

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
COUNTY OF SAN DIEGO

DATE: August 13, 2003

TO: San Diego County Air Pollution Control Board

SUBJECT: AMENDMENTS TO REGULATION XIV – TITLE V OPERATING PERMITS, RULE 60.1 - LIMITING POTENTIAL TO EMIT AT SMALL SOURCES, AND RULE 60.2 - LIMITING POTENTIAL TO EMIT - SYNTHETIC MINOR SOURCES (District: All)

SUMMARY:**Overview**

Title V of the 1990 Clean Air Act amendments requires states and local air districts to develop and implement a federal permit program for major stationary sources. Regulation XIV describes the San Diego County Air Pollution Control District's (District) Title V operating permit program and requires each major stationary source, and other specified sources, obtain an additional operating permit from the District that contains all federally-enforceable requirements applicable to that source. Rules 60.1 and 60.2 are companion rules in Regulation IV that specify, in part, the major source thresholds below which a source is not subject to Title V requirements.

The federal major source emission thresholds for oxides of nitrogen and volatile organic compounds, used to determine if a Title V permit is required for a facility, are established based on an air basin's degree of nonattainment with the national ambient air quality standard for ozone. The major source threshold for San Diego County is 50 tons per year of oxides of nitrogen and volatile organic compounds based on a serious nonattainment status. On June 26, 2003, the U.S. Environmental Protection Agency (EPA) formally redesignated San Diego County to attainment for the national one-hour ozone standard. Redesignation provides an opportunity to increase the major source emission thresholds in the Title V program to 100 tons per year, giving up to twelve large businesses the ability to opt out of this administratively burdensome and costly program.

The proposed amendments to Regulation XIV, and to Rules 60.1 and 60.2, will increase the major stationary source thresholds for oxides of nitrogen and volatile organic compound emissions to 100 tons per year from the current 50 tons per year. The amendments also align the exclusion of fugitive emissions with EPA requirements and improve consistency with EPA administrative requirements for sources with Title V permits. They also revise permit appeal periods consistent with changes in state law, reconcile minor differences between permit exempt equipment listed under the Title V program and that listed under the District's local permit

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program, and make other minor clarifications.

EPA has advised the District that the amendments to Regulation XIV cannot become effective until approved by EPA. Approval may be delayed until after the exemption in state law for agricultural operations to obtain air district permits is resolved with the state legislature. The District will pursue expeditious EPA approval of the amendments prior to resolution of the statewide agricultural exemption. The resolution amending Regulation XIV specifies that the amendments will not be effective until approved by EPA.

Recommendation(s)

AIR POLLUTION CONTROL OFFICER

Adopt the Resolution entitled Resolution Amending Rules 1401, 1410, 1415, 1418, 1421, 1425, and Appendix A of Regulation XIV, and Rule 60.1 and Rule 60.2 of Regulation IV and make appropriate findings:

- (i) of necessity, authority, clarity, consistency, non-duplication and reference as required by Section 40727 of the State Health and Safety Code;
- (ii) that an analysis of existing requirements applicable to the source or category is not required by Section 40727.2 of the Health and Safety Code because the proposed amendments do not impose new or more stringent emission standards nor new or more stringent monitoring, reporting or recordkeeping requirements;
- (iii) that an assessment of the socioeconomic impact of the proposed amendments is not required by Section 40728.5 of the State Health and Safety Code because the proposed amendments will not significantly affect air quality or emission limitations; and
- (iv) that it is certain there is no possibility that the proposed amended Rules 1401, 1410, 1415, 1418, 1421, 1425 and Appendix A of Regulation XIV and Rules 60.1 and 60.2 of Regulation IV may have significant adverse effects on the environment and that this action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to California Code of Regulations, Title 14, Section 15061(b)(3).

Fiscal Impact

Adopting the amendments to Regulation XIV and Rules 60.1 and 60.2 will have no fiscal impact on the District.

Business Impact Statement

Adopting the amendments to Regulation XIV and Rules 60.1 and 60.2 will allow several large businesses to avoid Title V permitting requirements once the

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amendments are approved by EPA. The District will work closely with affected facilities to inform them when this approval occurs.

Advisory Board Statement

The amendments were considered at the Air Pollution Control Advisory Committee meeting on July 17, 2003. The Advisory Committee recommended approval.

BACKGROUND:

Regulation XIV describes the District Title V Operating Permit Program mandated by the provisions of Title V of the 1990 Clean Air Act amendments. The Title V program requires each major stationary source of air contaminant emissions (and certain other specified categories of sources) to obtain an additional operating permit that contains all federally enforceable requirements applicable to that source. The Title V permit program does not establish any new federal or District air contaminant emission reduction requirements, but does add a new permitting program to the longstanding District permit program mandated by state law. Regulation XIV defines an affected major source by the potential of a business to emit more than specified quantities of each air contaminant. Rules 60.1 and 60.2 are companion rules in Regulation IV that specify the major source thresholds below which a source is not subject to Title V requirements, and the records and reports smaller sources can maintain to demonstrate they are not major sources.

Regulation XIV was initially adopted January 18, 1994 and amended March 7, 1995. It was again amended May 23, 2001, and received full EPA approval on November 30, 2001. On October 15, 2002, EPA withdrew approval, in part, of all California air pollution control district Title V permitting programs because of the statewide exemption from air district permit requirements for agricultural operations in the Health and Safety Code. This exemption prevents air districts from issuing federally mandated Title V permits to major sources that are part of agricultural operations. The partial withdrawal does not affect the District's ability to approve and issue Title V permits to non-agricultural major stationary sources. Changes to the agricultural permit exemption are currently being considered by the California legislature.

The federal major source emission thresholds for oxides of nitrogen (NOx) and volatile organic compounds (VOC) are determined by an air basin's degree of nonattainment with the national ambient air quality standard for ozone. San Diego County had been classified as a serious ozone non-attainment area pursuant to the federal Clean Air Act, and the major source thresholds for NOx and VOC (as ozone precursors) in Regulation XIV and Rules 60.1 and 60.2 are currently 50 tons per year. However, on June 26, 2003, EPA formally redesignated the County as in attainment of the federal one-hour ozone standard.

Affected businesses in San Diego have requested that the District raise emission levels in the Title V permit program that define a major source of NOx or VOC to 100 tons per year, consistent with EPA regulations and the redesignation to attainment of the one-hour ozone standard. The proposed amendments to Regulation XIV and Rules 60.1 and 60.2 raise the Title

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V levels from 50 to 100 tons per year and align the exclusion of fugitive emissions in determining whether a source is major with EPA requirements. The amendments also revise other rules in Regulation XIV to improve consistency with EPA administrative requirements for sources with Title V permits, revise permit appeal periods consistent with changes in state law, reconcile minor differences between permit exempt equipment listed under the Title V program and that listed under the District's local permit program, and make minor clarifications.

It is expected that, as a result of these amendments, up to twelve large facilities in San Diego County will choose to no longer be required to have Title V operating permits and to instead limit their potential emissions to below the new major source emission thresholds. If they choose to opt out of the Title V permit program, there will be no change in their air contaminant emission standards. Those standards will still be enforced by the District under the authority of its rules and state law, and through the District's existing local permit program.

EPA has advised that the amendments to Regulation XIV cannot become effective until approved by EPA and approval may be delayed until after the exemption in state law for agricultural operations to obtain air district permits is resolved with the state legislature. The District will pursue expeditious EPA approval of these amendments prior to resolution of the statewide agricultural exemption. The resolution amending Regulation XIV specifies that the amendments will not be effective until approved by EPA.

Socioeconomic Impact Assessment

Section 40728.5 of the State Health and Safety Code requires the District to perform a socioeconomic impact assessment for new and revised rules and regulations significantly affecting air quality or emission limitations. The adoption of amendments to Regulation XIV and Rules 60.1 and 60.2 will not affect air quality or emissions limitations. Therefore, a socioeconomic impact assessment is not required.

Compliance with Board Policy on Adopting New Rules

On February 2, 1993, the Board directed that, with the exception of a regulation requested by business or a regulation for which a socioeconomic impact assessment is not required, no new or revised regulation shall be implemented unless specifically required by federal or state law. The adoption of amendments to Regulation XIV and Rules 60.1 and 60.2 is being requested by business and is consistent with this Board directive and federal law.

California Environmental Quality Act

The California Environmental Quality Act (CEQA) requires an environmental review for certain actions. The District has conducted a preliminary review of whether the California Environmental Quality Act applies to the amendments of Regulation XIV and Rules 60.1 and 60.2. It is certain there is no possibility that adopting the proposed amendments may have a significant adverse effect on the environment. Therefore, adoption of amendments to Regulation XIV and

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Rules 60.1 and 60.2 is exempt from the provisions of the California Environmental Quality Act pursuant to California Code of Regulations, Title 14, Section 15061(b)(3).

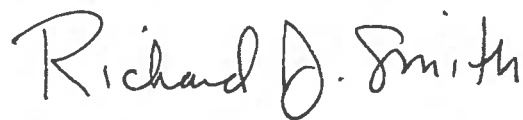
Comparison to Existing Requirements

Health and Safety Code Section 40727.2 requires that whenever the District proposes adopting, amending or repealing a rule or regulation, an analysis be prepared to identify and compare the air pollution control elements of the proposal with corresponding elements of existing or proposed federal or District requirements. However, pursuant to Section 40727.2(g), this analysis is not necessary if the District finds that the proposed rule does not impose a new emission limit or standard nor make an existing emission limit or standard more stringent nor impose new or more stringent monitoring, reporting, or recordkeeping requirements. The proposed amendments to Regulation XIV and Rules 60.1 and 60.2 do not impose new or more stringent emission standards nor impose new or more stringent monitoring, reporting, or recordkeeping requirements.

Linkage to the County of San Diego's Strategic Plan

The amendments to Regulation XIV and Rules 60.1 and 60.2 will reduce administrative burdens for affected businesses and for the District, without reducing the stringency of applicable air contaminant emission control requirements. Accordingly, the amendments will allow affected businesses and the District to redirect resources to ensuring compliance with such emission control requirements, rather than to a duplicative, burdensome permitting program. The amendments enhance the District's ability to develop, implement and enforce programs that improve air quality, reduce environmental risk and balance economic development needs, and thus align with the County's Strategic Initiative for the environment.

Respectfully submitted,



ROBERT R. COPPER
Deputy Chief Administrative Officer

RICHARD J. SMITH
Air Pollution Control Officer

ATTACHMENTS

- A. Resolution amending Rules 1401, 1410, 1415, 1418, 1421, 1425, and Appendix A of Regulation XIV; and Rule 60.1 and Rule 60.2 of Regulation IV of the District's Rules and Regulations
- B. Change Copy of amended Rules
- C. Workshop Report

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AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

COUNTY COUNSEL REVIEW

Written disclosure per County Charter
Section 1000.1 required

[X] Yes 11 7/28/03

[] Yes [X] No

GROUP/AGENCY FINANCE DIRECTOR

[] Yes [X] N/A

CHIEF FINANCIAL OFFICER

Requires Four Votes

[] Yes [X] N/A

[] Yes [X] No

**GROUP/AGENCY INFORMATION
TECHNOLOGY DIRECTOR**

[] Yes [X] N/A

CHIEF TECHNOLOGY OFFICER

[] Yes [X] N/A

DEPARTMENT OF HUMAN RESOURCES

[] Yes [X] N/A

Other Concurrence(s): N/A

ORIGINATING DEPARTMENT: Air Pollution Control District, County of San Diego

CONTACT PERSON(S):

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AUTHORIZED REPRESENTATIVE:

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Richard J. Smith, Air Pollution Control Officer

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AGENDA ITEM INFORMATION SHEET
(continued)

PREVIOUS RELEVANT BOARD ACTIONS:

May 23, 2001 (APCB #1), Amended Rules 1401, 1410, 1415, and Appendix A; May 23, 2001 (APCB #2), Adopted new Rule 60.1; April 30, 1997 (APCB #2), Adopted new Rule 60.2; March 7, 1995 (APCB #4), Amending Regulation XIV - Title V Operating Permits; January 18, 1994 (APCB #2), Adopted new Regulation XIV - Title V Operating Permits.

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

CONTRACT NUMBER(S):

N/A

Re Rules and Regulations of the)
Air Pollution Control District)
of San Diego County)

**RESOLUTION AMENDING RULES 1401, 1410, 1415, 1418, 1421, 1425, AND
APPENDIX A OF REGULATION XIV, AND RULE 60.1 AND 60.2 OF
REGULATION IV OF THE RULES AND REGULATIONS OF THE
SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT**

On motion of Member Jacob, seconded by Member Slater, the
following resolution is adopted:

WHEREAS, the San Diego County Air Pollution Control Board, pursuant to Section 40702
of the Health and Safety Code, adopted Rules and Regulations of the Air Pollution Control
District of San Diego County; and

WHEREAS, said Board now desires to amend said Rules and Regulations; and

WHEREAS, notice has been given and a public hearing has been had relating to the
amendment of said Rules and Regulations pursuant to Section 40725 of the Health and Safety
Code.

NOW THEREFORE IT IS RESOLVED AND ORDERED by the San Diego County Air
Pollution Control Board that the Rules and Regulations of the Air Pollution Control District of
San Diego County be and hereby are amended as follows:

1. Proposed amendments to Rule 1401 Section (c) are to read as follows:

RULE 1401. GENERAL PROVISIONS

(Adopted 1/18/94; Revised 3/7/95)

(Rev. 5/23/01; Eff. 12/31/01)

(Rev. (date of adoption); Eff. (upon EPA approval))

(a) **APPLICABILITY . . .**

(b) **EXEMPTIONS . . .**

(c) **DEFINITIONS**

(Rev. (date of adoption); Eff. (upon EPA approval))

For purposes of Regulation XIV, the following definitions shall apply.

(1) **"Abrasive Blast Cabinet"** means an enclosure used to contain abrasive media and which can only be entered through ports for gloved arms and hands when abrasive blasting is conducted.

(2) **"Actual Annual Emissions"** means emissions from any stationary source established according to information gathered by means of annual emission inventory and confirmed accurate by the Air Pollution Control Officer.

(3) **"Administrative Permit Amendment"** means changes to the terms and conditions of a permit, which have been approved pursuant to this regulation. [See Rule 1410(i).]

(4) **"Affected Source (Acid Rain)"** means any emission unit that is subject to emission reduction requirements or limitations under Title IV of the federal Clean Air Act as amended in 1990.

(5) **"Affected State"** means any state that:

(i) is contiguous with California and whose air quality may be affected by a permit action, or

(ii) is within 50 miles of the source for which a permit action is being proposed.

For purposes of this rule, affected state includes any federally recognized eligible Indian tribe.

(6) **"Aggrieved Person"** means any person, including a person or group representing the interest of the public in air quality, who alleges that the issuance of a Permit to Operate will infringe upon or deny such person's legal rights or the legal rights of the general public in respect to air quality.

(7) **"Air Contaminant(s)"** means any substance discharged, released, or otherwise propagated into the atmosphere and includes, but is not limited to, any combination of the following: volatile organic compounds, exempt compounds, oxides of nitrogen, particulate matter, gaseous sulfur compounds, carbon monoxide, smoke, charred paper, dust, soot, grime, carbon, noxious acids, fumes, gases, odors, and federal hazardous air pollutant, including hazardous air pollutants identified in Section 112 of the federal Clean Air Act. Also included are Class I and Class II ozone depleting substances under Title VI of the federal Clean Air Act, any pollutant for which a national ambient air quality standard has been promulgated, and any substance subject to a standard promulgated under Sections 111 or 112 of the federal Clean Air Act.

(8) **"Alternative Operating Scenario"** means each coordinated set of alternative operational parameters and permit conditions proposed by an operator in a permit application and approved and implemented pursuant to this regulation.

(9) **"Appeared, Submitted Written Testimony, or Otherwise Participated"** means communicated specific substantive or procedural air pollution issues to the Air Pollution Control District (District) staff members who were responsible for permit to

operate issuance, communicated with the Air Pollution Control Officer or his designee in the context of a formal public participation process, or testified before the Hearing Board in a formal proceeding. The term does not include mere expression of general interest or concern or oral communication outside of a formal public forum, whether by telephone or otherwise, with District staff members who were not directly responsible for issuance of the permit to operate. A party may show that it has otherwise participated in a matter by contemporaneous written documentation, or by declaration under oath.

(10) **"Applicable Requirements"** means:

- (i) all federally enforceable requirements applicable to a stationary source prior to issuance of a permit to operate; and
- (ii) any new federally enforceable requirements that become effective during the term of a permit.

(11) **"Application Shield"** means the protection from enforcement of the requirement to have a permit provided pursuant to Rule 1410(a).

(12) **"Architectural Surface Coating"** means any coating applied to stationary structures and their appurtenances coated onsite or in close proximity to the intended installed location, to mobile homes, to pavement, or to curbs.

(13) **"Complete Application"** means an application for which the applicant has provided all information required under Rule 1414(f) or an application deemed to be complete pursuant to Rule 1414(i).

(14) **"Contiguous Property"** means two or more parcels of land with a common boundary or separated solely by a public or private roadway or other public or private right-of-way. Non-adjoining parcels of land separated solely by bodies of water designated "navigable" by the U. S. Coast Guard shall not be considered contiguous properties.

(15) **"Emission Unit"** means any non-vehicular article, machine, equipment, contrivance, process or process line, which emit(s) or reduce(s) or may emit or reduce the emission of any air contaminant.

(16) **"Exempt Compound"** means, with regard to the definition of volatile organic compounds, any of the following:

- Chlorodifluoromethane (HCFC-22)
- Dichlorotrifluoroethane (HCFC-123)
- 2-chloro-1,1,1,2-tetrafluoroethane (HCFC-124)
- Pentafluoroethane (HFC-125)
- 1,1,2,2-tetrafluoroethane (HFC-134)
- Tetrafluoroethane (HFC-134a)
- Dichlorofluoroethane (HCFC-141b)
- Chlorodifluoroethane (HCFC-142b)
- 1,1,1,-trifluoroethane (HFC-143a)
- 1,1-difluoroethane (HFC-152a)

Cyclic, branched, or linear, completely fluorinated alkanes
Cyclic, branched, or linear, completely fluorinated ethers with no unsaturations
Cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations

Sulfur containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine

Methylene chloride

1,1,1-trichloroethane

Trifluoromethane (HFC-23)

Trichlorofluoromethane (CFC-11)

Dichlorodifluoromethane (CFC-12)

Trichlorotrifluoroethane (CFC-113)

Dichlorotetrafluoroethane (CFC-114)

Chloropentafluoroethane (CFC-115)

Any other compound(s) listed as negligibly reactive by the U.S. Environmental Protection Agency.

(17) **"Federal Hazardous Air Pollutant"** means any air pollutant which is listed pursuant to Section 112 of the federal Clean Air Act.

(18) **"Federal Non-Attainment Pollutant"** means any air pollutant for which San Diego County, or portion thereof, has been classified as exceeding a national ambient air quality standard (NAAQS) by the federal EPA.

(19) **"Federally Enforceable Requirement"** for purposes of this regulation, means all of the following as they apply to emission units at a stationary source. Requirements that have been promulgated or approved by the federal EPA through rule making at the time a permit to operate is issued, but which have future effective compliance dates, are federally enforceable requirements if listed below:

(i) Any standard or other requirement provided for in the State Implementation Plan (SIP), including any revisions approved or promulgated by the federal EPA through rule making under Title I of the federal Clean Air Act.

(ii) Any term or condition of an Authority to Construct issued pursuant to these rules and regulations which term or condition is imposed pursuant to any federally mandated new source review (NSR) or prevention of significant deterioration (PSD) regulation.

(iii) Any standard or other requirement under Sections 111 or 112 of the federal Clean Air Act.

(iv) Any standard or other requirement of the Acid Rain Program under Title IV of the federal Clean Air Act or the regulations promulgated thereunder.

(v) Any requirements established pursuant to Section 504(b) or Section 114(a)(3) of the federal Clean Air Act (enhanced monitoring and compliance certifications).

- (vi) Any standard or other requirement governing solid waste incineration under Section 129 of the federal Clean Air Act.
- (vii) Any standard or other requirement for consumer and commercial products under Section 183(e) of the federal Clean Air Act.
- (viii) Any standard or other requirement for tank vessels under Section 183(f) of the federal Clean Air Act.
- (ix) Any standard or other requirement of the program to control air pollution from outer continental shelf sources, under Section 328 of the federal Clean Air Act.
- (x) Any standard or other requirement of the regulations promulgated to protect stratospheric ozone under of the federal Clean Air Act unless the Administrator of the federal EPA has determined that such requirements need not be contained in a permit to operate.
- (xi) Any national ambient air quality standard or air quality increment or visibility requirement under Part C of Title I of the federal Clean Air Act, but only as it would apply to temporary sources permitted pursuant to Section 504(e) of the federal Clean Air Act.
- (20) **"Federally Mandated New Source Review (NSR)"** means new source review that would be required by the approved State Implementation Plan (SIP).
- (21) **"Final Permit Action"** means a decision by the Air Pollution Control Officer to grant, deny or cancel an application for a permit to operate, modification or renewal; solely for purposes of seeking judicial review, a failure by the Air Pollution Control Officer to take action on an application within the time periods specified in this regulation; a decision by the Hearing Board altering a permit action by the District; or a decision by the federal EPA to veto a permit or to modify, terminate or revoke a permit or to issue a permit that differs from the permit proposed for issuance by the Air Pollution Control Officer.
- (22) **"Fugitive Emissions"** means those quantifiable non-vehicular emissions which could not reasonably pass through a stack, chimney, flue, vent, or other functionally equivalent opening.
- (23) **"Hearing Board"** means the Hearing Board of the Air Pollution Control District of San Diego County as authorized by the California Health and Safety Code.
- (24) **"In-Scope Permit Actions"** means actions not inconsistent with applicable permit conditions, including alternative conditions under any approved alternative operating scenario during the period for which the operator has designated that scenario as applicable.
- (25) **"Insignificant Unit"** means any of the equipment as specified in Rule 1411 and listed in Appendix A of this regulation. An insignificant unit shall not include any unit subject to an applicable requirement other than District Rules 50 and 51.

(26) **"Major Stationary Source"** means any stationary source, excluding any non-road engines, which emits or has the potential to emit one or more air contaminants in amounts equal to or greater than any of the following emission rates:

- (i) 10 tons per year of any federal hazardous air pollutant, including fugitive emissions.
- (ii) 25 tons per year of any combination of federal hazardous air pollutants, including fugitive emissions.
- (iii) 100 tons per year or more of any regulated air pollutant, excluding fugitive emission of any such pollutant except as determined by rule by the Administrator of the federal EPA and except that the fugitive emissions from the stationary source shall be considered if the stationary source belongs to one of the following categories of sources:

1. 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.
2. Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units (Btu) per hour heat input
3. Fossil-fuel-fired steam electric plants of more than 250 million British thermal units (Btu) per hour heat input
4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels
5. Municipal incinerators capable of charging more than 250 tons of refuse per day
6. Coal cleaning plants (with thermal dryers)
7. Kraft pulp mills
8. Portland cement plants
9. Primary zinc smelters
10. Iron and steel mills
11. Primary aluminum ore reduction plants
12. Primary copper smelters
13. Hydrofluoric, sulfuric, or nitric acid plants
14. Petroleum refineries
15. Lime plants
16. Phosphate rock processing plants
17. Coke oven batteries
18. Sulfur recovery plants
19. Carbon black plants (furnace process)
20. Primary lead smelters
21. Fuel conversion plants
22. Sintering plants
23. Secondary metal production plants
24. Chemical process plants
25. Taconite ore processing plants
26. Glass fiber processing plants
27. Charcoal production plants

(27) **"Minor Permit Modification"** means any modification to a permit issued pursuant to this regulation that would not trigger federally-mandated new source review. A permit modification shall not qualify as minor if the permit modification:

- (i) Causes a violation of any applicable requirement;
- (ii) Involves significant relaxation to monitoring, recordkeeping, or reporting requirements;
- (iii) Requires the establishment of, or requires a change in an existing federally-mandated source-specific emission limitation or standard (e.g., a case-by-case determination of control requirements for federal hazardous air pollutants under Section 112 of the federal Clean Air Act), or a federally-mandated source-

specific determination for temporary sources of ambient impacts on air quality, or a visibility or air quality increment analysis;

(iv) Changes permit terms and conditions (e.g., a voluntary emissions cap) for which there is no applicable requirement(s), but which terms and conditions the source accepted in order to qualify as exempt from an otherwise applicable requirement;

(v) Is a "modification" under any provision of Title I of the federal Clean Air Act, or results in an emissions increase that would trigger federally-mandated new source review; or

(vi) Is a change involving a federal hazardous air pollutant that is subject to review and required to install Maximum Achievable Control Technology (MACT) under Section 112(g) of the federal Clean Air Act.

