

**Air Pollution Control Board**

Greg Cox	District 1
Dianne Jacob	District 2
Pam Slater	District 3
Ron Roberts	District 4
Bill Horn	District 5

Air Pollution Control District

R. J. Sommerville	Director
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COMPLIANCE ADVISORY

NOTICE OF ADOPTION OF RULE 60.1 LIMITING POTENTIAL TO EMIT AT SMALL SOURCES

On May 23, 2001, the Air Pollution Control Board adopted Rule 60.1 – Limiting Potential to Emit at Small Sources.

The 1990 federal Clean Air Act Amendments require states and local air districts implement a nationwide, federal air pollution permit program, referred to as the Title V program, for all major stationary sources. In San Diego County, a major source is defined as a source with actual or potential emissions of 50 tons per year or more of oxides of nitrogen or volatile organic compounds; 100 tons per year or more of PM₁₀, carbon monoxide, or sulfur oxides; 10 tons per year or more of any federally-listed hazardous air pollutant, or 25 tons per year or more of any combination of any federally-listed hazardous air pollutants. The Environmental Protection Agency (EPA) defines potential to emit as the maximum capacity of a facility to emit a pollutant based on its physical and operational design.

Since EPA considers any source to be a major source based on potential rather than actual emissions, many small and medium-sized businesses whose actual emissions are less than the major source threshold are at risk of EPA or citizen enforcement of the requirement to obtain a Title V permit. To address this, the District adopted Rule 60.1 which limits emissions from small and medium facilities to less than 50 percent of any major source threshold, thereby protecting small and medium sources from Title V permitting requirements. EPA has concurred with the provisions of Rule 60.1. Rule 60.1 has been developed to minimize impacts on most businesses.

Rule 60.1 provides three methods for facilities to comply:

1. Maintain monthly records demonstrating that emission rates or throughput/usage are below specified de minimis levels (e.g. a gasoline station with throughput less than 4,400,000 gallons per year; a painting shop that applies less than 2,500 gallons per year of coatings; a dry cleaner that uses less than 300 gallons per year of perchloroethylene). This option is available to facilities where 90 percent of the total permitted emissions are from a single equipment category (e.g. boilers or

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painting operations). If requested by the District, a facility must show it meets these limits within 30 days. Most businesses already keep these types of records and will likely use this method.

2. Comply with specified alternative operational limits (e.g. 7,000,000 gallons per year gasoline station throughput; 4,000 gallons per year of surface coating material usage at a paint shop; 360 million cubic feet per year of natural gas burned in boilers). Facilities who opt for these higher alternative operational limits must keep monthly records of throughput or usage, as applicable, and submit an annual summary report to the District in order to demonstrate compliance. This option is available to facilities where 90 percent of the total permitted emissions are from a single equipment category (e.g. boilers or painting operations).
3. Demonstrate facility emissions are less than 50 percent of all major source thresholds by complying with site-specific emission inventory and reporting requirements.

Approximately 3,800 facilities in San Diego are affected by this rule. Facilities with permit conditions already limiting their potential to emit to less than major source levels are not affected. An estimated 3,500 facilities can comply by staying below the rule's de minimis throughput or emission levels. The remaining facilities can comply by staying below the alternative operational limits of Rule 60.1 and providing annual reports, or by tracking emissions and reporting them annually to demonstrate that emissions are less than 50 percent of major source thresholds. All facilities should maintain the applicable records for the compliance option they elect.

A copy of Rule 60.1 is available by contacting the District at (858) 650-4700, or you can visit the District's web site at www.sdapcd.co.san-diego.ca.us. The District will be contacting facilities that may be subject to annual reporting requirements to further clarify those requirements. For more information, please contact Scott Underhill in the District's Compliance Division at (858) 650-4555 or Stan Romelczyk in the Engineering Division at (858) 650-4599.



