit except those which are in a designated holding yard or in transit: the permit number, the portable equipment type, the date, the potential to emit of the unit (tons per year), the name of the stationary source where the unit is available for use, the stationary source's offset classification based on the stationary source's potential to emit (i.e., less than 50 tons per year, or 50 tons per year or more for VOC and NOx, the sum of all portable emission units' potentials to emit which are available for use on that day, and a comparison between the sum of all portable emission units' potentials to emit, the required offset ratio and the total amount of offsets (tons per year) in the offset pool.

(2) The owner shall summarize the daily logs into an annual compliance log and make the daily and annual logs and supporting documentation available to the District upon request.

(B) Temporary Limitation on Existing Emission Units

With the written concurrence of the permit holder, the Air Pollution Control Officer may place temporary limitations on the operation of any existing emission unit(s) at the stationary source where a portable emission unit is to be located in order to create temporary offsetting emission reductions. Temporary emission reductions shall be provided for the entire period of time that the portable emission unit is located at the stationary source. Emission reductions created by the temporary shutdown or curtailment of existing unit(s) at the stationary source shall be used to offset the portable emission units' potential to emit provided the reductions satisfy the offset ratio requirements of Subsection (d)(5).

If a portable emission unit is brought onto a stationary source to remedy an immediately occurring emergency situation, notice of temporary credits to offset the portable emission unit emissions shall be made within 24 hours from the time the portable emission unit is made available for use at the affected stationary source.