(28) **"Modification"** means any physical or operational change in any emission unit, or the addition of an emission unit at a stationary source, which would result in increased emissions of any air contaminant currently emitted, or emissions of air contaminants not previously emitted, except:

(i) Identical replacement in whole or in part of any emission unit at a stationary source, where a permit to operate has previously been granted for such emission unit, is not a modification.

(ii) The addition of an insignificant unit or units is not a modification.

(iii) The following changes shall not be considered modifications provided that such changes are not contrary to any permit conditions intended to limit emissions, to any emission limit established in the permit or implied by a permit condition, or to any applicable requirement of these Rules and Regulations:

(A) an increase in production rate and/or an increase in hours of operation;

(B) use of an alternate raw material;

(C) use of an alternate production method that reduces the generation of or allows for the reuse or recycling of wastes;

(D) actions pursuant to a temporary authorization issued under Subsection (b)(2) of Rule 1410 are not modifications for so long as the temporary authorization is effective, or

(E) relocation of equipment, designated as portable on the permit to operate, from one stationary source to another.

For purposes of this regulation, a modification does not have the same meaning as a permit amendment or permit modification. A modification may, but does not necessarily,

require a permit amendment or permit modification and a permit amendment or permit modification may be required even if the change does not qualify as a modification.

(29) **"National Ambient Air Quality Standards (NAAQS)"** means maximum allowable ambient air concentrations for specified air contaminants and monitoring periods as established by the federal EPA.

(30) **"Non-Vehicular"** as used in this regulation means the same as "non-vehicular sources" as defined in Section 39043 of the California Health and Safety Code.

(31) **"Organic Compound"** means the same as volatile organic compound.

(32) **"Organic Solvent"** means organic materials which are liquids at standard conditions and which are used as solvers, viscosity reducers, extractants, or cleaning agents, or are reactants or products in manufacturing processes except materials which exhibit an initial boiling point of 450°F (232°C) or higher at 760 mm Hg, unless these materials are exposed to temperatures exceeding 200°F (93.3°C).

(33) **"Particulate Matter (PM₁₀)"** means particulate matter with an aerodynamic diameter less than or equal to a nominal 10 microns as measured by an applicable reference test method or methods found in Article 2, Subchapter 8, Title 17, of the California Code of Regulations Section 94100 et seq.

(34) **"Permit to Operate"** means authorization to operate an emission unit or combination of emission units as specified and issued by the Air Pollution Control Officer on a form or forms prescribed by the Air Pollution Control Officer. Unless otherwise specified, the term permit to operate refers to permits issued pursuant to this regulation.

(35) **"Permit"** means the same as permit to operate.

(36) **"Permit Shield"** means the protection from enforcement of certain applicable requirements in the manner and to the extent provided in Rule 1410(p).

(37) **"Potential to Emit"** means the capacity of a stationary source to emit air pollutants, based on its physical and operational design, taking into consideration any federally-enforceable requirements applicable to the source. Potential to emit includes fugitive emissions, except to the extent such emissions are excluded under the definition of "major stationary source" in this regulation.

(38) **"Quantifiable"** means that a reliable basis for calculating the amount, rate, nature and characteristics of an emission reduction can be established.

(39) **"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 a new source performance standard 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 federal hazardous air pollutant subject to a standard or requirement promulgated pursuant to Section 112 of the federal Clean Air Act.

(40) **"Related Emission Units"** means emission units, where the operation of one emission unit is dependent upon, or affects the process or operation (which may include duration of operation) of another emission unit, as determined by the Air Pollution Control Officer.

(41) **"Reopening of the Permit to Operate"** means reconsideration of a permit to operate or modification of a permit to operate as provided in Rule 1410(o).

(42) **"Responsible Official"** means, for each source required to have a permit, any one of the following:

(i) For a corporation:

(A) corporation president,

(B) corporation secretary,

(C) corporation treasurer,

(D) corporation vice-president,

(E) any other person who performs policy or decision-making functions for the corporation similar to (A), (B), (C) or (D), or

(F) a duly authorized designated representative of any of the above persons if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities applying for or subject to a permit and either:

(1) the facility employs more than 250 persons or has gross annual sales or expenditures exceeding \$25 million (in second quarter 1980 dollars); or

(2) the delegation of authority to such representatives is approved in advance by the permitting authority.

(ii) For a partnership or sole proprietorship:

(A) a general partner, or

(B) the proprietor, respectively.

- (iii) For a municipality, state, federal, or other public agency:
 - (A) the principal executive officer, or
 - (B) a ranking elected official.

For the purposes of this paragraph, a principal executive officer of a federal agency includes the chief executive officer having responsibility for the overall operations of a principal geographic unit of the agency (e.g., a Regional Administrator of the federal EPA).

- (iv) For affected sources (Acid Rain):

- (A) the designated representative for purposes of actions, standards, requirements, or prohibitions under Title IV of the federal Clean Air Act or regulations promulgated thereunder, as they exist on January 18, 1994; and

- (B) the designated representative for any other purposes under these rules and regulations or 40 CFR Part 70 as it exists on January 18, 1994.

(43) **"Section 502(b)(10) Change"** means a change, pursuant to Section 502(b)(10) of the federal Clean Air Act, that contravenes the express terms and conditions of a permit to operate, but which does not violate any applicable requirement or a federally-enforceable permit term establishing monitoring, recordkeeping, reporting or compliance certification requirements.

(44) **"Significant Permit Modification"** means any modification to a permit issued pursuant to this regulation that is not an administrative amendment or a minor modification, or any modification to such permit which:

- (i) Causes a violation of any applicable requirement; or
- (ii) Involves significant change in existing monitoring permit terms or conditions or relaxation to monitoring, recordkeeping, or reporting requirements; or
- (iii) Requires the establishment of, or requires a change in, an existing federally-mandated source-specific emission limitation or standard (e.g., a case-by-case determination of control requirements for federal hazardous air pollutants under Section 112 of the federal Clean Air Act), or a federally-mandated source-specific determination for temporary sources of ambient impacts on air quality, or a visibility or air quality increment analysis; or
- (iv) Changes permit terms and conditions (e.g., a voluntary emissions cap) for which there is no applicable requirement(s), but which terms and conditions the source accepted in order to qualify as exempt from an otherwise applicable requirement; or
- (v) Is a "modification" under any provision of Title I of the federal Clean Air Act, or results in an emissions increase that would trigger federally-mandated new source review; or

(vi) Is a change involving a federal hazardous air pollutant that is subject to review and required to install Maximum Available Control Technology (MACT) under Section 112(g) of the federal Clean Air Act.

Any relaxation of monitoring, reporting or recordkeeping requirements at a source required to have a permit to operate (e.g., a change from daily to monthly recordkeeping) shall be a significant modification.

(45) **"Source"** means any emission unit; any combination of emission units; any owner or operator of an emission unit, combination of emission units, or stationary source; or any applicant for a permit to operate for any emission unit, or combination of emission units.

(46) **"Stationary Source"** means an emission unit, or aggregation of emission units which are located on the same or contiguous properties and which units are under common ownership or entitlement to use. Stationary sources also include those emission units or aggregation of emission units located in the California Coastal Waters.

(47) **"Volatile Organic Compound (VOC)"** means any volatile compound containing at least one atom of carbon excluding methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonates, and exempt compounds.

(48) **"Non-road Engine"** means the same as defined in 40 Code of Federal Regulations, Part 89.

(d) **REQUIREMENT FOR AUTHORITY TO CONSTRUCT . . .**

2. Proposed amendments to Rule 1410 Sections (i), (j), (l), and (q) are to read as follows:

RULE 1410. PERMITS REQUIRED

(Adopted 1/18/94; Revised 3/7/95)

(Rev. 5/23/01; Eff. 12/31/01)

(Rev. (date of adoption); Eff. (upon EPA approval))

(a) **APPLICATION SHIELD . . .**

(b) **PERMIT TO OPERATE . . .**

(c) **POSTING OF PERMIT TO OPERATE . . .**

(d) **ALTERATION OF PERMIT . . .**

(e) **RESERVED**

(f) **EXISTING REQUIREMENTS . . .**

(g) **CONTROL EQUIPMENT . . .**

(h) **RENEWAL OF PERMITS TO OPERATE . . .**

(i) **ADMINISTRATIVE PERMIT AMENDMENTS**

(Rev. (date of adoption);
Eff. (upon EPA approval))

Administrative permit amendments are changes that can be made to a permit which has been granted pursuant to this regulation as follows:

(1) Address changes that do not result in physical relocation of equipment.

(2) Correction of typographical errors and updates to information such as phone numbers.

(3) Incorporation of Prevention of Significant Deterioration (PSD) or New Source Review (NSR) permits issued through an Authority to Construct pursuant to federal EPA approved new source review and prevention of significant deterioration rules, provided that such Authority to Construct has been issued in accordance with the provisions of Section (q) of this rule.

(4) Any emission unit that is the subject of a permit to operate and which is transferred from one person to another shall not be operated until application is made to the Air Pollution Control Officer for a revised permit and such permit is issued unless a temporary authorization pursuant to Rule 1410(b)(2) has been issued to the new owner or operator. Such revisions shall be administrative permit amendments. The revision shall specify a date for the transfer of permit responsibility, coverage and liability between the prior and the new permittee. If such transfer is accompanied by modification of the emission unit, which modification is not exempt under this regulation, an application for permit modification shall be required.

Any permit or written authorization issued hereunder shall not be transferable, by operation of law or otherwise, from one piece of equipment to another.

- (5) A change to require more frequent monitoring or reporting by the permittee;
- (6) Revisions to conditions identified as District-only enforceable requirements.

Administrative permit amendments will be recorded by the Air Pollution Control Officer upon request from the applicant for such amendment, are not subject to any notice requirements of this regulation unless otherwise specified in this Section, and may be implemented by the applicant upon filing of the application with the Air Pollution Control Officer.

The Air Pollution Control Officer shall act on a request for an administrative amendment within the time specified in Rule 1418. If the administrative amendment is approved, the Air Pollution Control Officer shall issue an amended permit or, in the case of an Enhanced Authority to Construct issued pursuant to Section (q) of this rule, may determine in writing that the terms and conditions of the final Enhanced Authority to Construct constitute the amended permit. In such case, the permittee shall affix the final Enhanced Authority to Construct to the portions of the permit being amended. The Air Pollution Control Officer shall provide the federal EPA with a copy of the amended permit at the time of approval.

(j) MINOR PERMIT MODIFICATIONS

(Rev. (date of adoption);
Eff. (upon EPA approval))

The owner or operator of any emission unit that is the subject of a permit to operate may make changes in the operation and physical characteristics of the subject equipment if the owner or operator first applies for and obtains any Authority to Construct, Permit to Operate, or Determination of Compliance required pursuant to Rule 10 of these Rules and Regulations, the changes qualify as a minor permit modification, and the following requirements are met:

(1) Minor permit modifications are subject to the following procedural requirements:

(i) The application may be approved with or without public notification, as requested by the applicant. Minor permit modifications shall not be eligible for the permit shield provided by Rule 1410(p). However, any permit shield specified in permit terms or conditions that are not affected by an application for minor permit modification shall remain intact.

(ii) An application for a minor permit modification shall include all information consistent with Rule 1414(f) for each emission unit being modified and for each emission unit affected by the modification. The application shall also include:

(A) a description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;

(B) the source's suggested draft permit;

(C) certification by a responsible official of the source stating that, based on information and belief formed after reasonable inquiry, the proposed modification meets the criteria for use of minor permit modification and that the statements and information contained in the application in support of this determination are true, accurate, and complete, and a request that such procedure be used; and

(D) completed forms for the District to use to notify the federal EPA and affected States.

(iii) The applicant may make the change as soon as a complete application is filed. If the source makes a change prior to a permit action, and until the District takes final permit action on the change, the source must comply with both the applicable requirements governing the change and the terms and conditions proposed by the source. During this time period the source need not comply with existing permit terms and conditions it seeks to modify. However, if the source fails to comply with its proposed permit terms and conditions during this time period, the existing permit terms and conditions the source seeks to modify may be enforced against it.

(iv) The Air Pollution Control Officer must notify affected states and the federal EPA within five days of receipt of a complete application.

(v) A preliminary decision by the Air Pollution Control Officer to approve a minor permit modification shall be subject to a 45-day period for comments or objection by the federal EPA.

(vi) The Air Pollution Control Officer must act on a complete application within 90 days of receipt, or within 15 days of the expiration of the federal EPA's 45-day review period, whichever is later. An application for a minor modification shall remain pending until action is taken on the application, or the application is canceled or withdrawn.

(2) A change that would otherwise be processed as a minor permit modification under this section but which has been approved in an Authority to Construct in accordance with the procedures prescribed in Section (q) of this rule, may be processed as an administrative permit amendment.

(3) If a source implements a minor permit modification without waiting for final approval, and the permit modification is disapproved, the source shall be subject to enforcement action for operating outside the terms and conditions of its permits to operate while the proposed permit modification was under review.

(4) Nothing in this Section (j) shall provide immunity from enforcement of any applicable requirement (whether the requirement arises under an applicable permit, these Rules and Regulations, or state or federal law), for operations that are not the subject of an application for a minor permit modification, or if the application for a minor permit modification is denied.

(k) **SIGNIFICANT PERMIT MODIFICATION . . .**

(1) OPERATIONAL FLEXIBILITY: SECTION 502(b)(10) CHANGES

(Rev. (date of adoption);
Eff. (upon EPA approval))

The owner or operator of any emission unit that has a permit to operate issued pursuant to this Regulation may make changes in the operation and physical characteristics of the subject equipment, without seeking or receiving approval for modification to such permit, provided the owner or operator first applies for and obtains any Authority to Construct, Permit to Operate, or Determination of Compliance required pursuant to Rule 10 of these Rules and Regulations, and such operational or physical changes:

- (1) Are not "modifications" under any provision of Title I of the federal Clean Air Act, and
- (2) Do not cause a violation of any applicable requirements, and
- (3) Do not contravene federally enforceable requirements that are monitoring, recordkeeping, reporting, or compliance certification requirements, including requirements related to test methods, and
- (4) Do not result in exceedance of emissions allowed under the permit, whether expressed therein as a rate of emissions or in terms of total emissions, or implied by a specific permit term that has the effect of limiting emissions from one or more emission units at the source.

For each such change, notification shall be provided to the Air Pollution Control Officer and the EPA Regional Administrator at least 7 days prior to implementation of such operational or physical changes. This notice shall be in writing and must include a brief description of the change, the date on which the change will occur, any change in emissions, and a listing of any permit term or condition affected. The notice shall be attached to copies of affected permits to operate maintained by the source.

A source may make a change 7 days after notice to the Air Pollution Control Officer and the EPA Regional Administrator provided such change meets the requirements of this section. If the Air Pollution Control Officer subsequently determines that the change does not qualify as a Section 502 (b)(10) change, enforcement action may be taken against the source for making the change without prior approval. If the operator requests an affirmative determination by the Air Pollution Control Officer that the proposed change qualifies as a Section 502(b)(10) change, and agrees not to implement that change until a determination is made, the Air Pollution Control Officer shall make a determination and notify the operator within 60 days of receipt of notice of the proposed change.

The permit shield if any provided pursuant to Section (p) of this rule, shall not be applicable to changes made pursuant to this Section (l).

The Air Pollution Control Officer may determine that a planned or implemented Section 502(b)(10) change does not meet the requirements of this section at any time. Any such determination must be in writing setting out the specific reason or reasons that the change does

not qualify as a Section 502(b)(10) change. Any determination by the Air Pollution Control Officer that a proposed change is not a Section 502(b)(10) change may be appealed to the Hearing Board. If notice of an adverse determination is received by the operator from the Air Pollution Control Officer before the 7-day notice period has expired, the operator may not implement the proposed change, unless an appeal is taken to the Hearing Board and resolved in favor of the operator. If notice is received by the operator after the 7-day period for notice has expired and after the change has been implemented, and if the operator appeals the Air Pollution Control Officer's determination to the Hearing Board within 30 days of notice by the Air Pollution Control Officer, the change may remain in place until the matter is decided upon by the Hearing Board. In no case shall an appeal to the Hearing Board or decision by the Hearing Board affect or abridge the authority of EPA to object to a change or to determine that a change does not qualify as a Section 502 (b)(10) change.

Nothing in this section shall prohibit an operator from applying for a revision to a permit or the Air Pollution Control Officer from revising a permit to reflect the change made. Any such permit application shall be processed pursuant to the applicable permit processing provisions of this regulation. If the permit affected by a Section 502(b)(10) change is subsequently renewed or revised pursuant to the provisions of this regulation, the Air Pollution Control Officer shall incorporate any new or revised terms and conditions necessary to reflect all Section 502(b)(10) changes that have not yet been incorporated into the permit. In the case of a significant permit modification, reopening of the permit to operate, or renewal of the permit to operate, the permit shield, if any provided to a source pursuant to Section (p) of this rule, may thereafter apply to the revised permit.

Where an operational or physical change has been made under the provisions of this Section (l) and such change qualifies as a Section 502(b)(10) change, any compliance certifications, monitoring summaries or deviation reporting required by the Title V permit pursuant to Rule 1421 shall be based on the Section 502(b)(10) change to the extent such change affects the terms and conditions of the permit.

- (m) **OPERATIONAL FLEXIBILITY: TRADING UNDER AN EMISSIONS CAP ...**
- (n) **OPERATIONAL FLEXIBILITY: ALTERNATIVE OPERATING SCENARIOS ..**
- (o) **REOPENING OF A PERMIT TO OPERATE ...**
- (p) **PERMIT SHIELD ...**
- (q) **ENHANCED PROCEDURES FOR AUTHORITIES TO CONSTRUCT**
(Rev. (date of adoption); Eff. (upon EPA approval))

At the request of an applicant, the Air Pollution Control Officer shall process applications for permit modifications that would otherwise be considered minor permit modifications or significant permit modifications to a permit to operate, issued pursuant to this regulation, using the Administrative Permit Amendment procedures prescribed in Rule 1410(i) provided that the change for which the permit modification is sought has been previously approved by the Air Pollution Control Officer by issuance of an Authority to Construct as required by Rule 10 and provided that:

(1) The application for Authority to Construct includes:

(i) A compliance plan containing the elements specified in Rule 1414(f)(3)(viii) for any new or modified emission units. For new units, the compliance plan shall address those applicable requirements which will apply to the unit during and after construction. For a modification of an existing emission unit or modification of the permit terms or conditions for an existing emission unit, the compliance plan shall address both the current applicable requirements and those applicable requirements that will apply after modification.

(ii) A description of the methods the applicant proposes to use to determine compliance of the new or modified units with any applicable requirements, including descriptions of monitoring, recordkeeping and reporting requirements and test methods. Such compliance determination methods shall not be less stringent than the minimum standards contained in any applicable requirements.

(iii) A schedule for submission of initial compliance certifications for each new or modified unit. Such compliance certifications shall be submitted not later than one-year after construction or modification of a unit is completed or sooner if specified by an applicable requirement or by the Air Pollution Control Officer.

(iv) Any other information deemed necessary by the Air Pollution Control Officer to determine compliance with all applicable requirements.

(2) The Authority to Construct includes:

(i) For each new or modified unit not in compliance with an applicable requirement or for which an applicable requirement becomes effective before issuance of a modified permit, a compliance schedule specifying the increments of progress under which the new or modified units will be brought into compliance and containing the elements specified in Rule 1421(b)(2)(ii). The compliance schedule shall also require periodic compliance progress reports to the Air Pollution Control Officer, to be submitted not less frequently than semi-annually.

(ii) A requirement for submission of initial compliance certifications for each new or modified unit consistent with the elements specified in Rule 1421(b)(2)(iii). Such compliance certifications shall be submitted not later than one year after construction or modification of a unit is completed or sooner if specified by an applicable requirement or by the Air Pollution Control Officer. Each compliance certification shall contain a description of the monitoring methods, data, records, reports and test methods used to determine compliance.

(iii) A requirement that representatives of the District shall be allowed access to the source and all required records pursuant to State Health and Safety Code Section 41510.

(iv) Requirements for monitoring, recordkeeping, testing and reporting as specified by applicable requirements or by these Rules and Regulations, or as determined necessary by the Air Pollution Control Officer to ensure compliance

with all applicable requirements, and consistent with the elements specified in Rule 1421(b)(1)(iii).

(3) Prior to issuance of the Authority to Construct, the Air Pollution Control Officer has done all of the following:

(i) Publicly noticed the proposed issuance of an Authority to Construct and made available a draft of the proposed Authority to Construct for public review and comment for 30 days, following the procedures specified in Sections (a), (d), (e), (j) and (k) of Rule 1415 as if the Authority to Construct were a permit to operate.

(ii) Conducted a public hearing when, as a result of a petition from the public, the Air Pollution Control Officer has determined that there is reasonable cause to hold such a hearing. All public hearings shall be publicly noticed at least thirty days prior to the hearing. The public notice shall contain all of the information specified in Rule 1415(d) as if the Authority to Construct were a permit to operate.

(iii) Submitted a draft of the proposed Authority to Construct to any affected states and to the federal EPA Region IX, for a period of 45 days for review and comment. In the event the proposed Authority to Construct is substantively changed after submittal to EPA, such changes shall be resubmitted to EPA for a new 45-day review and comment period.

(4) All comments received from the public, affected states and federal EPA notification procedures described above and which comments are relevant to the permit review and areas appropriate for public comment as identified pursuant to Subsection (q)(3)(i) of this rule have been considered and responded to by the Air Pollution Control Officer.

(5) The Administrator of the federal EPA has not objected to the issuance of the proposed Authority to Construct within the review periods prescribed in Subsection (3)(iii) above.

(6) The applicant may commence operation under the terms of the Authority to Construct provided such operation is in compliance with all applicable requirements, all requirements of these Rules and Regulations, and all terms and conditions of the Authority to Construct and provided that, upon completion of construction or modification, the applicant has submitted an application for an Administrative Amendment of the Title V permit pursuant to Section (i) of this rule.

(7) The provisions of Rule 1425 with regard to appeals to the Hearing Board, petitions to the Administrator of the federal EPA and judicial review shall also apply to the granting of such Authority to Construct.