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REGARDING RULE 60.1 LIMITING POTENTIAL TO EMIT AT SMALL SOURCES REPORTING REQUIREMENTS

This advisory discusses reporting requirements of new Rule 60.1 – Limiting Potential to Emit at Small Sources and options for complying with these requirements. The 1990 federal Clean Air Act Amendments require states and local air districts implement a nationwide, federal air pollution permit program, referred to as the Title V program, for all major stationary sources. In San Diego County, a major source is defined as a source with actual or potential emissions of 50 tons per year or more of oxides of nitrogen (NO_x) or volatile organic compounds (VOCs); 100 tons per year or more of particulate matter less than 10 microns in diameter (PM₁₀), carbon monoxide, or sulfur oxides; 10 tons per year or more of any federally-listed hazardous air pollutant (HAP), or 25 tons per year or more of any combination of any federally-listed hazardous air pollutants. The Environmental Protection Agency (EPA) defines potential to emit as the maximum capacity of a facility to emit a pollutant based on its physical and operational design.

Since EPA considers any source to be a major source based on potential rather than actual emissions, many small and medium-sized businesses whose actual emissions are less than the major source threshold are at risk of EPA or citizen enforcement of the requirement to obtain a Title V permit. To minimize impacts on most businesses, the District adopted Rule 60.1, which limits emissions from small and medium facilities to less than 50 percent of any major source threshold, thereby protecting small and medium sources from Title V permitting requirements. EPA has concurred with the provisions of Rule 60.1.

Section (f) of the rule requires that facilities with single HAP emissions between 2.5 and 5 tons per year, combination HAP emissions between 6.25 and 12.5 tons per year, VOC or NO_x emissions between 15 and 25 tons per year, or emissions of any other regulated air pollutant subject to this rule between 25 and 50 tons per year submit an annual process statement. The process statement must include all information necessary to verify the facility's actual emissions and a signed statement by the owner or operator certifying that the information contained in the process statement is true, accurate, and complete.

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Facilities required to submit a process statement may: (1) elect to develop an emissions inventory report to satisfy the annual reporting requirement, or (2) accept permit conditions limiting the potential of all permitted equipment to emit less than the major source thresholds.

1. Developing an Emissions Inventory Report

The District reviewed its emission inventory information and developed a list of facilities that are likely to be subject to the requirement to annually submit a process statement. The District intends to send the appropriate Emissions Inventory Request Forms by April 30, 2002, to all facilities that are on this District-identified list that have not contacted the District to indicate that facility emissions are below the reporting threshold or have not applied to limit emissions by permit modification (see below). The facility must submit the completed forms by June 30, 2002. The District will then review the submittal and prepare an Emissions Inventory Report for facility review and comment prior to final approval of the report. Because the list of facilities is based on past inventories, the reporting requirements may not apply to your facility if your facility emissions have decreased recently. If facility emissions do not trigger the requirement or if clarification is needed on how to determine facility emissions, the facility should contact Stan Romelczyk at (858) 650-4599 or Scott Underhill at (858) 650-4555.

2. Establishing Permit Conditions to Limit Potential to Emit

Alternatively, one compliance option for a facility would be to accept permit conditions limiting the potential of all permitted equipment to emit less than the major source thresholds. This would involve, for example, establishing limits on the gallons of coating used, gallons of gasoline dispensed, or the amount of fuel burned within the facility permits. This approach requires the facility to apply to the District to add new limiting conditions to the existing permitted units. The rule's requirements, including reporting requirements, do not apply to a facility with such limiting conditions. The facility should contact the District to initiate the permit modifications necessary to implement this option.

Facilities with actual emissions greater than the emission ranges requiring annual reporting are not subject to Rule 60.1, but may instead be subject to Title V permitting requirements. If this is the case, more information is available by contacting Stan Romelczyk at (858) 650-4599.

Copies of Rule 60.1 can be obtained by calling (858) 650-4700, or visiting the District's website at www.sdapcd.co.san-diego.ca.us under Advisories & Notices. Permit application forms are also available on the District's web site under Permits & Forms. For more information, please call Stan Romelczyk at (858) 650-4599 or Scott Underhill at (858) 650-4555.