3. Proposed amendments to Rule 1415 section (a) is to read as follows:

RULE 1415. PERMIT PROCESS-PUBLIC NOTIFICATION

(Adopted 1/18/94; Revised 3/7/95)

(Rev. 5/23/01; Eff. 12/31/01)

(Rev. (date of adoption); Eff. (upon EPA approval))

(a) **PUBLIC NOTICE** (Rev. (date of adoption); Eff. (upon EPA approval))

At least 30 days prior to issuance of a five year initial permit to operate subject to this regulation, a revised permit resulting from an application for significant modification or renewal of such a permit, the Air Pollution Control Officer shall publicly notice and make available a draft of the proposed permit for public and affected state review and comment as follows:

(1) Publication in a newspaper of general circulation of a notice of intent to issue a permit to operate.

(2) Notification to all persons requesting to be included in a mailing list for purposes of notification of all permit actions.

(3) By other means if determined necessary by the Air Pollution Control Officer to assure adequate notice to the affected public.

(4) Availability of a copy of the draft permit for public review at the Air Pollution Control District offices.

(b) **PUBLIC HEARINGS ...**

(c) **NOTICE TO THE FEDERAL ENVIRONMENTAL PROTECTION**

AGENCY (EPA) ...

(d) **CONTENTS OF PUBLIC NOTICE ...**

(e) **COORDINATED PROCESSING OF RELATED PERMITS ...**

(f) **EXCEPTIONS ...**

(g) **NEW APPLICATION LISTS ...**

(h) **CONSIDERATION OF COMMENTS ...**

(i) **COPIES OF PERMIT ACTION ...**

(j) **PUBLIC INSPECTION ...**

(k) **TRADE SECRETS ...**

(l) **ACTION ON APPLICATIONS ...**

(m) **TRANSMITTAL OF PERMIT DOCUMENTS TO THE FEDERAL EPA ...**

4. Proposed amendments to Rule 1418 Sections (b), (c), and (e) are to read as follows:

RULE 1418. ACTION ON APPLICATIONS

(Adopted 1/18/94; Revised 3/7/95)

(Rev. (date of adoption); Eff. (upon EPA approval))

Action on applications submitted pursuant to this regulation shall be in accordance with this rule notwithstanding other provisions of these Rules and Regulations.

(a) **COMPLETENESS DETERMINATION . . .**

(b) **ACTION TIME** (Rev. (date of adoption); Eff. (upon EPA approval))

The Air Pollution Control Officer shall act on at least one third of initial permit applications for existing sources in each of the three years following the effective date of this regulation.

For all other applications, the Air Pollution Control Officer shall approve or deny each complete application within the following time limits:

(1) For administrative permit amendments, 60 days from receipt of a request by the applicant or, when the request for administrative amendment results from the provisions of Rule 1410, Section (q) - Enhanced Procedures for Authorities to Construct, no more than 60 days after the applicant demonstrates compliance with all applicable requirements, terms and conditions of the Authority to Construct and these Rules and Regulations, whichever is later;

(2) For minor permit modification, no more than 90 days from receipt of a complete application or 15 days after the end of the Administrator's 45-day review period, whichever is later;

(3) For a significant permit modification, not more than 18 months from the receipt of a complete application; or

(4) For an initial permit or renewal, not more than 18 months from the receipt of a complete application except as provided above in this section.

(c) **DELAY IN SUBMISSION TO THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY (EPA)** (Rev. (date of adoption); Eff. (upon EPA approval))

The Air Pollution Control Officer shall delay the submission of decisions on permits to operate and appeals to the federal EPA, in order to allow time for an appeal to the Hearing Board, in the following circumstances:

(1) Submission shall be delayed for 30 days after notice has been provided to the applicant if the Air Pollution Control Officer has reason to expect an appeal to be filed; or if the Air Pollution Control Officer has been notified by the applicant or by any person entitled to appeal, that an appeal will be taken; or if the permit would substantially modify the terms and conditions proposed by the applicant in a manner adverse to the applicant;

or if the proposed action has not been subject to prior public notice and comment, and the approval allows the permit holder to conduct operations for more than 40 days that will result in increased emissions or in the release of different pollutants regulated under Section 44300 (et seq.) of the Health and Safety Code, as compared to emissions from operations conducted by the permit holder prior to issuance of the permit.

(2) Submission shall be further delayed until any appeal to the Hearing Board is resolved or until 30 days after the appeal is filed (whichever occurs first), if an appeal raising issues within Hearing Board jurisdiction is filed within 10 days after notice to the applicant by a person entitled to appeal, or if any person entitled to appeal notifies the Clerk of the Hearing Board and the Air Pollution Control Officer in writing, within 10 days after notice to the applicant, that an appeal will be filed.

(3) Notwithstanding the above, there shall be no delay in submission of a proposed action on a permit or modification beyond 30 days after notice to the applicant unless an appeal raising issues within the Hearing Board's jurisdiction is actually filed by a person entitled to make such appeal within such 30 days.

(d) **DELIVERY OF NOTICE OF ACTION . . .**

(e) **EFFECTIVE DATE OF PERMIT ACTION**

(Rev. (date of adoption);
Eff. (upon EPA approval))

Administrative amendments shall be effective on the date they are approved by the Air Pollution Control Officer. For issuance and renewals of permits, and approval of permit modifications, the Air Pollution Control Officer shall make the effective date of the permit action the date that notice of the action to issue, renew, or approve is given to the Responsible Official. The effective date shall not be sooner than the first day, and not later than 30 days, following the last day for any applicable federal EPA review unless the federal EPA has objected to the permit action.

5. Proposed amendments to Rule 1421 Sections (a) and (b) are to read as follows:

RULE 1421. PERMIT CONDITIONS

(Adopted 1/18/94; Revised 3/7/95)
(Rev. (date of adoption); Eff. (upon EPA approval))

(a) CONDITIONS AND COMPLIANCE SCHEDULES AUTHORIZED

(Rev. (date of adoption); Eff. (upon EPA approval))

A permit to operate shall include any conditions that are necessary to ensure compliance with these Rules and Regulations and applicable state and federal laws and regulations. Subject to the limitations set forth in Rule 1420(b), new conditions may be imposed when a permit to operate is issued.

Any conditions or increments of progress, including those associated with any compliance schedule that is made a part of a permit to operate, shall be in writing, shall become part of the permit to operate, and shall be complied with at all times. The permit shall require progress reports describing the status of compliance with increments of progress prescribed in the compliance schedule to be submitted not less frequently than semi-annually.

Commencing or continuing operation under a permit to operate shall be deemed acceptance of all the conditions specified in the permit. This does not limit the right of the applicant to seek judicial review or seek federal EPA review of a permit term or condition.

(b) PERMIT CONTENT (Rev. (date of adoption); Eff. (upon EPA approval))

(1) Each permit shall include the following elements:

(i) Conditions that establish emission limitations and standards for all applicable requirements and will assure compliance with all applicable requirements through compliance certification, testing, monitoring, reporting and recordkeeping.

(ii) The term of the permit.

(iii) Conditions establishing applicable emissions monitoring and emissions testing or continuous monitoring requirements and related recordkeeping and reporting requirements. Where an applicable requirement does not require periodic testing or monitoring, conditions establishing periodic monitoring sufficient to yield reliable data from the relevant time period and to ensure compliance with the applicable requirement.

Conditions requiring that all applicable records and support information including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation, and copies of all monitoring reports required by the permit be maintained for a period of at least five years. All records of required monitoring must include:

- (A) the date, the location as defined in the permit, and the time of sampling or measurement;
- (B) the date(s) analyses were performed;
- (C) the company or entity that performed the analyses;
- (D) the analytical techniques or methods used;
- (E) the results of such analyses; and
- (F) the operating conditions as existing at the time of sampling and measurement.

(iv) Conditions requiring that the permittee submit to the District, at least once every six months, reports summarizing the results of all required monitoring. Such reports shall be certified by a responsible official and shall identify any deviations from federally enforceable permit conditions.

(v) Conditions requiring prompt reporting to the District of any deviations from federally-enforceable permit conditions. Such report must include the probable cause of such deviations and any corrective actions or preventive measures taken.

(vi) If applicable a federally enforceable permit condition prohibiting emissions exceeding any allowances that the source lawfully holds under Title IV of the federal Clean Air Act or rules promulgated under Title IV.

(vii) A severability clause to ensure the continued validity of the various federally enforceable permit requirements in the event of a challenge to any portions of the permit.

(viii) A statement that the source must comply with all conditions of the permit. Any permit noncompliance constitutes a violation of the federal Clean Air Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.

(ix) A statement that the need for a source to halt or reduce activity in order to maintain compliance shall not be a defense in an enforcement action.

(x) A statement that the permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the source for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition.

(xi) A statement that the permit does not convey any property rights of any sort, or any exclusive privilege.

(xii) A statement that the source shall furnish to the District, within a reasonable time:

(A) any information required to determine whether cause exists for modifying, revoking, reissuing, or terminating the permit;

(B) any information required to determine compliance with the permit conditions; or

(C) copies of any records required to be maintained pursuant to permit conditions.

(xiii) A condition requiring the source pay fees due to the District consistent with all applicable fee schedules.

(xiv) Applicable conditions for all reasonably anticipated operating scenarios identified by the source in its permit application. The source shall also record the operating change in a log, noting the scenario under which the source is operated. Such conditions shall meet all applicable requirements.

(xv) Terms and conditions, if requested by the source for emissions trading within the source and approved by the Air Pollution Control Officer, to the extent that the permit provides for trading. Such terms and conditions:

(A) shall include standard permit and compliance requirements consistent with this section;

(B) may extend the permit shield to all terms and conditions that allow emissions trading; and

(C) shall meet all applicable requirements of this regulation.

(xvi) For any condition based on applicable requirements, references that specify the origin and authority for each condition, and identify any difference in form as compared to such applicable requirement.

(2) Each permit shall include the following compliance requirements:

(i) A statement that representatives of the District shall be allowed access to the source and all required records pursuant to State Health and Safety Code Section 41510.

(ii) A schedule of compliance if the source is not in compliance with any applicable requirement. In addition, a condition that requires submittal of a progress report not less frequently than every six months. Such progress reports shall contain the following:

(A) dates for achieving the activities, milestones, or compliance required in the schedule of compliance, and dates when such activities, milestones or compliance were achieved; and

(B) an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.

(iii) A requirement that the source submit a compliance certification consistent with Rule 1414 (f)(3)(ix) and also containing:

(A) the frequency of submittals of compliance certifications;

(B) a requirement for the compliance certification to include the following:

(1) the identification of each term or condition of the permit that is the basis of the certification;

(2) the compliance status;

(3) whether compliance was continuous or intermittent;

(4) the method(s) used for determining the compliance status of the source, currently and over the reporting period consistent with this section; and

(5) such other facts as the permitting authority may require to determine the compliance status of the source.

(C) a requirement that all compliance certifications be submitted to the federal EPA as well as the District.

(D) Such additional requirements as may be specified pursuant to Sections 114 (a)(3) and 504 (b) of the federal Clean Air Act.

(iv) A requirement that any document required by permit shall contain a certification by a responsible official of the source stating that, based on information and belief formed after reasonable inquiry, the document is true, accurate, and complete.

(3) The Air Pollution Control Officer shall specifically designate as being federally enforceable under the federal Clean Air Act any terms and conditions of the permit that are required under the federal Clean Air Act or applicable requirement. All terms and conditions of the permit specifically designated as federally enforceable shall be enforceable by EPA and the public (through judicial review or petitions to the Administrator) under the federal Clean Air Act.

(c) **STATE AND LOCAL ENFORCEMENT . . .**

(d) **FEDERAL ENFORCEABILITY . . .**

6. Proposed amendments to Rule 1425 Sections (a) and (b) are to read as follows:

RULE 1425. APPEALS AND JUDICIAL REVIEW

(Adopted 1/18/94: Revised 3/7/95)
(Rev. (date of adoption); Eff. (upon EPA approval))

(a) **PLACE FOR APPEALS** (Rev. (date of adoption); Eff. (upon EPA approval))

Any proposed decision by the Air Pollution Control Officer to deny or partially deny a permit or modification, and any proposed decision to approve a permit or modification may be appealed to the Hearing Board, provided the appeal is filed within 30 days after receipt of the notice of the proposed decision by the Air Pollution Control Officer and is within the jurisdiction of the Hearing Board and notice of the appeal is given to the Air Pollution Control Officer.

(b) **APPEAL BY APPLICANT TO THE HEARING BOARD**
(Rev. (date of adoption); Eff. (upon EPA approval))

Within 30 days after notice by the Air Pollution Control Officer of a proposed denial or conditional approval of a permit to operate or modification, or prior to submission of any other proposed determination to the federal EPA for review, the applicant may petition the Hearing Board, in writing, for a public hearing to appeal the proposed decision. Such petition shall state with reasonable particularity the grounds therefor and shall be signed under penalty of perjury.

The Hearing Board, after notice and a public hearing held within 30 days after filing the petition, may sustain, reverse or modify the action of the Air Pollution Control Officer. Such order may be made subject to specified conditions. The Air Pollution Control Officer shall notify the federal EPA of any action taken by the Hearing Board on any permit required by this regulation.

(c) **APPEALS BY OTHERS TO THE HEARING BOARD ...**

(d) **REQUEST FOR STAY ...**

(e) **STAY AFFECTING MODIFICATION ONLY ...**

(f) **DISPUTE RESOLUTION ...**

(g) **LIMITATIONS ON APPEALS TO THE HEARING BOARD ...**

(h) **PETITIONS TO THE ADMINISTRATOR OF THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY (EPA) ...**

(i) **FINAL PERMIT ACTION ...**

(j) **JUDICIAL REVIEW ...**

7. Proposed amendments to Appendix A Sections (d), (i), and (o) are to read as follows:

**APPENDIX A
INSIGNIFICANT UNITS**

(Revision adopted 5/23/01; Effective 12/31/01)
(Rev. (date of adoption); Eff. (upon EPA approval))

(a) ...

(b) ...

(c) ...

(d) The following equipment: (Rev. (date of adoption); Eff. (upon EPA approval))

(i) Motor vehicle engines, pile drivers (except for Diesel pile driving hammers), and construction cranes that are routinely dismantled and transported to non-contiguous locations for temporary use;

(ii) Railway, road and runway sweepers used respectively for cleaning rail tracks, roadways and runways, provided the maximum manufacturer's output rating of any auxiliary sweeper engine is 50 brake horsepower or less;

(iii) Stationary and portable internal combustion engines with a brake horsepower output rating of 50 or less;

(iv) Any stationary gas turbine with a power rating of less than 0.3 megawatt (MW), or a maximum gross heat input rating at ISO Standard Day Conditions of less than 1 million British Thermal Units (Btu's) per hour;

(v) Internal combustion engines used exclusively for purposes of educating students in the operation, maintenance, repair and rebuilding of such engines.

(2) Water cooling towers and water cooling ponds with a capacity less than 10,000 gallons per minute not used for evaporative cooling of process water or not used for evaporative cooling of water, contaminated water or industrial waste water from barometric jets or from barometric condensers.

(3) Portable aircraft engine test stands which were constructed before November 4, 1976.

(4) Fuel-burning equipment as described below:

(i) Fuel-burning equipment, except internal combustion engines, with a maximum gross heat input rate of less than one million Btu's (0.252 x 10⁶ Kcal) per hour when not part of a process, process line, line, equipment, article, machine or

other contrivance for which a permit to operate is required by these Rules and Regulations.

(ii) Fuel burning equipment, except steam boilers, process heaters, steam generators, and internal combustion engines, with a maximum gross heat input of less than 20 million Btu's per hour, and fired exclusively with natural gas, liquefied petroleum gas or a combination of natural gas and liquefied petroleum gas.

(iii) Steam boilers, process heaters, and steam generators with a maximum gross heat input of less than five million Btu's per hour.

(5) Extrusion equipment used exclusively for metals, minerals, or plastic except coking extrusion equipment or processes which manufacture products containing greater than one percent asbestos fiber by weight.

(6) Equipment used exclusively for forging, pressing, rolling or drawing of metals or for heating metals immediately prior to forging, pressing, rolling or drawing.

(7) All printing or graphic arts presses located at a stationary source which emits less than an average of 15 pounds of volatile organic compounds (VOC), subject to Rule 67.16, per operating day for each calendar month from all such operations. All records necessary to calculate average daily VOC emissions, such as emission factors, VOC content of each material used, number of operating days per calendar month, and daily or monthly records of material usage, shall be maintained on site for five years and be made available to the District upon request.

(8) Inkjet and laser printing equipment.

(9) Ink cartridge filling, refilling, and/or refurbishing operations.

(10) Any oven used exclusively for curing, softening, or annealing of plastics.

(11) Any oven which is an integral part of a process that is an insignificant activity pursuant to this rule.

(12) Crucible-type or pot-type furnaces with a brimful capacity of less than 450 cubic inches of any molten metal.

(13) Crucible furnaces, pot furnaces or induction furnaces, with a capacity of 2500 cubic inches or less each, in which no sweating or distilling is conducted and from which only non-ferrous metals except yellow brass, are poured or non-ferrous metals are held in a molten state.

(14) Shell core and shell-mold manufacturing machines.

(15) Molds used for the casting of metals.

(16) Foundry sand mold forming equipment except those to which heat, sulfur dioxide or organic material is applied.

- (17) Shot peening cabinets where only steel shot is employed and no scale, rust, or old paint is being removed.
- (18) Die casting machines.
- (19) Tumblers used for the cleaning or deburring of metal products without abrasive blasting.
- (20) Metalizing guns, except electric arc spray guns, where the metal being sprayed is in wire form.
- (21) Brazing, welding equipment including arc welding equipment.
- (22) Hand soldering equipment and solder-screen processes. Solder-screen means those processes which use a process similar to silk-screening to apply solder and which subsequently undergo a reflow process other than a vapor phase solder reflow process.
- (23) Solder levelers, hydrosqueegees, wave solder machines, and drag solder machines which use less than an average of 10 pounds of any material containing VOCs per operating day each calendar month.
- (24) Equipment used exclusively for the sintering of glass or metals.
- (25) Equipment used exclusively for heating metals immediately prior to forging, pressing, rolling, or drawing.
- (26) Atmosphere generators and vacuum producing devices used in connection with metal heat treating processes.
- (27) Dry batch mixers of 0.5 cubic yards (0.38 cubic meters) rated working capacity or less. Dry batch means material is added in a dry form prior to the introduction of a subsequent liquid fraction or when no liquid fraction is added.
- (28) Batch mixers (wet) of 1 cubic yard (0.765 cubic meter) capacity or less where no organic solvents, diluents or thinners are used.
- (29) Equipment used exclusively for the packaging of lubricants or greases.
- (30) Portable conveyors (belt or screw type) where there is no screening.
- (31) Fire extinguishing equipment using halons with a charge of less than 50 pounds of a Class I or Class II ozone depleting compound.
- (32) Equipment used exclusively for the purposes of flash-over fire fighting training, or hand-held fire extinguisher training operations.
- (33) Roofing kettles (used to heat asphalt) with a capacity of 85 gallons (322 liters) or less.

(34) Abrasive blasting equipment with a manufacturer's-rated sand capacity of less than 100 pounds (45.4 kg) or 1 cubic foot or less.

(35) Abrasive blast cabinets which vent through control devices and into the buildings in which such cabinets are located.

(36) Blast cleaning equipment using a suspension of abrasive in water.

(37) Equipment used for buffing or polishing, carving, cutting, drilling, machining, routing, shearing, sanding, sawing, surface grinding, or turning of: ceramic artwork, ceramic precision parts, leather, metals, rubber, fiberboard, masonry, or non-fiberglass reinforced plastic.

(38) Wet-jet devices used to cut fiberglass reinforced plastic.

(39) Handheld equipment used for buffing, polishing, carving, cutting, drilling, machining, routing, sanding, sawing, surface grinding or turning of fiber reinforced plastic, when not used at a designated workstation, booth or room.

(40) Equipment used for carving, cutting, drilling, surface grinding, planning, routing, sanding, sawing, shredding or turning of wood, or the pressing or storing of sawdust, wood chips or wood shavings.

(41) Paper shredders and paper disintegrators which have a capacity of 600 pounds per hour or less, and the associated conveying systems and baling equipment.

(42) Equipment used to liquefy or separate oxygen, nitrogen or the rare gases from the air.

(43) Equipment used exclusively to grind, blend or package tea, cocoa, spices, dried flowers, or roasted coffee.

(44) Equipment, other than boilers, located at eating establishments which is used exclusively for preparing food for human consumption at the same establishment.

(45) Coffee roasting equipment with a manufacturer's rating of 15 pounds per hour or less.

(46) Equipment used exclusively for surface preparation and cleaning if the volatile organic compound content of the aqueous material does not exceed 10 percent by weight. Chromate conversion coating processes are not insignificant activities.

(47) Laboratory testing equipment and quality control testing equipment, used exclusively for chemical and physical analysis. Vacuum-producing devices used in laboratory operations and hoods, stacks or ventilators.

(48) Equipment that is used to conduct research and develop new or improved processes and products, where such equipment is operated by technically trained

personnel under the supervision of a research director, and is not used in the manufacture of products for sale or exchange for commercial profit, other than the first product which is produced using research and development equipment and which is delivered to a potential intra-company or external customer for approval, and provided that emissions from all such activities at a source are less than 15 pounds per day.

(49) Equipment used to manufacture:

(i) bio-technology pharmaceutical products for exclusive use in federal Food and Drug Administration (FDA) approved clinical trials, or

(ii) bio-medical devices and diagnostic kits for exclusive use in FDA approved clinical trials and laboratory failure analysis testing, or

(iii) bio-agricultural products for exclusive use in field testing required to obtain FDA, Environmental Protection Agency (EPA), United States Department of Agriculture (USDA) and /or California Environmental Protection Agency (Cal-EPA) approval, provided the uncontrolled emissions of VOCs from all such operations located at the stationary source do not exceed five tons per calendar year.

(50) Laboratory equipment and laboratory operations located at secondary schools, colleges or universities and used exclusively for instruction.

(51) Titanium chemical milling at temperatures below 110°F (43°C).

(52) Orchard or citrus grove heaters.

(53) Non-immersion dry cleaning equipment.

(54) Alkaline chemical milling equipment for which construction or installation commenced prior to March 27, 1990, or alkaline chemical milling equipment used exclusively for the cleaning of internal combustion engine parts.

(55) Chemical milling of niobium and niobium alloys which do not contain any hazardous air pollutants, using nitric or hydrofluoric acids at temperatures below 110 °F.

(56) Oil quenching tanks which use less than 20 gallons per year of make-up oil.

(57) Salt bath quenching tanks where no chromium containing compounds are added to the tank.

(58) Laundry dryers, extractors or tumblers used for fabrics cleaned only with solutions of bleach or detergents containing no organic solvents.

(59) Ovens having an internal volume of 27 cubic feet (0.765 cubic meter) or less in which organic solvents or materials containing organic solvents are charged.

(60) Equipment used for compression molding and injection molding of plastics.

(61) Cold solvent cleaning tanks, vapor degreasers, and paint stripping tanks

(i) with a liquid surface area of 1.0 square foot (0.09 square meter) or less, or

(ii) which have a maximum capacity of one gallon or less.

(62) Equipment used for powder coating operations, except metalizing gun operations, where surface preparation or cleaning solvent usage is less than one-half gallon each day.

(63) Equipment used for anodizing, plating, polishing, stripping or etching, using aqueous materials, provided the volatile organic compound of the aqueous material does not exceed 10% by weight. This exemption does not apply to acid chemical milling, chrome plating, chromic acid anodizing, chromate conversion coating processes, or the stripping of chromium. This exemption also does not apply to copper etching or plating operations which use formaldehyde, ammonium hydroxide, ammonium chloride, or solutions of nitric, hydrofluoric and/or hydrochloric acids which contain more than 17 percent acid concentration by weight. This exemption also does not apply to any equipment, operation or process which is subject to any emission, design or operational standard under an applicable requirement.

(e) ...

(f) ...

(g) ...

(h) ...

(i) (Rev. (date of adoption): Eff. (upon EPA approval)) The following uncontrolled equipment or processes using materials containing volatile organic compounds when the emissions of volatile organic compounds from the equipment or process are less than an average of five pounds per operating day for each calendar month from all such operations. All records necessary to calculate average daily volatile organic compounds emissions, such as emission factors, volatile organic compounds content of each material used, number of operating days per calendar month, and daily or monthly records of material usage, shall be maintained on site for five years and be made available to the District upon request:

(1) Foam manufacturing or application.

(2) Reinforced plastic fabrication using resins such as epoxy and/or polyester.

(3) Plastics manufacturing or fabrication.

(4) Cold solvent degreasers used exclusively for educational purpose.

(5) Golf grip application stations which exclusively use liquid materials with an initial boiling point of 450°F (232°C), or greater.

(6) Batch-type waste-solvent recovery stills with batch capacity of 7.5 gallons or less for onsite recovery of waste solvent, provided the still is equipped with a device which shuts off the heating system if the solvent vapor condenser is not operating properly.

(7) Peptide and DNA synthesis operations.

(8) Equipment used for washing or drying articles fabricated from metal, cloth, fabric or glass, provided that no organic solvent is employed in the process and that no oil or solid fuel is burned and none of the products being cleaned has residues of organic solvent.

(9) Hot wire cutting of expanded polystyrene foam.

The exemptions in this section shall not apply to equipment required to obtain a permit for emissions of air contaminants other than organic compounds.

(j) ...

(k) ...

(l) ...

(m) ...

(n) ...

(o) The following equipment: (Rev. (date of adoption): Eff. (upon EPA approval))

(1) Equipment used for hydraulic or hydrostatic testing.

(2) Equipment used exclusively for the dying or stripping (bleaching) of textiles where no organic solvents, diluents or thinners are used.

(3) Equipment used exclusively to mill or grind coatings and molding compounds where all materials charged are in a paste form and no organic solvents, diluents or thinners are used.

(4) Equipment used exclusively for the melting or applying of wax where no organic solvents, diluents or thinners are used.

(5) Equipment used for inspection of metal products except metal inspection tanks utilizing a suspension of magnetic or fluorescent dye particles in volatile organic solvent which have a liquid surface area greater than 5 ft² and are equipped with spray type flow or a means of solvent agitation.

(6) Equipment used exclusively for the manufacture of water emulsions of asphalt, greases, oils or waxes.

(7) Equipment used exclusively for conveying and storing plastic pellets.

(8) Equipment used exclusively for the mixing and blending of materials at ambient temperature to make water-based adhesives.

(9) Any coating and/or ink manufacturing operations located at a stationary source, which emit less than an average of 15 pounds of VOCs per operating day for each calendar month from all such operations. All records necessary to calculate average daily VOC emissions, such as emission factors, VOC content of each material used, number of operating days per calendar month, and daily or monthly records of material usage, shall be maintained on-site for five years and be made available to the District upon request.

(10) Curing or baking ovens in which no organic solvents or materials containing organic solvents are charged.

(11) Mixers for rubber or plastics where no material in powder form is added and no organic solvents, diluents or thinners are used.

(12) Any operation producing or blending materials for use in cosmetic or pharmaceutical products and/or manufacturing cosmetic or pharmaceutical products by chemical processes, which emit less than an average of 15 pounds of VOCs per operating day for each calendar month from all phases of all such operations located at a single stationary source.

(13) Roll mills or calendars for rubber or plastics and no organic solvents, diluents or thinners are used.

(14) Vacuum-producing devices used in laboratory operations or in connection with other equipment which is exempt by Rule 11.

(15) Natural draft hoods, natural draft stacks or natural draft ventilators.

(16) Natural gas-fired or liquefied petroleum gas-fired or electrically heated furnaces for heat treating glass or metals, the use of which does not involve molten materials.

(17) Comfort air conditioning or comfort ventilating systems which are not designed to remove air contaminants generated by or released from specific units or equipment.

(18) Refrigeration units except those used as, or in conjunction with, air pollution control equipment with a charge of less than 50 pounds of a Class I or II ozone depleting compound.

(19) Equipment used exclusively for space heating, other than boilers.

(20) Equipment used exclusively for bonding lining to brake shoes.

(21) Lint traps used exclusively in conjunction with dry cleaning tumblers.

(22) Equipment used exclusively to compress or hold dry natural gas.

(23) Kilns used for firing ceramic ware, heated exclusively by natural gas, liquefied petroleum gas, electricity or any combination thereof.

(24) Equipment, including dryers, used exclusively for printing, dyeing, stripping, or bleaching of textiles where no volatile organic solvents are used.

(25) Equipment used for washing or drying articles fabricated from cloth, fabric or glass, where no volatile organic solvents are employed in the process and none of the articles being cleaned have residues of volatile organic solvents.

(26) Wastewater processing units associated with drycleaning operations using halogenated compounds provided the water being evaporated in the unit does not exceed 400 ppm (by weight) of halogenated compounds as determined by EPA Test Method 634.

(27) Nail salon operations.

(28) Atmospheric organic gas sterilizer cabinets where ampules are utilized exclusively to dispense ethylene oxide gas into a liner bag and where total ethylene oxide emissions are less than five pounds per year.

(29) Aerosol can puncturing or crushing operations which use:

(i) a closed loop recovery system that emits no air contaminants, or

(ii) a recovery system that vents all emissions through a properly operated and maintained carbon canister, provided not more than 500 cans are processed through the equipment per day. Throughput records of the number of cans processed shall be maintained on-site for two years and be made available to the District upon request.

(30) Equipment used to crush and/or ferment grapes to produce wine.

(31) Equipment used to brew beer at breweries that produce less than one million gallons of beer per year excluding boilers.

(32) Solvent wipe cleaning operations, not associated with a significant activity, using a container applicator that minimizes emissions to the air, such as, but not limited to, squeeze containers with narrow tips, spray bottles, or dispensers with press down caps located at a facility where the uncontrolled emissions of VOCs from all such operations do not exceed five tons per calendar year, or the total purchase of solvents for such operations does not exceed 1,500 gallons per calendar year. Total purchase of solvents containing a single HAP shall not exceed 350 gallons per calendar year.

(33) Equipment approved for use by the EPA for recovering and/or recycling chlorofluorocarbons (CFCs) or alternative fluorocarbons provided such equipment is charged with less than 50 pounds of a Class I or II ozone depleting compound.

(34) The following registered equipment:

- (i) Internal combustion emergency standby engines installed and operated before November 15, 2000. An emergency standby engine is an engine used exclusively in emergency situations to drive an electrical generator, an air compressor or a water pump, except for operations up to 52 hour per calendar year for non-emergency purposes.
- (ii) Stationary internal combustion engines rated at 200 brake horsepower or less installed and operated before November 15, 2000, which operate less than 200 hours per calendar year.
- (iii) Asphalt roofing kettles and asphalt roofing day tankers.
- (iv) Rock drills. This does not include any associated power units.
- (35) Ceramic deposition spray guns where all the material being sprayed contains no chromium, lead, or nickel.
- (36) Military tactical support equipment.
- (37) Any bakery oven which is located at a stationary source where the combined rated heat input capacity of all bakery ovens is less than 2 million Btu's per hour.
- (38) Any bakery oven used exclusively to bake non-yeast-leavened products.

8. Proposed amendments to Rule 60.1 Sections (a), (c), and (d) are to read as follows:

RULE 60.1 - LIMITING POTENTIAL TO EMIT AT SMALL SOURCES

(Adopted and Effective 5/23/01) (Rev. and Eff. *(date of adoption)*)

(a) APPLICABILITY

(Rev. and Eff. *(date of adoption)*)

This rule applies to any stationary source which would have the potential to emit any regulated air pollutants equal to or in excess of the threshold for a major source of regulated air pollutants if it did not comply with the limitations set forth in this rule, and which meets one of the following conditions:

(1) In every 12-month period, the actual emissions of the stationary source are less than or equal to any of the emission limitations specified in Subsection (d)(1)(i) through (d)(1)(iv); or

(2) In every 12-month period, at least 90 percent of the actual emissions from the stationary source are associated with an operation limited by any one of the alternative operational limits specified in Subsection (g)(1).

This rule shall not relieve any stationary source from a requirement to comply with all terms or conditions of any applicable Authority to Construct permit, or a requirement to modify any applicable Authority to Construct, or any other provisions of these Rules and Regulations. This Section (a) does not preclude issuance of any Authority to Construct with conditions or terms necessary to ensure compliance with this rule.

(b) EXEMPTIONS . . .

(c) DEFINITIONS

(Rev. and Eff. *(date of adoption)*)

All terms shall retain the definitions provided in Regulation XIV and District Rule 2 unless otherwise defined herein.

(1) **“12-month Period”** means a period of 12 consecutive months determined on a rolling basis with a new 12-month period beginning on the first day of each calendar month.

(2) **“Actual Emissions”** means the emissions of a regulated air pollutant from a stationary source for every 12-month period. Valid continuous emission monitoring data or source test data shall be preferentially used to determine actual emissions. In the absence of valid continuous emissions data or source test data, the basis for determining actual emissions shall be: throughputs of process materials; throughputs of materials stored; usage of materials; data provided in manufacturer's product specifications; material volatile organic compound (VOC) content reports or laboratory analyses; other information required by this rule and applicable District, State and Federal regulations; or information requested in writing by the Air Pollution Control Officer. All calculations of

actual emissions shall use EPA, California Air Resources Board (ARB), or District approved methods, including emission factors and assumptions.

(3) **“Alternative Operational Limit”** means a limit on a measurable parameter, such as hours of operation, throughput of materials, use of materials, or quantity of product, as specified in Section (g).

(4) **“Emission Unit”** means any non-vehicular article, machine, equipment, contrivance, process or process line, which emit(s) or reduce(s) or may emit or reduce the emission of any air contaminant.

(5) **“Federal Clean Air Act”** means the federal Clean Air Act as amended in 1990 (42 U.S.C. section 7401 et seq.) and its implementing regulations.

(6) **“Hazardous Air Pollutant (HAP)”** means any air contaminant listed pursuant to section 112(b) of the federal Clean Air Act.

(7) **“Legally and Practicably Enforceable Limits”** means the provisions of these Rules and Regulations, and 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 limit the actual emissions of an emission unit or group of emission units and that are permanent, technically accurate, quantifiable; have associated recordkeeping, reporting, and monitoring requirements sufficient to determine ongoing compliance with the emission limitation; are not in violation of any of these Rules or Regulations, State Law, or the State Implementation Plan; and there is a legal obligation to adhere to the terms and conditions of the emission limitation and associated requirements.

(8) **“Major Stationary Source”** means any stationary source, excluding any non-road engines, which emits or has the potential to emit one or more air contaminants in amounts equal to or greater than any of the following emission rates:

(i) 10 tons per year of any federal HAP, including fugitive emissions, or

(ii) 25 tons per year of any combination of federal HAPs, including fugitive emissions, or

(iii) 100 tons per year or more of any regulated air pollutant excluding fugitive emission of any such pollutant except as determined by rule by the Administrator of the federal EPA and except that the fugitive emissions from the stationary source shall be considered if the stationary source belongs to one of the following categories of sources:

- | | |
|---|---|
| 1. 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. | |
| 2. Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units (Btu) per hour heat input | |
| 3. Fossil-fuel-fired steam electric plants of more than 250 million British thermal units (Btu) per hour heat input | |
| 4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels | |
| 5. Municipal incinerators capable of charging more than 250 tons of refuse per day | |
| 6. Carbon black plants (furnace process) | 17. Petroleum refineries |
| 7. Charcoal production plants | 18. Phosphate rock processing plants |
| 8. Chemical process plants | 19. Portland cement plants |
| 9. Coal cleaning plants (with thermal dryers) | 20. Primary aluminum ore reduction plants |
| 10. Coke oven batteries | 21. Primary copper smelters |
| 11. Fuel conversion plants | 22. Primary lead smelters |
| 12. Glass fiber processing plants | 23. Primary zinc smelters |
| 13. Hydrofluoric, sulfuric, or nitric acid plants | 24. Secondary metal production plants |
| 14. Iron and steel mills | 25. Sintering plants |
| 15. Kraft pulp mills | 26. Sulfur recovery plants |
| 16. Lime plants | 27. Taconite ore processing plants |

(9) **“Maximum Achievable Control Technology (MACT)”** means emission controls or limitations included in any Section 112 requirement of the federal Clean Air Act, including any implementing regulations of the U.S. Environmental Protection Agency, for any source class or category.

(10) **“Potential to Emit”** means the maximum capacity of a stationary source to emit a regulated air pollutant based on its physical and operational design. Any physical or operational limitation on the capacity of the stationary source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design only if the limitation is legally and practicably enforceable by the District or federally enforceable. Fugitive emissions of these pollutants shall be considered in calculating total emissions for stationary sources in accordance with Subsection (c)(8), Major Stationary Source.

(11) **“Process Statement”** means an annual report on permitted emission units from an owner or operator of a stationary source certifying, under penalty of perjury, the following: throughputs of process materials, throughputs of materials stored, usage of materials, fuel usage, any available continuous emissions monitoring data, hours of operation, and any other information required by this rule or requested in writing by the Air Pollution Control Officer.

(12) **“Regulated Air Pollutant”** means the following air pollutants:

- (i) NO_x and VOC regulated as ozone precursors.
- (ii) Any pollutant for which a national ambient air quality standard has been promulgated pursuant to the federal Clean Air Act.

(iii) Any pollutant subject to any standard 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 any standard or requirement promulgated pursuant to Section 112 of the federal Clean Air Act.

(13) **"Title V Permit"** means an operating permit issued to a stationary source pursuant to Regulation XIV - Title V Operating Permits of these Rules and Regulations.

(14) **"Non-road Engine"** means the same as defined in 40 Code of Federal Regulations, Part 89.

(d) **STANDARDS**

(Rev. and Eff. (*date of adoption*))

(1) Unless the owner or operator has chosen to operate the stationary source under an alternative operational limit specified in Subsection (g)(1), a stationary source subject to this rule shall emit less than the following in any 12-month period:

(i) 50 percent of the major source thresholds for regulated air pollutants (excluding HAPs);

(ii) 5 tons per year of a single HAP;

(iii) 12.5 tons per year of any combination of HAPs;

(iv) 50 percent of any lesser threshold for a single HAP as the EPA may establish by rule.

For any category of air pollutant specified in (i), (ii), (iii), or (iv) above for which a stationary source's emissions equal or exceed the limits specified in (i), (ii), (iii), or (iv) above, such emissions shall be limited to less than major stationary source levels in accordance with the requirements of Rule 60.2 of these Rules and Regulations, or through legally and practicably enforceable limits established pursuant to Rule 21 of these Rules and Regulations.

(2) The Air Pollution Control Officer shall annually evaluate a stationary source's compliance with the emission limitations in Subsection (d)(1). In performing this evaluation, the Air Pollution Control Officer shall consider any annual process statement submitted pursuant to Section (f). In the absence of valid continuous emission monitoring data or source test data, actual emissions shall be calculated using emission factors approved by the EPA, ARB, or the Air Pollution Control Officer.

(3) Unless the owner or operator has chosen to operate the stationary source under an alternative operational limit specified in Subsection (g)(1), the owner or operator of a stationary source subject to this rule shall obtain any necessary permits prior to

commencing any physical or operational change or activity which will result in actual emissions that exceed the limits specified in Subsection (d)(1).

(e) **RECORDKEEPING REQUIREMENTS ...**

(f) **REPORTING REQUIREMENTS ...**

(g) **ALTERNATIVE OPERATIONAL LIMITS AND REQUIREMENTS ...**

(h) **COMPLIANCE ...**

9. Proposed amendments to Rule 60.2 Sections (c) and (d) are to read as follows:

RULE 60.2. LIMITING POTENTIAL TO EMIT—SYNTHETIC MINOR SOURCES

(Adopted & Effective: 4/30/97)

(Rev. and Eff. (*date of adoption*))

(a) **APPLICABILITY . . .**

(b) **EXEMPTIONS (RESERVED) . . .**

(c) **DEFINITIONS**

(Rev. and Eff. (*date of adoption*))

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 emissions of a regulated air pollutant from an emission unit, as approved by the Air Pollution Control Officer, including emissions during startup, shutdown, upset, and breakdown conditions and fugitive emissions, as applicable.

(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 as applicable, of a regulated air pollutant from a group of one or more emission units at a stationary source.

(4) **“Aggregate Allowed Emissions”** means the sum of the maximum emissions of a regulated air pollutant from a group of one or more emission units that are, or will be, allowed by legally and practicably enforceable permit limits.

(5) **“Air Pollution Control Device”** means any device that removes or destroys air contaminants prior to discharge to the ambient air and is not otherwise necessary for the proper functioning or operation of an emission unit or process. Air pollution control devices include, but are not limited to, electrostatic precipitators, filters, spray towers and scrubbers, thermal and catalytic oxidizers, flares, adsorbers, absorbers, steam or water injection, catalytic and noncatalytic reduction, chemical neutralization, and ozonation. For purposes of this rule, devices that are not air pollution control devices include, but are not limited to, modified furnace or burner designs; staged combustion; reduced combustion preheat; low excess air firing; low nitrogen or sulfur content fuel; air injection; ignition timing retardation; control of oxygen concentration in combustion air; process changes; lids, covers, or other solid enclosures; recovery of process gas; dust suppression by physical stabilization, traffic control, water spray, chemical stabilizers, or wetting agents; baffles; conservation vents; submerged or bottom filling; tank conversion to variable vapor space tank, floating roof tank, or pressurized tank or secondary seals for external floating roof tanks; underground tanks; white paint; low volatile organic compound (VOC), low hazardous air pollutant (HAP), powder, and

waterborne coatings; low VOC or low HAP surface preparation or cleaning materials; and high transfer efficiency coating application methods.

(6) **“Compliance Timeframe”** means each clock hour, calendar day, calendar month, or a 12-month period, or other period as specified pursuant to Subsection (d)(1)(ii) of this rule.

(7) **“De Minimis Emissions”** means that emission rate of a regulated air pollutant that is 50% of the synthetic minor margin for that pollutant. In no case shall the de minimis emission rate of a regulated air pollutant exceed 10 percent of the applicable major source threshold 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. Fugitive emissions shall be applicable when determining compliance with this rule for those pollutants and categories of stationary sources specified in the definition of major source threshold in Subsection (c)(12) of this rule.

(9) **“Hazardous Air Pollutant (HAP)”** means any substance listed in Section 112(b)(1) or listed pursuant to Section 112(b)(2) of the federal Clean Air Act unless the substance has been subsequently delisted pursuant to Section 112(b)(3) of the federal Clean Air Act.

(10) **“Insignificant Emission Unit”** means any emission unit not required to have a Permit to Operate pursuant to Rule 11 or having a Certificate of Exemption or a Certificate of Registration.

(11) **“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 time frame; 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 emission limitations; and

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

(12) **“Major Source Threshold”** means the following emission rates from a stationary source, excluding any non-road engines:

(i) 10 tons during any 12-month period of any HAP; or

(ii) 25 tons during any 12-month period of any combination of HAPs; or

(iii) 100 tons during any 12-month period of any regulated air pollutant, excluding fugitive emission of any such pollutant except as determined by rule by the Administrator of the federal EPA and except that the fugitive emissions from a stationary source shall be considered if the stationary source belongs to one of the following categories of sources:

- | | |
|---|---|
| 1. 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. | |
| 2. Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units (Btu) per hour head input. | |
| 3. Fossil-fuel-fired steam electric plants of more than 250 million British thermal units (Btu) per hour heat input. | |
| 4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels | |
| 5. Municipal incinerators capable of charging more than 250 tons of refuse per day | |
| 6. Carbon black plants (furnace process) | 17. Petroleum refineries |
| 7. Charcoal production plants | 18. Phosphate rock processing plants |
| 8. Chemical process plants | 19. Portland cement plants |
| 9. Coal cleaning plants (with thermal dryers) | 20. Primary aluminum ore reduction plants |
| 10. Coke oven batteries | 21. Primary copper smelters |
| 11. Fuel conversion plants | 22. Primary lead smelters |
| 12. Glass fiber processing plants | 23. Primary zinc smelters |
| 13. Hydrofluoric, sulfuric, or nitric acid plants | 24. Secondary metal production plants |
| 14. Iron and steel mills | 25. Sintering plants |
| 15. Kraft pulp mills | 26. Sulfur recovery plants |
| 16. Lime plants | 27. Taconite ore processing plants |

(13) **“Modifications to Synthetic Minor Source Status”** 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 establish synthetic minor source status for the source.

(14) **“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 operating inputs that are 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 limitations, that limit the device’s input emissions.

(15) **“Owner or Operator”** means any person who owns, operates, controls, or supervises a stationary source.

(16) **“Process Statement”** means a report from the owner or operator of a stationary source specifying process, product, material, operational, and other information the Air Pollution Control Officer determines is necessary to determine actual emissions. A process statement may include, but is not limited to, the identity, composition, and amount of each material used or consumed; the identity, composition and amount of each product produced;

the hours of operation; continuous emission monitoring or continuous parametric emission monitoring data; and air pollution control device overall control efficiencies. A process statement shall include any additional information requested in writing by the Air Pollution Control Officer that are necessary to determine actual emissions from specified emission units for a specified time period.

(17) **“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.

(18) **“Quantifiable”** means that a reliable basis, as determined by the Air Pollution Control Officer, can be established for calculating the amount, rate, nature, and characteristics of actual emissions.

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

(i) NO_x and VOCs.

(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.

(20) **“Residual Actual Emissions”** means the aggregate actual emissions, determined without consideration of any emission reductions due to air pollution control devices, of any regulated air pollutant from all emission units that are not, or will not be, subject to legally and practicably enforceable permit limits that limit the actual emissions of that pollutant.

(21) **“Stationary Source’s Aggregate Actual Emissions”** means the sum of actual emissions, including fugitive emissions as applicable, of a regulated air pollutant from all the emission units at a stationary source.

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

(23) **“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 in any 12-month period, the residual actual emissions of the pollutant are less than or equal to de minimis emissions and the stationary source’s aggregate actual emissions and aggregate allowed emissions of the pollutant in any 12-month period are less than the applicable major source threshold.

(24) **“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.

(25) **“12-month period”** means 12 consecutive calendar months.

(26) **“Verifiable Emission Limitation”** means an emission limitation which is verifiable by a continuous emission monitoring system or parametric 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 and solvents used, or an emission limitation that is equal to an emission unit's potential to emit.

(27) **“Non-road Engine”** means the same as defined in 40 Code of Federal Regulations, Part 89.

(d) **STANDARDS**

(Rev. and Eff. (*date of adoption*))

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

(1) Ongoing compliance with legally and practicably enforceable permit limits shall be determined as follows:

(i) The first compliance timeframe shall begin on:

(A) except as provided for in Subsection (d)(1)(i)(C), for clock hour or calendar day compliance timeframes, the date on which application for synthetic minor source status is made; and

(B) except as provided for in Subsection (d)(1)(i)(C) for calendar month or 12-month period compliance timeframes, the start of the calendar month in which application for synthetic minor source status is made; or

(C) on a date different from the date specified in Subsections (d)(1)(i)(A) or (d)(1)(i)(B), as applicable, provided that the owner or operator and the Air Pollution Control Officer agree on such a date and the date is no later than the first day of the calendar month following the calendar month in which a Permit to Operate containing the compliance timeframe is issued in accordance with this rule.

(ii) Ongoing compliance shall be determined on:

(A) An hourly basis for a clock hour compliance timeframe; and

(B) A daily basis for a calendar day compliance timeframe; and

(C) A calendar month basis for a calendar month or 12-month period compliance timeframes; or,

(D) Such other period up to but not exceeding a calendar quarter where the Air Pollution Control Officer determines that a shorter period to determine compliance or emissions is not feasible nor practical. In such case, the emissions at the stationary source associated with such other period shall be apportioned to each calendar month within the period using a procedure approved by the Air Pollution Control Officer.

(2) For purposes of District Rules and Regulations, a stationary source shall not be considered a major source for a regulated air pollutant if, as determined by the Air Pollution Control Officer:

(i) The source is in ongoing compliance with legally and practicably enforceable permit limits that establish synthetic minor source status for that pollutant; and

(ii) The source's residual actual emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter are less than the de minimis emissions for the source; and

(iii) The aggregate actual emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter of each regulated pollutant from all emission units at the stationary source do not exceed the applicable major source threshold; and

(iv) The aggregate allowed emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter of each regulated pollutant from all emission units at the stationary source that have legally and practicably enforceable permit limits do not exceed the applicable major source threshold; and

(v) The source has maintained sufficient records commencing with the first compliance timeframe and provided sufficient information to the Air Pollution Control Officer that the Air Pollution Control Officer deems adequate to allow a determination of compliance with Subsections (d)(2)(i) through (d)(2)(iv).

(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) Within 30 calendar days, or a longer period of time if deemed necessary by the Air Pollution Control Officer, of a written request by the Air Pollution Control Officer, the owner or operator of a stationary source that is a synthetic minor source for a regulated air pollutant shall demonstrate that, for any 12-month period that begins on or after the start of the first compliance timeframe, residual actual emissions of that pollutant are less than de minimis emissions.

(5) If for any 12-month period that begins on or after the start of the first compliance timeframe, residual actual emissions of a regulated air pollutant for which synthetic minor source status has been established have exceeded de minimis emissions, or, as determined by the Air Pollution Control Officer, 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, is submitted requesting synthetic minor source status and by the application submittal date the source begins maintaining records in accordance with Subsection (h) (except that records of total quantities since the start of the first compliance timeframe shall be deemed as meeting requirements of Subsections (h)(1)(iv) and (h)(3)(ii)(C)) from the date of the application submittal 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) Modifications to synthetic minor source status for a regulated air pollutant shall comply with all applicable requirements of these rules and regulations.

(10) For purposes of this rule, when determining actual emissions, any air pollution control device shall be deemed to have an overall emission control efficiency of zero percent unless it is part of an operational limitation that establishes a legally and practicably enforceable permit limit.

(11) Notwithstanding any permit terms or conditions established pursuant to this rule, all terms and conditions in any Permit to Operate, Authority to Construct, Temporary Authorization, Certificate of Exemption, Certificate of Registration, or Settlement Agreement otherwise established pursuant to these rules and regulations shall remain in force unless modified or removed in accordance with Regulation II, Regulation XIV, and Rule 1200.

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

(f) **DISTRICT PROCEDURES . . .**

(g) **FEES . . .**

(h) **RECORDKEEPING . . .**

(i) **REPORTING . . .**

IT IS FURTHER RESOLVED AND ORDERED that the subject amendments to Rule 60.1 and 60.2 shall take effect upon adoption.

IT IS FURTHER RESOLVED AND ORDERED that the subject amendments to Rules 1401, 1410, 1415, 1418, 1421, 1425, and Appendix A of Regulation XIV, shall take effect and be in force upon approval by the U.S. Environmental Protection Agency, as published in the Federal Register.

PASSED AND ADOPTED by the Air Pollution Control Board of the San Diego County Air Pollution Control District, State of California, this 13th day of August, 2003, by the following votes:

AYES: Cox, Jacob, Slater, Roberts, Horn

NOES: None

ABSENT: None

APPROVED AS TO FORM AND CONTENT
BY H. Dutton
SENIOR DEPUTY

STATE OF CALIFORNIA)
County of San Diego)^{SS}

I hereby certify that the foregoing is a full, true and correct copy of the Original Resolution entered in the Minutes of the Board of the Air Pollution Control District.

THOMAS J. PASTUSZKA
Clerk of the Board of Directors

By: *Evelyn Riddick*
Evelyn Riddick, Deputy



No. 03-207
8/13/03 (APCB-2)

SAN DIEGO AIR POLLUTION CONTROL DISTRICT
PROPOSED AMENDMENTS TO
RULES 1401, 1410, 1415, 1418, 1421, 1425, APPENDIX A OF REGULATION XIV,
AND RULE 60.1 AND RULE 60.2 OF REGULATION IV

CHANGE COPY

1. Proposed amendments to Rule 1401 Section (c) are to read as follows:

RULE 1401. GENERAL PROVISIONS

(Adopted 1/18/94; Revised 3/7/95)

(Revised 5/23/01; Effective 12/31/01)

(Rev. (date of adoption); Eff. (upon EPA approval))

(a) **APPLICABILITY . . .**

(b) **EXEMPTIONS . . .**

(c) **DEFINITIONS** (Rev. (date of adoption); Eff. (upon EPA approval))

For purposes of Regulation XIV, the following definitions shall apply.

(1) **"Abrasive Blast Cabinet"** means an enclosure used to contain abrasive media and which can only be entered through ports for gloved arms and hands when abrasive blasting is conducted.

(2) **"Actual Annual Emissions"** means emissions from any stationary source established according to information gathered by means of annual emission inventory and confirmed accurate by the Air Pollution Control Officer.

(3) **"Administrative Permit Amendment"** means changes to the terms and conditions of a permit, which have been approved pursuant to this regulation. [See Rule 1410(i).]

(4) **"Affected Source (Acid Rain)"** means any emission unit that is subject to emission reduction requirements or limitations under Title IV of the federal Clean Air Act as amended in 1990.

(5) **"Affected State"** means any state that:

(i) is contiguous with California and whose air quality may be affected by a permit action, or

(ii) is within 50 miles of the source for which a permit action is being proposed.

For purposes of this rule, affected state includes any federally recognized eligible Indian tribe.

(6) **"Aggrieved Person"** means any person, including a person or group representing the interest of the public in air quality, who alleges that the issuance of a Permit to Operate will infringe upon or deny such person's legal rights or the legal rights of the general public in respect to air quality.

(7) **"Air Contaminant(s)"** means any substance discharged, released, or otherwise propagated into the atmosphere and includes, but is not limited to, any combination of the following: volatile organic compounds, exempt compounds, oxides of nitrogen, particulate matter, gaseous sulfur compounds, carbon monoxide, smoke, charred paper, dust, soot, grime, carbon, noxious acids, fumes, gases, odors, and federal hazardous air pollutant, including hazardous air pollutants identified in Section 112 of the federal Clean Air Act. Also included are Class I and Class II ozone depleting substances under Title VI of the federal Clean Air Act, any pollutant for which a national ambient air quality standard has been promulgated, and any substance subject to a standard promulgated under Sections 111 or 112 of the federal Clean Air Act.

(8) **"Alternative Operating Scenario"** means each coordinated set of alternative operational parameters and permit conditions proposed by an operator in a permit application and approved and implemented pursuant to this regulation.

(9) **"Appeared, Submitted Written Testimony, or Otherwise Participated"** means communicated specific substantive or procedural air pollution issues to the Air Pollution Control District (District) staff members who were responsible for permit to operate issuance, communicated with the Air Pollution Control Officer or his designee in the context of a formal public participation process, or testified before the Hearing Board in a formal proceeding. The term does not include mere expression of general interest or concern or oral communication outside of a formal public forum, whether by telephone or otherwise, with District staff members who were not directly responsible for issuance of the permit to operate. A party may show that it has otherwise participated in a matter by contemporaneous written documentation, or by declaration under oath.

(10) **"Applicable Requirements"** means:

(i) all federally enforceable requirements applicable to a stationary source prior to issuance of a permit to operate; and

(ii) any new federally enforceable requirements that become effective during the term of a permit.

(11) **"Application Shield"** means the protection from enforcement of the requirement to have a permit provided pursuant to Rule 1410(a).

(12) **"Architectural Surface Coating"** means any coating applied to stationary structures and their appurtenances coated onsite or in close proximity to the intended installed location, to mobile homes, to pavement, or to curbs.

(13) **"Complete Application"** means an application for which the applicant has provided all information required under Rule 1414(f) or an application deemed to be complete pursuant to Rule 1414(i).

(14) **"Contiguous Property"** means two or more parcels of land with a common boundary or separated solely by a public or private roadway or other public or private right-of-way. Non-adjoining parcels of land separated solely by bodies of water designated "navigable" by the U. S. Coast Guard shall not be considered contiguous properties.

(15) **"Emission Unit"** means any non-vehicular article, machine, equipment, contrivance, process or process line, which emit(s) or reduce(s) or may emit or reduce the emission of any air contaminant.

(16) **"Exempt Compound"** means, with regard to the definition of volatile organic compounds, any of the following:

- Chlorodifluoromethane (HCFC-22)
- Dichlorotrifluoroethane (HCFC-123)
- 2-chloro-1,1,1,2-tetrafluoroethane (HCFC-124)
- Pentafluoroethane (HFC-125)
- 1,1,2,2-tetrafluoroethane (HFC-134)
- Tetrafluoroethane (HFC-134a)
- Dichlorofluoroethane (HCFC-141b)
- Chlorodifluoroethane (HCFC-142b)
- 1,1,1-trifluoroethane (HFC-143a)
- 1,1-difluoroethane (HFC-152a)
- Cyclic, branched, or linear, completely fluorinated alkanes
- Cyclic, branched, or linear, completely fluorinated ethers with no unsaturations
- Cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations
- Sulfur containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine
- Methylene chloride
- 1,1,1-trichloroethane
- Trifluoromethane (HFC-23)
- Trichlorofluoromethane (CFC-11)
- Dichlorodifluoromethane (CFC-12)
- Trichlorotrifluoroethane (CFC-113)
- Dichlorotetrafluoroethane (CFC-114)
- Chloropentafluoroethane (CFC-115)

Any other compound(s) listed as negligibly reactive by the U.S. Environmental Protection Agency.

(17) **"Federal Hazardous Air Pollutant"** means any air pollutant which is listed pursuant to Section 112 of the federal Clean Air Act.

(18) **"Federal Non-Attainment Pollutant"** means any air pollutant for which San Diego County, or portion thereof, has been classified as exceeding a national ambient air quality standard (NAAQS) by the federal EPA.

(19) **"Federally Enforceable Requirement"** for purposes of this regulation, means all of the following as they apply to emission units at a stationary source. Requirements that have been promulgated or approved by the federal EPA through rule making at the time a permit to operate is issued, but which have future effective compliance dates, are federally enforceable requirements if listed below:

(i) Any standard or other requirement provided for in the State Implementation Plan (SIP), including any revisions approved or promulgated by the federal EPA through rule making under Title I of the federal Clean Air Act.

(ii) Any term or condition of an Authority to Construct issued pursuant to these rules and regulations which term or condition is imposed pursuant to any federally mandated new source review (NSR) or prevention of significant deterioration (PSD) regulation.

(iii) Any standard or other requirement under Sections 111 or 112 of the federal Clean Air Act.

(iv) Any standard or other requirement of the Acid Rain Program under Title IV of the federal Clean Air Act or the regulations promulgated thereunder.

(v) Any requirements established pursuant to Section 504(b) or Section 114(a)(3) of the federal Clean Air Act (enhanced monitoring and compliance certifications).

(vi) Any standard or other requirement governing solid waste incineration under Section 129 of the federal Clean Air Act.

(vii) Any standard or other requirement for consumer and commercial products under Section 183(e) of the federal Clean Air Act.

(viii) Any standard or other requirement for tank vessels under Section 183(f) of the federal Clean Air Act.

(ix) Any standard or other requirement of the program to control air pollution from outer continental shelf sources, under Section 328 of the federal Clean Air Act.

(x) Any standard or other requirement of the regulations promulgated to protect stratospheric ozone under of the federal Clean Air Act unless the Administrator of the federal EPA has determined that such requirements need not be contained in a permit to operate.

(xi) Any national ambient air quality standard or air quality increment or visibility requirement under Part C of Title I of the federal Clean Air Act, but only as it would apply to temporary sources permitted pursuant to Section 504(e) of the federal Clean Air Act.

(20) **"Federally Mandated New Source Review (NSR)"** means new source review that would be required by the approved State Implementation Plan (SIP).

(21) **"Final Permit Action"** means a decision by the Air Pollution Control Officer to grant, deny or cancel an application for a permit to operate, modification or renewal; solely for purposes of seeking judicial review, a failure by the Air Pollution Control Officer to take action on an application within the time periods specified in this regulation; a decision by the Hearing Board altering a permit action by the District; or a decision by the federal EPA to veto a permit or to modify, terminate or revoke a permit or to issue a permit that differs from the permit proposed for issuance by the Air Pollution Control Officer.

(22) **"Fugitive Emissions"** means those quantifiable non-vehicular emissions which could not reasonably pass through a stack, chimney, flue, vent, or other functionally equivalent opening.

(23) **"Hearing Board"** means the Hearing Board of the Air Pollution Control District of San Diego County as authorized by the California Health and Safety Code.

(24) **"In-Scope Permit Actions"** means actions not inconsistent with applicable permit conditions, including alternative conditions under any approved alternative operating scenario during the period for which the operator has designated that scenario as applicable.

(25) **"Insignificant Unit"** means any of the equipment as specified in Rule 1411 and listed in Appendix A of this regulation. An insignificant unit shall not include any unit subject to an applicable requirement other than District Rules 50 and 51.

(26) **"Major Stationary Source"** means any stationary source, excluding any non-road engines, which emits or has the potential to emit one or more air contaminants in amounts equal to or greater than any of the following emission rates:

(i) ~~50 tons per year of volatile organic compounds or oxides of nitrogen.~~

~~(ii)~~(i) 10 tons per year of any federal hazardous air pollutant, including fugitive emissions.

(iii)(ii) 25 tons per year of any combination of federal hazardous air pollutants, including fugitive emissions.

(iv)(iii) 100 tons per year or more of any regulated air pollutant, ~~(including any~~ excluding fugitive emission of any such pollutant, except as determined by rule by the Administrator of the federal EPA). ~~The and except that the~~ fugitive emissions from the stationary source shall ~~not~~ be considered ~~unless~~ if the stationary source belongs to one of the following categories of sources:

- | | |
|---|---|
| 1. 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. | |
| 2. Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units (Btu) per hour head input | |
| 3. Fossil-fuel-fired steam electric plants of more than 250 million British thermal units (Btu) per hour heat input | |
| 4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels | |
| 5. Municipal incinerators capable of charging more than 250 tons of refuse per day | |
| 6. Coal cleaning plants (with thermal dryers) | 17. Coke oven batteries |
| 7. Kraft pulp mills | 18. Sulfur recovery plants |
| 8. Portland cement plants | 19. Carbon black plants (furnace process) |
| 9. Primary zinc smelters | 20. Primary lead smelters |
| 10. Iron and steel mills | 21. Fuel conversion plants |
| 11. Primary aluminum ore reduction plants | 22. Sintering plants |
| 12. Primary copper smelters | 23. Secondary metal production plants |
| 13. Hydrofluoric, sulfuric, or nitric acid plants | 24. Chemical process plants |
| 14. Petroleum refineries | 25. Taconite ore processing plants |
| 15. Lime plants | 26. Glass fiber processing plants |
| 16. Phosphate rock processing plants | 27. Charcoal production plants |

(27) **"Minor Permit Modification"** means any modification to a permit issued pursuant to this regulation that would not trigger federally-mandated new source review. A permit modification shall not qualify as minor if the permit modification:

- (i) Causes a violation of any applicable requirement;
- (ii) Involves significant relaxation to monitoring, recordkeeping, or reporting requirements;
- (iii) Requires the establishment of, or requires a change in an existing federally-mandated source-specific emission limitation or standard (e.g., a case-by-case determination of control requirements for federal hazardous air pollutants under Section 112 of the federal Clean Air Act), or a federally-mandated source-specific determination for temporary sources of ambient impacts on air quality, or a visibility or air quality increment analysis;
- (iv) Changes permit terms and conditions (e.g., a voluntary emissions cap) for which there is no applicable requirement(s), but which terms and conditions the

source accepted in order to qualify as exempt from an otherwise applicable requirement;

(v) Is a "modification" under any provision of Title I of the federal Clean Air Act, or results in an emissions increase that would trigger federally-mandated new source review; or

(vi) Is a change involving a federal hazardous air pollutant that is subject to review and required to install Maximum Achievable Control Technology (MACT) under Section 112(g) of the federal Clean Air Act.

(28) **"Modification"** means any physical or operational change in any emission unit, or the addition of an emission unit at a stationary source, which would result in increased emissions of any air contaminant currently emitted, or emissions of air contaminants not previously emitted, except:

(i) Identical replacement in whole or in part of any emission unit at a stationary source, where a permit to operate has previously been granted for such emission unit, is not a modification.

(ii) The addition of an insignificant unit or units is not a modification.

(iii) The following changes shall not be considered modifications provided that such changes are not contrary to any permit conditions intended to limit emissions, to any emission limit established in the permit or implied by a permit condition, or to any applicable requirement of these Rules and Regulations:

(A) an increase in production rate and/or an increase in hours of operation;

(B) use of an alternate raw material;

(C) use of an alternate production method that reduces the generation of or allows for the reuse or recycling of wastes;

(D) actions pursuant to a temporary authorization issued under Subsection (b)(2) of Rule 1410 are not modifications for so long as the temporary authorization is effective, or

(E) relocation of equipment, designated as portable on the permit to operate, from one stationary source to another.

For purposes of this regulation, a modification does not have the same meaning as a permit amendment or permit modification. A modification may, but does not necessarily, require a permit amendment or permit modification and a permit amendment or permit modification may be required even if the change does not qualify as a modification.

(29) **"National Ambient Air Quality Standards (NAAQS)"** means maximum allowable ambient air concentrations for specified air contaminants and monitoring periods as established by the federal EPA.

(30) **"Non-Vehicular"** as used in this regulation means the same as "non-vehicular sources" as defined in Section 39043 of the California Health and Safety Code.

(31) **"Organic Compound"** means the same as volatile organic compound.

(32) **"Organic Solvent"** means organic materials which are liquids at standard conditions and which are used as dissolvers, viscosity reducers, extractants, or cleaning agents, or are reactants or products in manufacturing processes except materials which exhibit an initial boiling point of 450°F (232°C) or higher at 760 mm Hg, unless these materials are exposed to temperatures exceeding 200°F (93.3°C).

(33) **"Particulate Matter (PM₁₀)"** means particulate matter with an aerodynamic diameter less than or equal to a nominal 10 microns as measured by an applicable reference test method or methods found in Article 2, Subchapter 8, Title 17, of the California Code of Regulations Section 94100 et seq.

(34) **"Permit to Operate"** means authorization to operate an emission unit or combination of emission units as specified and issued by the Air Pollution Control Officer on a form or forms prescribed by the Air Pollution Control Officer. Unless otherwise specified, the term permit to operate refers to permits issued pursuant to this regulation.

(35) **"Permit"** means the same as permit to operate.

(36) **"Permit Shield"** means the protection from enforcement of certain applicable requirements in the manner and to the extent provided in Rule 1410(p).

(37) **"Potential to Emit"** means the capacity of a stationary source to emit air pollutants, based on its physical and operational design, taking into consideration any federally-enforceable requirements applicable to the source. Potential to emit includes fugitive emissions, except to the extent such emissions are excluded under the definition of "major stationary source" in this regulation.

(38) **"Quantifiable"** means that a reliable basis for calculating the amount, rate, nature and characteristics of an emission reduction can be established.

(39) **"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 a new source performance standard 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 federal hazardous air pollutant subject to a standard or requirement promulgated pursuant to Section 112 of the federal Clean Air Act.

(40) **"Related Emission Units"** means emission units, where the operation of one emission unit is dependent upon, or affects the process or operation (which may include duration of operation) of another emission unit, as determined by the Air Pollution Control Officer.

(41) **"Reopening of the Permit to Operate"** means reconsideration of a permit to operate or modification of a permit to operate as provided in Rule 1410(o).

(42) **"Responsible Official"** means, for each source required to have a permit, any one of the following:

(i) For a corporation:

(A) corporation president,

(B) corporation secretary,

(C) corporation treasurer,

(D) corporation vice-president,

(E) any other person who performs policy or decision-making functions for the corporation similar to (A), (B), (C) or (D), or

(F) a duly authorized designated representative of any of the above persons if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities applying for or subject to a permit and either:

(1) the facility employs more than 250 persons or has gross annual sales or expenditures exceeding \$25 million (in second quarter 1980 dollars); or

(2) the delegation of authority to such representatives is approved in advance by the permitting authority.

(ii) For a partnership or sole proprietorship:

- (A) a general partner, or
 - (B) the proprietor, respectively.
- (iii) For a municipality, state, federal, or other public agency:
- (A) the principal executive officer, or
 - (B) a ranking elected official.

For the purposes of this paragraph, a principal executive officer of a federal agency includes the chief executive officer having responsibility for the overall operations of a principal geographic unit of the agency (e.g., a Regional Administrator of the federal EPA).

- (iv) For affected sources (Acid Rain):
- (A) the designated representative for purposes of actions, standards, requirements, or prohibitions under Title IV of the federal Clean Air Act or regulations promulgated thereunder, as they exist on January 18, 1994; and
 - (B) the designated representative for any other purposes under these rules and regulations or 40 CFR Part 70 as it exists on January 18, 1994.

(43) **"Section 502(b)(10) Change"** means a change, pursuant to Section 502(b)(10) of the federal Clean Air Act, that contravenes the express terms and conditions of a permit to operate, but which does not violate any applicable requirement or a federally-enforceable permit term establishing monitoring, recordkeeping, reporting or compliance certification requirements.

(44) **"Significant Permit Modification"** means any modification to a permit issued pursuant to this regulation that is not an administrative amendment or a minor modification, or any modification to such permit which:

- (i) Causes a violation of any applicable requirement; or
- (ii) Involves significant change in existing monitoring permit terms or conditions or relaxation to monitoring, recordkeeping, or reporting requirements; or
- (iii) Requires the establishment of, or requires a change in, an existing federally-mandated source-specific emission limitation or standard (e.g., a case-by-case determination of control requirements for federal hazardous air pollutants under Section 112 of the federal Clean Air Act), or a federally-mandated source-specific determination for temporary sources of ambient impacts on air quality, or a visibility or air quality increment analysis; or
- (iv) Changes permit terms and conditions (e.g., a voluntary emissions cap) for which there is no applicable requirement(s), but which terms and conditions the

source accepted in order to qualify as exempt from an otherwise applicable requirement; or

(v) Is a "modification" under any provision of Title I of the federal Clean Air Act, or results in an emissions increase that would trigger federally-mandated new source review; or

(vi) Is a change involving a federal hazardous air pollutant that is subject to review and required to install Maximum Available Control Technology (MACT) under Section 112(g) of the federal Clean Air Act.

Any relaxation of monitoring, reporting or recordkeeping requirements at a source required to have a permit to operate (e.g., a change from daily to monthly recordkeeping) shall be a significant modification.

(45) **"Source"** means any emission unit; any combination of emission units; any owner or operator of an emission unit, combination of emission units, or stationary source; or any applicant for a permit to operate for any emission unit, or combination of emission units.

(46) **"Stationary Source"** means an emission unit, or aggregation of emission units which are located on the same or contiguous properties and which units are under common ownership or entitlement to use. Stationary sources also include those emission units or aggregation of emission units located in the California Coastal Waters.

(47) **"Volatile Organic Compound (VOC)"** means any volatile compound containing at least one atom of carbon excluding methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonates, and exempt compounds.

(48) **"Non-road Engine"** means the same as defined in 40 Code of Federal Regulations, Part 89.

(d) **REQUIREMENT FOR AUTHORITY TO CONSTRUCT . . .**

2. Proposed amendments to Rule 1410 Sections (i), (j), (l), and (q) are to read as follows:

RULE 1410. PERMITS REQUIRED

(Adopted 1/18/94; Revised 3/7/95)

(Revised 5/23/01; Effective 12/31/01)

(Rev. (date of adoption); Eff. (upon EPA approval))

- (a) **APPLICATION SHIELD . . .**
- (b) **PERMIT TO OPERATE . . .**
- (c) **POSTING OF PERMIT TO OPERATE . . .**
- (d) **ALTERATION OF PERMIT . . .**
- (e) **RESERVED**
- (f) **EXISTING REQUIREMENTS . . .**
- (g) **CONTROL EQUIPMENT . . .**
- (h) **RENEWAL OF PERMITS TO OPERATE . . .**
- (i) **ADMINISTRATIVE PERMIT AMENDMENTS** (Rev. ~~5/23/01~~ *(date of adoption)*;
Eff. (upon EPA approval))

Administrative permit amendments are changes that can be made to a permit which has been granted pursuant to this regulation as follows:

- (1) Address changes that do not result in physical relocation of equipment.
- (2) Correction of typographical errors and updates to information such as phone numbers.
- (3) Incorporation of Prevention of Significant Deterioration (PSD) or New Source Review (NSR) permits issued through an Authority to Construct pursuant to federal EPA approved new source review and prevention of significant deterioration rules, provided that such Authority to Construct has been issued in accordance with the provisions of Section (q) of this rule.
- (4) Any emission unit that is the subject of a permit to operate and which is transferred from one person to another shall not be operated until application is made to the Air Pollution Control Officer for a revised permit and such permit is issued unless a temporary authorization pursuant to Rule 1410(b)(2) has been issued to the new owner or operator. Such revisions shall be administrative permit amendments. The revision shall specify a date for the transfer of permit responsibility, coverage and liability between the prior and the new permittee. If such transfer is accompanied by modification of the emission unit, which modification is not exempt under this regulation, an application for permit modification shall be required.

Any permit or written authorization issued hereunder shall not be transferable, by operation of law or otherwise, from one piece of equipment to another.

- (5) A change to require more frequent monitoring or reporting by the permittee;
- (6) Revisions to conditions identified as District-only enforceable requirements.

Administrative permit amendments will be recorded by the Air Pollution Control Officer upon request from the applicant for such amendment, are not subject to any notice requirements of this regulation unless otherwise specified in this Section, and may be implemented by the applicant upon filing of the application with the Air Pollution Control Officer. ~~The Air Pollution Control Officer shall provide the federal EPA with a copy of each approved revised permit.~~

The Air Pollution Control Officer shall act on a request for an administrative amendment within the time specified in Rule 1418. If the administrative amendment is approved, the Air Pollution Control Officer shall issue an amended permit or, in the case of an Enhanced Authority to Construct issued pursuant to Section (q) of this rule, may determine in writing that the terms and conditions of the final Enhanced Authority to Construct constitute the amended permit. In such case, the permittee shall affix the final Enhanced Authority to Construct to the portions of the permit being amended. The Air Pollution Control Officer shall provide the federal EPA with a copy of the amended permit at the time of approval.

~~Administrative permit amendments shall be reflected in the next application to renew the affected permit to operate.~~

(j) **MINOR PERMIT MODIFICATIONS**

(Rev. (date of adoption);
Eff. (upon EPA approval))

The owner or operator of any emission unit that is the subject of a permit to operate may make changes in the operation and physical characteristics of the subject equipment if the owner or operator first applies for and obtains any Authority to Construct, Permit to Operate, or Determination of Compliance required pursuant to Rule 10 of these Rules and Regulations, the changes qualify as a minor permit modification, and the following requirements are met:

(1) Minor permit modifications ~~that do not also require new source review under these Rules and Regulations~~ are subject to the following procedural requirements:

- (i) The application may be approved with or without public notification, as requested by the applicant. Minor permit modifications shall not be eligible for the permit shield provided by Rule 1410(p). However, any permit shield specified in permit terms or conditions that are not affected by an application for minor permit modification shall remain intact.

(ii) An application for a minor permit modification shall include all information consistent with Rule 1414(f) for each emission unit being modified and for each emission unit affected by the modification. The application shall also include:

(A) a description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;

(B) the source's suggested draft permit;

(C) certification by a responsible official of the source stating that, based on information and belief formed after reasonable inquiry, the proposed modification meets the criteria for use of minor permit modification and that the statements and information contained in the application in support of this determination are true, accurate, and complete, and a request that such procedure be used; and

(D) completed forms for the District to use to notify the federal EPA and affected States.

(iii) The applicant may make the change as soon as a complete application is filed. If the source makes a change prior to a permit action, and until the District takes final permit action on the change, the source must comply with both the applicable requirements governing the change and the terms and conditions proposed by the source. During this time period the source need not comply with existing permit terms and conditions it seeks to modify. However, if the source fails to comply with its proposed permit terms and conditions during this time period, the existing permit terms and conditions the source seeks to modify may be enforced against it.

(iv) The Air Pollution Control Officer must notify affected states and the federal EPA within five days of receipt of a complete application.

(v) The A preliminary decision by the Air Pollution Control Officer to approve a minor permit modification shall be subject to a 45-day period for comments or objection by the federal EPA.

(vi) The Air Pollution Control Officer must act on ~~an~~ a complete application within 90 days of receipt, or within 15 days of the expiration of the federal EPA's 45-day review period, whichever is later. An application for a minor modification shall remain pending until action is taken on the application, or the application is canceled or withdrawn.

(2) A change that would otherwise be processed as a minor permit modification under this section but which has been approved in an Authority to Construct in accordance with the procedures prescribed in Section (q) of this rule, may be processed as an administrative permit amendment.

(3) If a source implements a minor permit modification without waiting for final approval, and the permit modification is disapproved, the source shall be subject to enforcement action for operating outside the terms and conditions of its permits to operate while the proposed permit modification was under review.

(4) Nothing in this Section (j) shall provide immunity from enforcement of any applicable requirement (whether the requirement arises under an applicable permit, these Rules and Regulations, or state or federal law), for operations that are not the subject of an application for a minor permit modification, or if the application for a minor permit modification is denied.

(k) **SIGNIFICANT PERMIT MODIFICATION . . .**

(l) **OPERATIONAL FLEXIBILITY: SECTION 502(b)(10) CHANGES**

*(Rev. (date of adoption);
Eff. (upon EPA approval))*

The owner or operator of any emission unit that has a permit to operate issued pursuant to this Regulation may make changes in the operation and physical characteristics of the subject equipment, without seeking or receiving approval for a modification to such permit, provided the owner or operator first applies for and obtains any Authority to Construct, Permit to Operate, or Determination of Compliance required pursuant to Rule 10 of these Rules and Regulations, and such operational or physical changes:

(1) Are not "modifications" under any provision of Title I of the federal Clean Air Act, and

(2) Do not cause a violation of any applicable requirements, and

(3) Do not contravene federally enforceable requirements that are monitoring, recordkeeping, reporting, or compliance certification requirements, including requirements related to test methods, and

(4) Do not result in exceedance of emissions allowed under the permit, whether expressed therein as a rate of emissions or in terms of total emissions, or implied by a specific permit term that has the effect of limiting emissions from one or more emission units at the source.

For each such change, notification shall be provided to the Air Pollution Control Officer and the EPA Regional Administrator at least ~~45~~ 7 days prior to implementation of such operational or physical changes. This notice shall be in writing and must include a brief description of the change, the date on which the change will occur, any change in emissions, and a listing of any permit term or condition affected. The notice shall be attached to copies of affected permits to operate maintained by the source.

A source may make a change ~~within 45~~ 7 days after notice to the Air Pollution Control Officer and the EPA Regional Administrator provided such change meets the requirements of

this section. If the Air Pollution Control Officer subsequently determines that the change does not qualify as a Section 502 (b)(10) change, enforcement action may be taken against the source for making the change without prior approval. If the operator requests an affirmative determination by the Air Pollution Control Officer that the proposed change qualifies as a Section 502(b)(10) change, and agrees not to implement that change until a determination is made, the Air Pollution Control Officer shall make a determination and notify the operator within 60 days of receipt of notice of the proposed change.

The permit shield if any provided pursuant to Section (p) of this rule, shall not be applicable to changes made pursuant to this Section (l).

The Air Pollution Control Officer may determine that a planned or implemented Section 502(b)(10) change does not meet the requirements of this section at any time. Any such determination must be in writing setting out the specific reason or reasons that the change does not qualify as a Section 502(b)(10) change. Any determination by the Air Pollution Control Officer that a proposed change is not a Section 502(b)(10) change may be appealed to the Hearing Board. If notice of an adverse determination is received by the operator from the Air Pollution Control Officer before the ~~45~~ 7-day notice period has expired, the operator may not implement the proposed change, unless an appeal is taken to the Hearing Board and resolved in favor of the operator. If notice is received by the operator after the ~~45~~ 7-day period for notice has expired and after the change has been implemented, and if the operator appeals the Air Pollution Control Officer's determination to the Hearing Board within 30 days of notice by the Air Pollution Control Officer, the change may remain in place until the matter is decided upon by the Hearing Board. In no case shall an appeal to the Hearing Board or decision by the Hearing Board affect or abridge the authority of EPA to object to a change or to determine that a change does not qualify as a Section 502 (b)(10) change.

Nothing in this section shall prohibit an operator from applying for a revision to a permit or the Air Pollution Control Officer from revising a permit to reflect the change made. Any such permit application shall be processed pursuant to the applicable permit processing provisions of this regulation. If the permit affected by a Section 502(b)(10) change is subsequently renewed or revised pursuant to the provisions of this regulation, the Air Pollution Control Officer shall incorporate any new or revised terms and conditions necessary to reflect all Section 502(b)(10) changes that have not yet been incorporated into the permit. ~~for~~ In the case of a significant permit modification, reopening of the permit to operate, or renewal of the permit to operate, the permit shield, if any provided to a source pursuant to Section (p) of this rule, may thereafter apply to the revised permit.

Where an operational or physical change has been made under the provisions of this Section (l) and such change qualifies as a Section 502(b)(10) change, any compliance certifications, monitoring summaries or deviation reporting required by the Title V permit pursuant to Rule 1421 shall be based on the Section 502(b)(10) change to the extent such change affects the terms and conditions of the permit.

(m) **OPERATIONAL FLEXIBILITY: TRADING UNDER AN EMISSIONS CAP ...**

(n) **OPERATIONAL FLEXIBILITY: ALTERNATIVE OPERATING SCENARIOS ...**

(o) **REOPENING OF A PERMIT TO OPERATE . . .**

(p) **PERMIT SHIELD . . .**

(q) **ENHANCED PROCEDURES FOR AUTHORITIES TO CONSTRUCT**

(Rev. (date of adoption); Eff. (upon EPA approval))

At the request of an applicant, the Air Pollution Control Officer shall process applications for permit modifications that would otherwise be considered minor permit modifications or significant permit modifications to a permit to operate, issued pursuant to this regulation, using the Administrative Permit Amendment procedures prescribed in Rule 1410(i) provided that the change for which the permit modification is sought has been previously approved by the Air Pollution Control Officer by issuance of an Authority to Construct as required by Rule 10 and provided that:

(1) The application for Authority to Construct includes:

(i) A compliance plan containing the elements specified in Rule 1414(f)(3)(viii) for any new or modified emission units. For new units, the compliance plan shall address those applicable requirements which will apply to the unit during and after construction. For a modification of an existing emission unit or modification of the permit terms or conditions for an existing emission unit, the compliance plan shall address both the current applicable requirements and those applicable requirements that will apply after modification.

(ii) A description of the methods the applicant proposes to use to determine compliance of the new or modified units with any applicable requirements, including descriptions of monitoring, recordkeeping and reporting requirements and test methods. Such compliance determination methods shall not be less stringent than the minimum standards contained in any applicable requirements.

(iii) A schedule for submission of initial compliance certifications for each new or modified unit. Such compliance certifications shall be submitted not later than one-year after construction or modification of a unit is completed or sooner if specified by an applicable requirement or by the Air Pollution Control Officer.

(iv) Any other information deemed necessary by the Air Pollution Control Officer to determine compliance with all applicable requirements.

(2) The Authority to Construct includes:

(i) For each new or modified unit not in compliance with an applicable requirement or for which an applicable requirement becomes effective before issuance of a modified permit, a compliance schedule specifying the increments of progress under which the new or modified units will be brought into compliance and containing the elements specified in Rule 1421(b)(2)(ii). The compliance

schedule shall also require periodic compliance progress reports to the Air Pollution Control Officer, to be submitted not less frequently than semi-annually.

(ii) A requirement for submission of initial compliance certifications for each new or modified unit consistent with the elements specified in Rule 1421(b)(2)(iii). Such compliance certifications shall be submitted not later than one year after construction or modification of a unit is completed or sooner if specified by an applicable requirement or by the Air Pollution Control Officer. Each compliance certification shall contain a description of the monitoring methods, data, records, reports and test methods used to determine compliance.

~~(iii) A requirement that the new or modified unit not be operated until a modified permit is granted unless such operation can be allowed under the provisions of Sections (b), (i) or (j) of this rule.~~

~~(iv)~~(iii) A requirement that representatives of the District shall be allowed access to the source and all required records pursuant to State Health and Safety Code Section 41510.

~~(v)~~(iv) Requirements for monitoring, recordkeeping, testing and reporting as specified by applicable requirements or by these Rules and Regulations, or as determined necessary by the Air Pollution Control Officer to ensure compliance with all applicable requirements, and consistent with the elements specified in Rule 1421(b)(1)(iii).

(3) Prior to issuance of the Authority to Construct, the Air Pollution Control Officer has done all of the following:

(i) Publicly noticed the proposed issuance of an Authority to Construct and made available a draft of the proposed Authority to Construct for public review and comment for 45 30 days, following the procedures specified in Sections (a), (d), (e), (j) and (k) of Rule 1415 as if the Authority to Construct were a permit to operate.

(ii) Conducted a public hearing when, as a result of a petition from the public, the Air Pollution Control Officer has determined that there is reasonable cause to hold such a hearing. All public hearings shall be publicly noticed at least thirty days prior to the hearing. The public notice shall contain all of the information specified in Rule 1415(d) as if the Authority to Construct were a permit to operate.

(iii) Submitted a draft of the proposed Authority to Construct to any affected states and to the federal EPA Region IX, for a period of 45 days for review and comment. In the event the proposed Authority to Construct is substantively changed after submittal to EPA, such changes shall be resubmitted to EPA for a new 45-day review and comment period.

(4) All comments received from the public, affected states and federal EPA notification procedures described above and which comments are relevant to the permit review and areas appropriate for public comment as identified pursuant to Subsection (q)(3)(i) of this rule have been considered and responded to by the Air Pollution Control Officer.

(5) The Administrator of the federal EPA has not objected to the issuance of the proposed Authority to Construct within the review periods prescribed in Subsection (3)(iii) above.

(6) The applicant may commence operation under the terms of the Authority to Construct provided such operation is in compliance with all applicable requirements, all requirements of these Rules and Regulations, and all terms and conditions of the Authority to Construct and provided that, upon completion of construction or modification, the applicant has submitted an application for an Administrative Amendment of the Title V permit pursuant to Section (i) of this rule.

~~(6)~~(7) The provisions of Rule 1425 with regard to appeals to the Hearing Board, petitions to the Administrator of the federal EPA and judicial review shall also apply to the granting of such Authority to Construct.

3. Proposed amendments to Rule 1415 section (a) is to read as follows:

RULE 1415. PERMIT PROCESS-PUBLIC NOTIFICATION

(Adopted 1/18/94; Revised 3/7/95)

(Revised 5/23/01; Effective 12/31/01)

(Rev. (date of adoption); Eff. (upon EPA approval))

- (a) **PUBLIC NOTICE** (Rev. ~~5/23/01~~ (date of adoption); Eff. ~~12/31/01~~ (upon EPA approval))

At least ~~45~~ 30 days prior to issuance of a five year initial permit to operate subject to this regulation, a revised permit resulting from an application for significant modification or renewal of such a permit, the Air Pollution Control Officer shall publicly notice and make available a draft of the proposed permit for public and affected state review and comment as follows:

(1) Publication in a newspaper of general circulation of a notice of intent to issue a permit to operate.

(2) Notification to all persons requesting to be included in a mailing list for purposes of notification of all permit actions.

(3) By other means if determined necessary by the Air Pollution Control Officer to assure adequate notice to the affected public.

(4) Availability of a copy of the draft permit for public review at the Air Pollution Control District offices.

- (b) **PUBLIC HEARINGS ...**

- (c) **NOTICE TO THE FEDERAL ENVIRONMENTAL PROTECTION**

AGENCY (EPA) ...

- (d) **CONTENTS OF PUBLIC NOTICE ...**

- (e) **COORDINATED PROCESSING OF RELATED PERMITS ...**

- (f) **EXCEPTIONS ...**

- (g) **NEW APPLICATION LISTS ...**

- (h) **CONSIDERATION OF COMMENTS ...**

- (i) **COPIES OF PERMIT ACTION ...**

- (j) **PUBLIC INSPECTION ...**

- (k) **TRADE SECRETS ...**

- (l) **ACTION ON APPLICATIONS ...**

- (m) **TRANSMITTAL OF PERMIT DOCUMENTS TO THE FEDERAL EPA ...**

4. Proposed amendments to Rule 1418 Sections (b), (c), and (e) are to read as follows:

RULE 1418. ACTION ON APPLICATIONS

(Adopted 1/18/94; Revised 3/7/95)

(Rev. (date of adoption); Eff. (upon EPA approval))

Action on applications submitted pursuant to this regulation shall be in accordance with this rule notwithstanding other provisions of these Rules and Regulations.

(a) **COMPLETENESS DETERMINATION . . .**

(b) **ACTION TIME** (Rev. (date of adoption); Eff. (upon EPA approval))

The Air Pollution Control Officer shall act on at least one third of initial permit applications for existing sources in each of the three years following the effective date of this regulation.

For all other applications, the Air Pollution Control Officer shall approve or deny each complete application within the following time limits:

(1) For administrative permit amendments, ~~no more than~~ 60 days from receipt of a request by the applicant or, when the request for administrative amendment results from the provisions of Rule 1410, Section (q) - Enhanced Procedures for Authorities to Construct, no more than 60 days after the applicant demonstrates compliance with all applicable requirements, terms and conditions of the Authority to Construct and these Rules and Regulations, whichever is later;

(2) For minor permit modification, no more than 90 days from receipt of a complete application or 15 days after the end of the Administrator's 45-day review period, whichever is later;

(3) For a significant permit modification, not more than 18 months from the receipt of a complete application; or

(4) For an initial permit or renewal, not more than 18 months from the receipt of a complete application except as provided above in this section.

(c) **DELAY IN SUBMISSION TO THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY (EPA)** (Rev. (date of adoption); Eff. (upon EPA approval))

The Air Pollution Control Officer shall delay the submission of decisions on permits to operate and appeals to the federal EPA, in order to allow time for an appeal to the Hearing Board, in the following circumstances:

(1) Submission shall be delayed for ~~10~~ 30 days after notice has been provided to the applicant if the Air Pollution Control Officer has reason to expect an appeal to be filed; or if the Air Pollution Control Officer has been notified by the applicant or by any person entitled to appeal, that an appeal will be taken; or if the permit would substantially

modify the terms and conditions proposed by the applicant in a manner adverse to the applicant; or if the proposed action has not been subject to prior public notice and comment, and the approval allows the permit holder to conduct operations for more than 40 days that will result in increased emissions or in the release of different pollutants regulated under Section 44300 (et seq.) of the Health and Safety Code, as compared to emissions from operations conducted by the permit holder prior to issuance of the permit.

(2) Submission shall be further delayed until any appeal to the Hearing Board is resolved or until 30 days after the appeal is filed (whichever occurs first), if an appeal raising issues within Hearing Board jurisdiction is filed within 10 days after notice to the applicant by a person entitled to appeal, or if any person entitled to appeal notifies the Clerk of the Hearing Board and the Air Pollution Control Officer in writing, within 10 days after notice to the applicant, that an appeal will be filed.

(3) Notwithstanding the above, there shall be no delay in submission of a proposed action on a permit or modification beyond 30 days after notice to the applicant unless an appeal raising issues within the Hearing Board's jurisdiction is actually filed by a person entitled to make such appeal within such 30 days.

(d) **DELIVERY OF NOTICE OF ACTION . . .**

(e) **EFFECTIVE DATE OF PERMIT ACTION**

(Rev. (date of adoption));
Eff. (upon EPA approval))

Administrative amendments shall be effective on the date they are approved by the Air Pollution Control Officer. For issuance and renewals of permits, and approval of permit modifications that are subject to review by the federal EPA, the Air Pollution Control Officer shall make the effective date of the permit action the date that notice of the action to issue, renew, or approve is given to the Responsible Official. The effective date shall not be sooner than the first day, and not later than 30 days, following the last day for any applicable federal EPA review unless the federal EPA has objected to the permit action.

5. Proposed amendments to Rule 1421 Sections (a) and (b) are to read as follows:

RULE 1421. PERMIT CONDITIONS

(Adopted 1/18/94; Revised 3/7/95)

(Rev. (date of adoption); Eff. (upon EPA approval))

(a) CONDITIONS AND COMPLIANCE SCHEDULES AUTHORIZED

(Rev. (date of adoption); Eff. (upon EPA approval))

A permit to operate shall include any conditions that are necessary to ensure compliance with these Rules and Regulations and applicable state and federal laws and regulations. Subject to the limitations set forth in Rule 1420(b), new conditions may be imposed when a permit to operate is issued. ~~New conditions shall be imposed to require that the permittee shall submit reports at least once every six months which summarize the results of all monitoring and recordkeeping required.~~

Any conditions or increments of progress, including those associated with any compliance schedule that is made a part of a permit to operate, shall be in writing, shall become part of the permit to operate, and shall be complied with at all times. The permit shall require progress reports describing the status of compliance with increments of progress prescribed in the compliance schedule to be submitted not less frequently than semi-annually.

Commencing or continuing operation under a permit to operate shall be deemed acceptance of all the conditions specified in the permit. This does not limit the right of the applicant to seek judicial review or seek federal EPA review of a permit term or condition.

(b) PERMIT CONTENT

(Rev. (date of adoption); Eff. (upon EPA approval))

(1) Each permit shall include the following elements:

(i) Conditions that establish emission limitations and standards for all applicable requirements and will assure compliance with all applicable requirements through compliance certification, testing, monitoring, reporting and recordkeeping.

(ii) The term of the permit.

(iii) Conditions establishing applicable emissions monitoring and emissions testing or continuous monitoring requirements and related recordkeeping and reporting requirements. Where an applicable requirement does not require periodic testing or monitoring, conditions establishing periodic monitoring sufficient to yield reliable data from the relevant time period and to ensure compliance with the applicable requirement.

Conditions requiring that all applicable records and support information including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation, and copies of all monitoring

reports required by the permit be maintained for a period of at least five years. All records of required monitoring must include:

- (A) the date, the location as defined in the permit, and the time of sampling or measurement;
- (B) the date(s) analyses were performed;
- (C) the company or entity that performed the analyses;
- (D) the analytical techniques or methods used;
- (E) the results of such analyses; and
- (F) the operating conditions as existing at the time of sampling and measurement.

~~All required reports shall be submitted to the District at least every six months and shall be certified by a responsible official. Such reports shall identify any deviations from federally enforceable permit conditions. In addition, prompt reporting to the District of any deviations from federally enforceable permit conditions shall be required. The report must include the probable cause of such deviations and any corrective actions or preventive measures taken.~~

(iv) Conditions requiring that the permittee submit to the District, at least once every six months, reports summarizing the results of all required monitoring. Such reports shall be certified by a responsible official and shall identify any deviations from federally enforceable permit conditions.

(v) Conditions requiring prompt reporting to the District of any deviations from federally-enforceable permit conditions. Such report must include the probable cause of such deviations and any corrective actions or preventive measures taken.

~~(iv)~~(vi) If applicable a federally enforceable permit condition prohibiting emissions exceeding any allowances that the source lawfully holds under Title IV of the federal Clean Air Act or rules promulgated under Title IV.

~~(v)~~(vii) A severability clause to ensure the continued validity of the various federally enforceable permit requirements in the event of a challenge to any portions of the permit.

~~(vi)~~(viii) A statement that the source must comply with all conditions of the permit. Any permit noncompliance constitutes a violation of the federal Clean Air Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.

~~(vii)~~(ix) A statement that the need for a source to halt or reduce activity in order to maintain compliance shall not be a defense in an enforcement action.

~~(viii)~~(x) A statement that the permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the source for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition.

~~(ix)~~(xi) A statement that the permit does not convey any property rights of any sort, or any exclusive privilege.

~~(x)~~(xii) A statement that the source shall furnish to the District, within a reasonable time:

(A) any information required to determine whether cause exists for modifying, revoking, reissuing, or terminating the permit;

(B) any information required to determine compliance with the permit conditions; or

(C) copies of any records required to be maintained pursuant to permit conditions.

~~(xi)~~(xiii) A condition requiring the source pay fees due to the District consistent with all applicable fee schedules.

~~(xii)~~(xiv) Applicable conditions for all reasonably anticipated operating scenarios identified by the source in its permit application. The source shall also record the operating change in a log, noting the scenario under which the source is operated. Such conditions shall meet all applicable requirements.

~~(xiii)~~(xv) Terms and conditions, if requested by the source for emissions trading within the source and approved by the Air Pollution Control Officer, to the extent that the permit provides for trading. Such terms and conditions:

(A) shall include standard permit and compliance requirements consistent with this section;

(B) may extend the permit shield to all terms and conditions that allow emissions trading; and

(C) shall meet all applicable requirements of this regulation.

~~(xiv)~~(xvi) For any condition based on applicable requirements, references that specify the origin and authority for each condition, and identify any difference in form as compared to such applicable requirement.

(2) Each permit shall include the following compliance requirements:

(i) A statement that representatives of the District shall be allowed access to the source and all required records pursuant to State Health and Safety Code Section 41510.

(ii) A schedule of compliance if the source is not in compliance with any applicable requirement. In addition, a condition that requires submittal of a progress report not less frequently than every six months. Such progress reports shall contain the following:

(A) dates for achieving the activities, milestones, or compliance required in the schedule of compliance, and dates when such activities, milestones or compliance were achieved; and

(B) an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.

(iii) A requirement that the source submit a compliance certification consistent with Rule 1414 (f)(3)(ix) and also containing:

(A) the frequency of submittals of compliance certifications;

(B) a requirement for the compliance certification to include the following:

(1) the identification of each term or condition of the permit that is the basis of the certification;

(2) the compliance status;

(3) whether compliance was continuous or intermittent;

(4) the method(s) used for determining the compliance status of the source, currently and over the reporting period consistent with this section; and

(5) such other facts as the permitting authority may require to determine the compliance status of the source.

(C) a requirement that all compliance certifications be submitted to the federal EPA as well as the District.

(D) Such additional requirements as may be specified pursuant to Sections 114 (a)(3) and 504 (b) of the federal Clean Air Act.

(iv) A requirement that any document required by permit shall contain a certification by a responsible official of the source stating that, based on information

and belief formed after reasonable inquiry, the document is true, accurate, and complete.

(3) The Air Pollution Control Officer shall specifically designate as being federally enforceable under the federal Clean Air Act any terms and conditions of the permit that are required under the federal Clean Air Act or applicable requirement. All terms and conditions of the permit specifically designated as federally enforceable shall be enforceable by EPA and the public (through judicial review or petitions to the Administrator) under the federal Clean Air Act.

(c) **STATE AND LOCAL ENFORCEMENT ...**

(d) **FEDERAL ENFORCEABILITY ...**

6. Proposed amendments to Rule 1425 Sections (a) and (b) are to read as follows:

RULE 1425. APPEALS AND JUDICIAL REVIEW

(Adopted 1/18/94; Revised 3/7/95)

(Rev. (date of adoption); Eff. (upon EPA approval))

(a) PLACE FOR APPEALS *(Rev. (date of adoption); Eff. (upon EPA approval))*

Any proposed decision by the Air Pollution Control Officer to deny or partially deny a permit or modification, and any proposed decision to approve a permit or modification may be appealed to the Hearing Board, provided the appeal is filed within ~~10~~ 30 days after receipt of the notice of the proposed decision by the Air Pollution Control Officer and is within the jurisdiction of the Hearing Board and notice of the appeal is given to the Air Pollution Control Officer.

(b) APPEAL BY APPLICANT TO THE HEARING BOARD
(Rev. (date of adoption); Eff. (upon EPA approval))

Within ~~10~~ 30 days after notice by the Air Pollution Control Officer of a proposed denial or conditional approval of a permit to operate or modification, or prior to submission of any other proposed determination to the federal EPA for review, the applicant may petition the Hearing Board, in writing, for a public hearing to appeal the proposed decision. Such petition shall state with reasonable particularity the grounds therefor and shall be signed under penalty of perjury.

The Hearing Board, after notice and a public hearing held within 30 days after filing the petition, may sustain, reverse or modify the action of the Air Pollution Control Officer. Such order may be made subject to specified conditions. The Air Pollution Control Officer shall notify the federal EPA of any action taken by the Hearing Board on any permit required by this regulation.

- (c) APPEALS BY OTHERS TO THE HEARING BOARD ...**
- (d) REQUEST FOR STAY ...**
- (e) STAY AFFECTING MODIFICATION ONLY ...**
- (f) DISPUTE RESOLUTION ...**
- (g) LIMITATIONS ON APPEALS TO THE HEARING BOARD ...**
- (h) PETITIONS TO THE ADMINISTRATOR OF THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY (EPA) ...**
- (i) FINAL PERMIT ACTION ...**
- (j) JUDICIAL REVIEW ...**

7. Proposed amendments to Appendix A Sections (d), (i), and (o) are to read as follows:

APPENDIX A
INSIGNIFICANT UNITS

(Revision adopted 5/23/01; Effective 12/31/01)
(Rev. (date of adoption); Eff. (upon EPA approval))

- (a) ...
- (b) ...
- (c) ...
- (d) The following equipment: (Rev. (date of adoption); Eff. (upon EPA approval))
 - (i) Motor vehicle engines, pile drivers (except for Diesel pile driving hammers), and construction cranes that are routinely dismantled and transported to non-contiguous locations for temporary use;
 - (ii) Railway, road and runway sweepers used respectively for cleaning rail tracks, roadways and runways, provided the maximum manufacturer's output rating of any auxiliary sweeper engine is 50 brake horsepower or less;
 - (iii) Stationary and portable internal combustion engines with a brake horsepower output rating of 50 or less;
 - (iv) Any stationary gas turbine with a power rating of less than 0.3 megawatt (MW), or a maximum gross heat input rating at ISO Standard Day Conditions of less than 1 million British Thermal Units (Btu's) per hour;
 - (v) Internal combustion engines used exclusively for purposes of educating students in the operation, maintenance, repair and rebuilding of such engines.
- (2) Water cooling towers and water cooling ponds with a capacity less than 10,000 gallons per minute not used for evaporative cooling of process water or not used for evaporative cooling of water, contaminated water or industrial waste water from barometric jets or from barometric condensers.
- (3) Portable aircraft engine test stands which were constructed before November 4, 1976.
- (4) Fuel-burning equipment as described below:
 - (i) Fuel-burning equipment, except internal combustion engines, with a maximum gross heat input rate of less than one million Btu's (0.252 x 10⁶ Kcal) per hour when not part of a process, process line, line, equipment, article, machine or

other contrivance for which a permit to operate is required by these Rules and Regulations.

(ii) Fuel burning equipment, except steam boilers, process heaters, steam generators, and internal combustion engines, with a maximum gross heat input of less than 20 million Btu's per hour, and fired exclusively with natural gas, liquefied petroleum gas or a combination of natural gas and liquefied petroleum gas.

(iii) Steam boilers, process heaters, and steam generators with a maximum gross heat input of less than five million Btu's per hour.

(5) Extrusion equipment used exclusively for metals, minerals, or plastic except coking extrusion equipment or processes which manufacture products containing greater than one percent asbestos fiber by weight.

(6) Equipment used exclusively for forging, pressing, rolling or drawing of metals or for heating metals immediately prior to forging, pressing, rolling or drawing.

(7) All printing or graphic arts presses located at a stationary source which emits a total of less than an average of 15 pounds of volatile organic compounds (VOC), subject to Rule 67.16, on each day of operation per operating day for each calendar month from all such operations. All records necessary to calculate average daily VOC emissions, such as emission factors, VOC content of each material used, number of operating days per calendar month, and daily or monthly records of material usage, shall be maintained on site for five years and be made available to the District upon request.

(8) Inkjet and laser printing equipment.

(9) Ink cartridge filling, refilling, and/or refurbishing operations.

(10) Any oven used exclusively for curing, softening, or annealing of plastics.

(11) Any oven which is an integral part of a process that is an insignificant activity pursuant to this rule.

(12) Crucible-type or pot-type furnaces with a brimful capacity of less than 450 cubic inches of any molten metal.

(13) Crucible furnaces, pot furnaces or induction furnaces, with a capacity of 2500 cubic inches or less each, in which no sweating or distilling is conducted and from which only non-ferrous metals except yellow brass, are poured or non-ferrous metals are held in a molten state.

(14) Shell core and shell-mold manufacturing machines.

(15) Molds used for the casting of metals.

(16) Foundry sand mold forming equipment except those to which heat, sulfur dioxide or organic material is applied.

(17) Shot peening cabinets where only steel shot is employed and no scale, rust, or old paint is being removed.

(18) Die casting machines.

(19) Tumblers used for the cleaning or deburring of metal products without abrasive blasting.

(20) Metalizing guns, except electric arc spray guns, where the metal being sprayed is in wire form.

(21) Brazing, welding equipment including arc welding equipment.

(22) Hand soldering equipment and solder-screen processes. Solder-screen means those processes which use a process similar to silk-screening to apply solder and which subsequently undergo a reflow process other than a vapor phase solder reflow process.

(23) Solder levelers, hydrosqueegees, wave solder machines, and drag solder machines which use less than an average of 10 pounds of any material containing VOCs per operating day each calendar month.

(24) Equipment used exclusively for the sintering of glass or metals.

(25) Equipment used exclusively for heating metals immediately prior to forging, pressing, rolling, or drawing.

(26) Atmosphere generators and vacuum producing devices used in connection with metal heat treating processes.

(27) Dry batch mixers of 0.5 cubic yards (0.38 cubic meters) rated working capacity or less. Dry batch means material is added in a dry form prior to the introduction of a subsequent liquid fraction or when no liquid fraction is added.

(28) Batch mixers (wet) of 1 cubic yard (0.765 cubic meter) capacity or less where no organic solvents, diluents or thinners are used.

(29) Equipment used exclusively for the packaging of lubricants or greases.

(30) Portable conveyors (belt or screw type) where there is no screening.

(31) Fire extinguishing equipment using halons with a charge of less than 50 pounds of a Class I or Class II ozone depleting compound.

- (32) Equipment used exclusively for the purposes of flash-over fire fighting training, or hand-held fire extinguisher training operations.
- (33) Roofing kettles (used to heat asphalt) with a capacity of 85 gallons (322 liters) or less.
- (34) Abrasive blasting equipment with a manufacturer's-rated sand capacity of less than 100 pounds (45.4 kg) or 1 cubic foot or less.
- (35) Abrasive blast cabinets which vent through control devices and into the buildings in which such cabinets are located.
- (36) Blast cleaning equipment using a suspension of abrasive in water.
- (37) Equipment used for buffing or polishing, carving, cutting, drilling, machining, routing, shearing, sanding, sawing, surface grinding, or turning of: ceramic artwork, ceramic precision parts, leather, metals, rubber, fiberboard, masonry, or non-fiberglass reinforced plastic.
- (38) Wet-jet devices used to cut fiberglass reinforced plastic.
- (39) Handheld equipment used for buffing, polishing, carving, cutting, drilling, machining, routing, sanding, sawing, surface grinding or turning of fiber reinforced plastic, when not used at a designated workstation, booth or room.
- (40) Equipment used for carving, cutting, drilling, surface grinding, planning, routing, sanding, sawing, shredding or turning of wood, or the pressing or storing of sawdust, wood chips or wood shavings.
- (41) Paper shredders and paper disintegrators which have a capacity of 600 pounds per hour or less, and the associated conveying systems and baling equipment.
- (42) Equipment used to liquefy or separate oxygen, nitrogen or the rare gases from the air.
- (43) Equipment used exclusively to grind, blend or package tea, cocoa, spices, dried flowers, or roasted coffee.
- (44) Equipment, other than boilers, located at eating establishments which is used exclusively for preparing food for human consumption at the same establishment.
- (45) Coffee roasting equipment with a manufacturer's rating of 15 pounds per hour or less.
- (46) Equipment used exclusively for surface preparation and cleaning if the volatile organic compound content of the aqueous material does not exceed 10 percent by weight. Chromate conversion coating processes are not insignificant activities.

(47) Laboratory testing equipment and quality control testing equipment, used exclusively for chemical and physical analysis. Vacuum-producing devices used in laboratory operations and hoods, stacks or ventilators.

(48) Equipment that is used to conduct research and develop new or improved processes and products, where such equipment is operated by technically trained personnel under the supervision of a research director, and is not used in the manufacture of products for sale or exchange for commercial profit, other than the first product which is produced using research and development equipment and which is delivered to a potential intra-company or external customer for approval, and provided that emissions from all such activities at a source are less than 15 pounds per day.

(49) Equipment used to manufacture:

(i) bio-technology pharmaceutical products for exclusive use in federal Food and Drug Administration (FDA) approved clinical trials, or

(ii) bio-medical devices and diagnostic kits for exclusive use in FDA approved clinical trials and laboratory failure analysis testing, or

(iii) bio-agricultural products for exclusive use in field testing required to obtain FDA, Environmental Protection Agency (EPA), United States Department of Agriculture (USDA) and /or California Environmental Protection Agency (Cal-EPA) approval, provided the uncontrolled emissions of VOCs from all such operations located at the stationary source do not exceed five tons per calendar year.

(50) Laboratory equipment and laboratory operations located at secondary schools, colleges or universities and used exclusively for instruction.

(51) Titanium chemical milling at temperatures below 110°F (43°C).

(52) Orchard or citrus grove heaters.

(53) Non-immersion dry cleaning equipment.

(54) Alkaline chemical milling equipment for which construction or installation commenced prior to March 27, 1990, or alkaline chemical milling equipment used exclusively for the cleaning of internal combustion engine parts.

(55) Chemical milling of niobium and niobium alloys which do not contain any hazardous air pollutants, using nitric or hydrofluoric acids at temperatures below 110 °F.

(56) Oil quenching tanks which use less than 20 gallons per year of make-up oil.

(57) Salt bath quenching tanks where no chromium containing compounds are added to the tank.

(58) Laundry dryers, extractors or tumblers used for fabrics cleaned only with solutions of bleach or detergents containing no organic solvents.

(59) Ovens having an internal volume of 27 cubic feet (0.765 cubic meter) or less in which organic solvents or materials containing organic solvents are charged.

(60) Equipment used for compression molding and injection molding of plastics.

(61) Cold solvent cleaning tanks, vapor degreasers, and paint stripping tanks

(i) with a liquid surface area of 1.0 square foot (0.09 square meter) or less, or

(ii) which have a maximum capacity of one gallon or less.

(62) Equipment used for powder coating operations, except metalizing gun operations, where surface preparation or cleaning solvent usage is less than one-half gallon each day.

(63) Equipment used for anodizing, plating, polishing, stripping or etching, using aqueous materials, provided the volatile organic compound of the aqueous material does not exceed 10% by weight. This exemption does not apply to acid chemical milling, chrome plating, chromic acid anodizing, chromate conversion coating processes, or the stripping of chromium. This exemption also does not apply to copper etching or plating operations which use formaldehyde, ammonium hydroxide, ammonium chloride, or solutions of nitric, hydrofluoric and/or hydrochloric acids which contain more than 17 percent acid concentration by weight. This exemption also does not apply to any equipment, operation or process which is subject to any emission, design or operational standard under an applicable requirement.

(e) ...

(f) ...

(g) ...

(h) ...

(i) (Rev. (date of adoption): Eff. (upon EPA approval)) The following uncontrolled equipment or processes using materials containing volatile organic compounds when the emissions of volatile organic compounds from the equipment or process do not exceed are less than an average of five pounds in any one day per operating day for each calendar month from all such operations. All records necessary to calculate average daily volatile organic compounds emissions, such as emission factors, volatile organic compounds content of each material used, number of operating days per calendar month, and daily or monthly records of material usage, shall be maintained on site for five years and be made available to the District upon request:

(1) Foam manufacturing or application.

- (2) Reinforced plastic fabrication using resins such as epoxy and/or polyester.
- (3) Plastics manufacturing or fabrication.
- (4) Cold solvent degreasers used exclusively for educational purpose.
- (5) Golf grip application stations which exclusively use liquid materials with an initial boiling point of 450°F (232°C), or greater.
- (6) Batch-type waste-solvent recovery stills with batch capacity of 7.5 gallons or less for onsite recovery of waste solvent, provided the still is equipped with a device which shuts off the heating system if the solvent vapor condenser is not operating properly.
- (7) Peptide and DNA synthesis operations.
- (8) Equipment used for washing or drying articles fabricated from metal, cloth, fabric or glass, provided that no organic solvent is employed in the process and that no oil or solid fuel is burned and none of the products being cleaned has residues of organic solvent.
- (9) Hot wire cutting of expanded polystyrene foam.

The exemptions in this section shall not apply to equipment required to obtain a permit for emissions of air contaminants other than organic compounds.

- (j) ...
- (k) ...
- (l) ...
- (m) ...
- (n) ...
- (o) The following equipment: (Rev. (date of adoption): Eff. (upon EPA approval))
 - (1) Equipment used for hydraulic or hydrostatic testing.
 - (2) Equipment used exclusively for the dying or stripping (bleaching) of textiles where no organic solvents, diluents or thinners are used.
 - (3) Equipment used exclusively to mill or grind coatings and molding compounds where all materials charged are in a paste form and no organic solvents, diluents or thinners are used.
 - (4) Equipment used exclusively for the melting or applying of wax where no organic solvents, diluents or thinners are used.

(5) Equipment used for inspection of metal products except metal inspection tanks utilizing a suspension of magnetic or fluorescent dye particles in volatile organic solvent which have a liquid surface area greater than 5 ft² and are equipped with spray type flow or a means of solvent agitation.

(6) Equipment used exclusively for the manufacture of water emulsions of asphalt, greases, oils or waxes.

(7) Equipment used exclusively for conveying and storing plastic pellets.

(8) Equipment used exclusively for the mixing and blending of materials at ambient temperature to make water-based adhesives.

(9) Any coating and/or ink manufacturing operations located at a stationary source, which emit less than an average of 15 pounds of VOCs per operating day for each calendar month from all such operations. All records necessary to calculate average daily VOC emissions, such as emission factors, VOC content of each material used, number of operating days per calendar month, and daily or monthly records of material usage, shall be maintained on-site for five years and be made available to the District upon request.

(10) Curing or baking ovens in which no organic solvents or materials containing organic solvents are charged.

(11) Mixers for rubber or plastics where no material in powder form is added and no organic solvents, diluents or thinners are used.

(12) Any operation producing or blending materials for use in cosmetic or pharmaceutical products and/or manufacturing cosmetic or pharmaceutical products by chemical processes, which emit less than an average of 15 pounds of VOCs per operating day for each calendar month from all phases of all such operations located at a single stationary source.

(13) Roll mills or calendars for rubber or plastics and no organic solvents, diluents or thinners are used.

(14) Vacuum-producing devices used in laboratory operations or in connection with other equipment which is exempt by Rule 11.

(15) Natural draft hoods, natural draft stacks or natural draft ventilators.

(16) Natural gas-fired or liquefied petroleum gas-fired or electrically heated furnaces for heat treating glass or metals, the use of which does not involve molten materials.

(17) Comfort air conditioning or comfort ventilating systems which are not designed to remove air contaminants generated by or released from specific units or equipment.

(18) Refrigeration units except those used as, or in conjunction with, air pollution control equipment with a charge of less than 50 pounds of a Class I or II ozone depleting compound.

(19) Equipment used exclusively for space heating, other than boilers.

(20) Equipment used exclusively for bonding lining to brake shoes.

(21) Lint traps used exclusively in conjunction with dry cleaning tumblers.

(22) Equipment used exclusively to compress or hold dry natural gas.

(23) Kilns used for firing ceramic ware, heated exclusively by natural gas, liquefied petroleum gas, electricity or any combination thereof.

(24) Equipment, including dryers, used exclusively for printing, dyeing, stripping, or bleaching of textiles where no volatile organic solvents are used.

(25) Equipment used for washing or drying articles fabricated from cloth, fabric or glass, where no volatile organic solvents are employed in the process and none of the articles being cleaned have residues of volatile organic solvents.

(26) Wastewater processing units associated with drycleaning operations using halogenated compounds provided the water being evaporated in the unit does not exceed 400 ppm (by weight) of halogenated compounds as determined by EPA Test Method 634.

(27) Nail salon operations.

(28) Atmospheric organic gas sterilizer cabinets where ampules are utilized exclusively to dispense ethylene oxide gas into a liner bag and where total ethylene oxide emissions are less than five pounds per year.

(29) Aerosol can puncturing or crushing operations which use:

(i) a closed loop recovery system that emits no air contaminants, or

(ii) a recovery system that vents all emissions through a properly operated and maintained carbon canister, provided not more than 500 cans are processed through the equipment per day. Throughput records of the number of cans processed shall be maintained on-site for two years and be made available to the District upon request.

(30) Equipment used to crush and/or ferment grapes to produce wine.

(31) Equipment used to brew beer at breweries that produce less than one million gallons of beer per year excluding boilers.

(32) Solvent wipe cleaning operations, not associated with a significant activity, using a container applicator that minimizes emissions to the air, such as, but not limited to, squeeze containers with narrow tips, spray bottles, or dispensers with press down caps located at a facility where the uncontrolled emissions of VOCs from all such operations do not exceed five tons per calendar year, or the total purchase of solvents for such operations does not exceed 1,500 gallons per calendar year. Total purchase of solvents containing a single HAP shall not exceed 350 gallons per calendar year.

(33) Equipment approved for use by the EPA for recovering and/or recycling chlorofluorocarbons (CFCs) or alternative fluorocarbons provided such equipment is charged with less than 50 pounds of a Class I or II ozone depleting compound.

(34) The following registered equipment:

(i) Internal combustion emergency standby engines installed and operated before November 15, 2000. An emergency standby engine is an engine used exclusively in emergency situations to drive an electrical generator, an air compressor or a water pump, except for operations up to 52 hour per calendar year for non-emergency purposes.

(ii) Stationary internal combustion engines rated at 200 brake horsepower or less installed and operated before November 15, 2000, which operate less than 200 hours per calendar year.

(iii) Asphalt roofing kettles and asphalt roofing day tankers.

(iv) Rock drills. This does not include any associated power units.

(35) Ceramic deposition spray guns where all the material being sprayed contains no chromium, lead, or nickel.

(36) Military tactical support equipment.

(37) Any bakery oven which is located at a stationary source where the combined rated heat input capacity of all bakery ovens is less than 2 million Btu's per hour.

(38) Any bakery oven used exclusively to bake non-yeast-leavened products.

8. Proposed amendments to Rule 60.1 Sections (a), (c), and (d) are to read as follows:

RULE 60.1 - LIMITING POTENTIAL TO EMIT AT SMALL SOURCES

(Adopted and Effective 5/23/01) (Rev. and Eff. (date of adoption))

(a) APPLICABILITY

(Rev. and Eff. (date of adoption))

This rule applies to any stationary source which would have the potential to emit any regulated air contaminants ~~pollutants~~ equal to or in excess of the threshold for a major source of regulated air pollutants if it did not comply with the limitations set forth in this rule, and which meets one of the following conditions:

(1) In every 12-month period, the actual emissions of the stationary source are less than or equal to any of the emission limitations specified in Subsection (d)(1)(i) through (d)(1)(iv); or

(2) In every 12-month period, at least 90 percent of the actual emissions from the stationary source are associated with an operation limited by any one of the alternative operational limits specified in Subsection (g)(1).

This rule shall not relieve any stationary source from a requirement to comply with all terms or conditions of any applicable Authority to Construct permit, or a requirement to modify any applicable Authority to Construct, or any other provisions of these Rules and Regulations. This Section (a) does not preclude issuance of any Authority to Construct with conditions or terms necessary to ensure compliance with this rule.

(b) EXEMPTIONS . . .

(c) DEFINITIONS

(Rev. and Eff. (date of adoption))

All terms shall retain the definitions provided in Regulation XIV and District Rule 2 unless otherwise defined herein.

(1) **"12-month Period"** means a period of 12 consecutive months determined on a rolling basis with a new 12-month period beginning on the first day of each calendar month.

(2) **"Actual Emissions"** means the emissions of a regulated air pollutant from a stationary source for every 12-month period. Valid continuous emission monitoring data or source test data shall be preferentially used to determine actual emissions. In the absence of valid continuous emissions data or source test data, the basis for determining actual emissions shall be: throughputs of process materials; throughputs of materials stored; usage of materials; data provided in manufacturer's product specifications; material volatile organic compound (VOC) content reports or laboratory analyses; other information required by this rule and applicable District, State and Federal regulations; or information requested in writing by the Air Pollution Control Officer. All calculations of

actual emissions shall use EPA, California Air Resources Board (ARB), or District approved methods, including emission factors and assumptions.

(3) **“Alternative Operational Limit”** means a limit on a measurable parameter, such as hours of operation, throughput of materials, use of materials, or quantity of product, as specified in Section (g).

(4) **“Emission Unit”** means any non-vehicular article, machine, equipment, contrivance, process or process line, which emit(s) or reduce(s) or may emit or reduce the emission of any air contaminant.

(5) **“Federal Clean Air Act”** means the federal Clean Air Act as amended in 1990 (42 U.S.C. section 7401 et seq.) and its implementing regulations.

(6) **“Hazardous Air Pollutant (HAP)”** means any air contaminant listed pursuant to section 112(b) of the federal Clean Air Act.

(7) **“Legally and Practicably Enforceable Limits”** means the provisions of these Rules and Regulations, and 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 limit the actual emissions of an emission unit or group of emission units and that are permanent, technically accurate, quantifiable; have associated recordkeeping, reporting, and monitoring requirements sufficient to determine ongoing compliance with the emission limitation; are not in violation of any of these Rules or Regulations, State Law, or the State Implementation Plan; and there is a legal obligation to adhere to the terms and conditions of the emission limitation and associated requirements.

(8) **“Major Stationary Source”** means any stationary source, excluding any non-road engines, which emits or has the potential to emit one or more air contaminants in amounts equal to or greater than any of the following emission rates:

(i) ~~50 tons per year of VOC or oxides of nitrogen (NO_x), or~~

~~(ii)~~(i) 10 tons per year of any federal HAP, including fugitive emissions, or

~~(iii)~~ (ii) 25 tons per year of any combination of federal HAPs, including fugitive emissions, or

~~(iv)~~ (iii) 100 tons per year or more of any regulated air pollutant ~~(including any- excluding fugitive emission of any such pollutant, except as determined by rule by the Administrator of the federal EPA). The and except that the fugitive emissions from the stationary source shall not be considered unless if the stationary source belongs to one of the following categories of sources:~~

1. 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.
2. Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units (Btu) per hour head input
3. Fossil-fuel-fired steam electric plants of more than 250 million British thermal units (Btu) per hour heat input
4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels
5. Municipal incinerators capable of charging more than 250 tons of refuse per day
6. Carbon black plants (furnace process)
7. Charcoal production plants
8. Chemical process plants
9. Coal cleaning plants (with thermal dryers)
10. Coke oven batteries
11. Fuel conversion plants
12. Glass fiber processing plants
13. Hydrofluoric, sulfuric, or nitric acid plants
14. Iron and steel mills
15. Kraft pulp mills
16. Lime plants
17. Petroleum refineries
18. Phosphate rock processing plants
19. Portland cement plants
20. Primary aluminum ore reduction plants
21. Primary copper smelters
22. Primary lead smelters
23. Primary zinc smelters
24. Secondary metal production plants
25. Sintering plants
26. Sulfur recovery plants
27. Taconite ore processing plants

(9) **“Maximum Achievable Control Technology (MACT)”** means emission controls or limitations included in any Section 112 requirement of the federal Clean Air Act, including any implementing regulations of the U.S. Environmental Protection Agency, for any source class or category.

(10) **“Potential to Emit”** means the maximum capacity of a stationary source to emit a regulated air pollutant based on its physical and operational design. Any physical or operational limitation on the capacity of the stationary source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design only if the limitation is legally and practicably enforceable by the District or federally enforceable. Fugitive emissions of these pollutants shall be considered in calculating total emissions for stationary sources in accordance with Subsection (c)(8), Major Stationary Source.

(11) **“Process Statement”** means an annual report on permitted emission units from an owner or operator of a stationary source certifying, under penalty of perjury, the following: throughputs of process materials, throughputs of materials stored, usage of materials, fuel usage, any available continuous emissions monitoring data, hours of operation, and any other information required by this rule or requested in writing by the Air Pollution Control Officer.

(12) **“Regulated Air Pollutant”** means the following air pollutants:

(i) NO_x and VOC regulated as ozone precursors.

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

(iii) Any pollutant subject to any standard 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 any standard or requirement promulgated pursuant to Section 112 of the federal Clean Air Act.

(13) **"Title V Permit"** means an operating permit issued to a stationary source pursuant to Regulation XIV - Title V Operating Permits of these Rules and Regulations.

(14) **"Non-road Engine"** means the same as defined in 40 Code of Federal Regulations, Part 89.

(d) **STANDARDS**

(Rev. and Eff. (date of adoption))

(1) Unless the owner or operator has chosen to operate the stationary source under an alternative operational limit specified in Subsection (g)(1), a stationary source subject to this rule shall emit less than ~~all~~ of the following in any 12-month period:

(i) 50 percent of the major source thresholds for regulated air pollutants (excluding HAPs); ~~and~~

(ii) 5 tons per year of a single HAP; ~~and~~

(iii) 12.5 tons per year of any combination of HAPs; ~~and~~

(iv) 50 percent of any lesser threshold for a single HAP as the EPA may establish by rule.

For any category of air pollutant specified in (i), (ii), (iii), or (iv) above for which a stationary source's emissions equal or exceed the limits specified in (i), (ii), (iii), or (iv) above, such emissions shall be limited to less than major stationary source levels in accordance with the requirements of Rule 60.2 of these Rules and Regulations, or through legally and practicably enforceable limits established pursuant to Rule 21 of these Rules and Regulations.

(2) The Air Pollution Control Officer shall annually evaluate a stationary source's compliance with the emission limitations in Subsection (d)(1). In performing this evaluation, the Air Pollution Control Officer shall consider any annual process statement submitted pursuant to Section (f). In the absence of valid continuous emission monitoring data or source test data, actual emissions shall be calculated using emission factors approved by the EPA, ARB, or the Air Pollution Control Officer.

(3) Unless the owner or operator has chosen to operate the stationary source under an alternative operational limit specified in Subsection (g)(1), the owner or operator of a stationary source subject to this rule shall obtain any necessary permits prior to commencing any physical or operational change or activity which will result in actual emissions that exceed the limits specified in Subsection (d)(1).

(e) **RECORDKEEPING REQUIREMENTS . . .**

(f) **REPORTING REQUIREMENTS . . .**

(g) **ALTERNATIVE OPERATIONAL LIMITS AND REQUIREMENTS . . .**

(h) **COMPLIANCE . . .**

9. Proposed amendments to Rule 60.2 Sections (c) and (d) are to read as follows:

RULE 60.2. LIMITING POTENTIAL TO EMIT—SYNTHETIC MINOR SOURCES

(Adopted & Effective: 4/30/97)

(Rev. and Eff. (date of adoption))

(a) **APPLICABILITY . . .**

(b) **EXEMPTIONS (RESERVED) . . .**

(c) **DEFINITIONS**

(Rev. and Eff. (date of adoption))

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 emissions of a regulated air pollutant from an emission unit, as approved by the Air Pollution Control Officer, including emissions during startup, shutdown, upset, and breakdown conditions and fugitive emissions, as applicable.

(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 as applicable, of a regulated air pollutant from a group of one or more emission units at a stationary source.

(4) **“Aggregate Allowed Emissions”** means the sum of the maximum emissions of a regulated air pollutant from a group of one or more emission units that are, or will be, allowed by legally and practicably enforceable permit limits.

(5) **“Air Pollution Control Device”** means any device that removes or destroys air contaminants prior to discharge to the ambient air and is not otherwise necessary for the proper functioning or operation of an emission unit or process. Air pollution control devices include, but are not limited to, electrostatic precipitators, filters, spray towers and scrubbers, thermal and catalytic oxidizers, flares, adsorbers, absorbers, steam or water injection, catalytic and noncatalytic reduction, chemical neutralization, and ozonation. For purposes of this rule, devices that are not air pollution control devices include, but are not limited to, modified furnace or burner designs; staged combustion; reduced combustion preheat; low excess air firing; low nitrogen or sulfur content fuel; air injection; ignition timing retardation; control of oxygen concentration in combustion air; process changes; lids, covers, or other solid enclosures; recovery of process gas; dust suppression by physical stabilization, traffic control, water spray, chemical stabilizers, or wetting agents;

baffles; conservation vents; submerged or bottom filling; tank conversion to variable vapor space tank, floating roof tank, or pressurized tank or secondary seals for external floating roof tanks; underground tanks; white paint; low volatile organic compound (VOC), low hazardous air pollutant (HAP), powder, and waterborne coatings; low VOC or low HAP surface preparation or cleaning materials; and high transfer efficiency coating application methods.

(6) **“Compliance Timeframe”** means each clock hour, calendar day, calendar month, or a 12-month period, or other period as specified pursuant to Subsection (d)(1)(ii) of this rule.

(7) **“De Minimis Emissions”** means that emission rate of a regulated air pollutant that is 50% of the synthetic minor margin for that pollutant. In no case shall the de minimis emission rate of a regulated air pollutant exceed 10 percent of the applicable major source threshold 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, Fugitive emissions shall be applicable when determining compliance with this rule for those pollutants and categories of stationary sources specified in the definition of major source threshold in Subsection (c)(12) of this rule.

(i) ~~Are volatile organic compounds (VOCs), oxides of nitrogen (NO_x), 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) or listed pursuant to Section 112(b)(2) of the federal Clean Air Act unless the substance has been subsequently delisted pursuant to Section 112(b)(3) of the federal Clean Air Act.

(10) **“Insignificant Emission Unit”** means any emission unit not required to have a Permit to Operate pursuant to Rule 11 or having a Certificate of Exemption or a Certificate of Registration.

(11) **“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 time frame; 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 emission limitations; and
- (iv) Incorporate a legally enforceable obligation for the permit owner to adhere to the terms and conditions.

(12) **“Major Source Threshold”** means the following emission rates from a stationary source, excluding any non-road engines:

- (i) ~~50 tons during any 12-month period of VOCs or NO_x; or~~
- (ii)(i) 10 tons during any 12-month period of any HAP; or
- (iii)(ii) 25 tons during any 12-month period of any combination of HAPs; or
- (iv)(iii) 100 tons during any 12-month period of any ~~other~~ regulated air pollutant, excluding fugitive emission of any such pollutant except as determined by rule by the Administrator of the federal EPA and except that the fugitive emissions from a stationary source shall be considered if the stationary source belongs to one of the following categories of sources:

<u>1. 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.</u>	
<u>2. Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units (Btu) per hour head input.</u>	
<u>3. Fossil-fuel-fired steam electric plants of more than 250 million British thermal units (Btu) per hour heat input.</u>	
<u>4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels</u>	
<u>5. Municipal incinerators capable of charging more than 250 tons of refuse per day</u>	
<u>6. Carbon black plants (furnace process)</u>	<u>17. Petroleum refineries</u>
<u>7. Charcoal production plants</u>	<u>18. Phosphate rock processing plants</u>
<u>8. Chemical process plants</u>	<u>19. Portland cement plants</u>
<u>9. Coal cleaning plants (with thermal dryers)</u>	<u>20. Primary aluminum ore reduction plants</u>
<u>10. Coke oven batteries</u>	<u>21. Primary copper smelters</u>
<u>11. Fuel conversion plants</u>	<u>22. Primary lead smelters</u>
<u>12. Glass fiber processing plants</u>	<u>23. Primary zinc smelters</u>
<u>13. Hydrofluoric, sulfuric, or nitric acid plants</u>	<u>24. Secondary metal production plants</u>
<u>14. Iron and steel mills</u>	<u>25. Sintering plants</u>
<u>15. Kraft pulp mills</u>	<u>26. Sulfur recovery plants</u>
<u>16. Lime plants</u>	<u>27. Taconite ore processing plants</u>

(13) **“Modifications to Synthetic Minor Source Status”** 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 establish synthetic minor source status for the source.

(14) **“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 operating inputs that are 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 limitations, that limit the device’s input emissions.

(15) **“Owner or Operator”** means any person who owns, operates, controls, or supervises a stationary source.

(16) **“Process Statement”** means a report from the owner or operator of a stationary source specifying process, product, material, operational, and other information the Air Pollution Control Officer determines is necessary to determine actual emissions. A process statement may include, but is not limited to, the identity, composition, and amount of each material used or consumed; the identity, composition and amount of each product produced; the hours of operation; continuous emission monitoring or continuous parametric emission monitoring data; and air pollution control device overall control efficiencies. A process statement shall include any additional information requested in writing by the Air Pollution Control Officer that are necessary to determine actual emissions from specified emission units for a specified time period.

(17) **“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.

(18) **“Quantifiable”** means that a reliable basis, as determined by the Air Pollution Control Officer, can be established for calculating the amount, rate, nature, and characteristics of actual emissions.

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

(i) NO_x and VOCs.

(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.

(20) **“Residual Actual Emissions ”** means the aggregate actual emissions, determined without consideration of any emission reductions due to air pollution control devices, of any regulated air pollutant from all emission units that are not, or will not be, subject to legally and practicably enforceable permit limits that limit the actual emissions of that pollutant.

(21) **"Stationary Source's Aggregate Actual Emissions"** means the sum of actual emissions, including fugitive emissions as applicable, of a regulated air pollutant from all the emission units at a stationary source.

(22) **"Synthetic Minor Margin"** means that emission rate of a regulated air pollutant that is equal to the applicable major source threshold less the aggregate allowed emissions for that pollutant.

(23) **"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 in any 12-month period, the residual actual emissions of the pollutant are less than or equal to de minimis emissions and the stationary source's aggregate actual emissions and aggregate allowed emissions of the pollutant in any 12-month period are less than the applicable major source threshold.

(24) **"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.

(25) **"12-month period"** means 12 consecutive calendar months.

(26) **"Verifiable Emission Limitation"** means an emission limitation which is verifiable by a continuous emission monitoring system or parametric 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 and solvents used, or an emission limitation that is equal to an emission unit's potential to emit.

(27) **"Non-road Engine"** means the same as defined in 40 Code of Federal Regulations, Part 89.

(d) **STANDARDS**

(Rev. and Eff. (date of adoption))

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

(1) Ongoing compliance with legally and practicably enforceable permit limits shall be determined as follows:

(i) The first compliance timeframe shall begin on:

(A) except as provided for in Subsection (d)(1)(i)(C), for clock hour or calendar day compliance timeframes, the date on which application for synthetic minor source status is made; and

(B) except as provided for in Subsection (d)(1)(i)(C) for calendar month or 12-month period compliance timeframes, the start of the calendar month in which application for synthetic minor source status is made; or

(C) on a date different from the date specified in Subsections (d)(1)(i)(A) or (d)(1)(i)(B), as applicable, provided that the owner or operator and the Air Pollution Control Officer agree on such a date and the date is no later than the first day of the calendar month following the calendar month in which a Permit to Operate containing the compliance timeframe is issued in accordance with this rule.

(ii) Ongoing compliance shall be determined on:

(A) An hourly basis for a clock hour compliance timeframe; and

(B) A daily basis for a calendar day compliance timeframe; and

(C) A calendar month basis for a calendar month or 12-month period compliance timeframes; or,

(D) Such other period up to but not exceeding a calendar quarter where the Air Pollution Control Officer determines that a shorter period to determine compliance or emissions is not feasible nor practical. In such case, the emissions at the stationary source associated with such other period shall be apportioned to each calendar month within the period using a procedure approved by the Air Pollution Control Officer.

(2) For purposes of District Rules and Regulations, a stationary source shall not be considered a major source for a regulated air pollutant if, as determined by the Air Pollution Control Officer:

(i) The source is in ongoing compliance with legally and practicably enforceable permit limits that establish synthetic minor source status for that pollutant; and

(ii) The source's residual actual emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter are less than the de minimis emissions for the source; and

(iii) The aggregate actual emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter of each regulated pollutant from all emission units at the stationary source do not exceed the applicable major source threshold; and

(iv) The aggregate allowed emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter of

each regulated pollutant from all emission units at the stationary source that have legally and practicably enforceable permit limits do not exceed the applicable major source threshold; and

(v) The source has maintained sufficient records commencing with the first compliance timeframe and provided sufficient information to the Air Pollution Control Officer that the Air Pollution Control Officer deems adequate to allow a determination of compliance with Subsections (d)(2)(i) through (d)(2)(iv).

(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) Within 30 calendar days, or a longer period of time if deemed necessary by the Air Pollution Control Officer, of a written request by the Air Pollution Control Officer, the owner or operator of a stationary source that is a synthetic minor source for a regulated air pollutant shall demonstrate that, for any 12-month period that begins on or after the start of the first compliance timeframe, residual actual emissions of that pollutant are less than de minimis emissions.

(5) If for any 12-month period that begins on or after the start of the first compliance timeframe, residual actual emissions of a regulated air pollutant for which synthetic minor source status has been established have exceeded de minimis emissions, or, as determined by the Air Pollution Control Officer, 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, is submitted requesting synthetic minor source status and by the application submittal date the source begins maintaining records in accordance with Subsection (h) (except that records of total quantities since the start of the first compliance timeframe shall be deemed as meeting requirements of Subsections (h)(1)(iv) and (h)(3)(ii)(C)) from the date of the application submittal 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) Modifications to synthetic minor source status for a regulated air pollutant shall comply with all applicable requirements of these rules and regulations.

(10) For purposes of this rule, when determining actual emissions, any air pollution control device shall be deemed to have an overall emission control efficiency of zero percent unless it is part of an operational limitation that establishes a legally and practicably enforceable permit limit.

(11) Notwithstanding any permit terms or conditions established pursuant to this rule, all terms and conditions in any Permit to Operate, Authority to Construct, Temporary Authorization, Certificate of Exemption, Certificate of Registration, or Settlement Agreement otherwise established pursuant to these rules and regulations shall remain in force unless modified or removed in accordance with Regulation II, Regulation XIV, and Rule 1200.

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

(f) **DISTRICT PROCEDURES . . .**

(g) **FEES . . .**

(h) **RECORDKEEPING . . .**

(i) **REPORTING . . .**

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

**PROPOSED AMENDMENTS TO
REGULATION XIV – TITLE V OPERATING PERMITS,
RULE 60.1 - LIMITING POTENTIAL TO EMIT AT SMALL SOURCES, and
RULE 60.2 - LIMITING POTENTIAL TO EMIT - SYNTHETIC MINOR SOURCES**

WORKSHOP REPORT

A notice for a workshop on the proposed amendments to Rule 60.1, Rule 60.2 and Regulation XIV was mailed to owners and operators of major sources subject to federal Title V permitting requirements in San Diego County. In addition, notices were mailed to facility owners and operators who had attended previous public workshops held regarding Rules 60.1 and 60.2. Notices were also mailed to all Economic Development Corporations and Chambers of Commerce in San Diego County, the U.S Environmental Protection Agency (EPA), the California Air Resources Board (ARB), and other interested parties. The workshop was held on June 5, 2003, and was attended by ten people. Comments were received during the workshop. Prior to the workshop, letters were received from the Air Resources Board stating they had reviewed the proposed changes and had no comments. Subsequent to the workshop, EPA Region IX provided informal comments. The workshop comments and the Air Pollution Control District (District) responses are as follows:

1. WORKSHOP COMMENT

Regulation XIV, Rule 1421, Subsections (b)(1)(iv) and (v) require that Title V facilities report any deviations from federally enforceable permit conditions. How long does a facility have to report a deviation? To correct a deviation?

DISTRICT RESPONSE

The District has provided written guidance to all Title V facilities on the criteria for prompt reporting of Title V deviations. In summary: deviations associated with a breakdown must be reported, in accordance with District Rule 98, as soon as possible but not later than two hours after discovery; deviations from emission-related standards must be reported within ten calendar days of detection; all other deviations must be reported at the time of the next semi-annual or annual report, whichever occurs first. If a federal regulation (e.g. a National Emission Standard for Hazardous Air Pollutants regulation) specifies a different schedule, that schedule takes precedence.

Since a deviation typically is the result of non-compliance with an applicable requirement or Title V permit condition, it must be corrected immediately or the affected operations shutdown until corrections can be made. If the deviation cannot be corrected immediately, the facility operator may petition the Air Pollution Control District Hearing Board for a variance to allow continued operation. If a deviation qualifies as a breakdown under District Rule 98, and is promptly reported, the District may elect to take no enforcement action and a facility may have until the end of that production cycle or 24 hours to correct the non-compliance, whichever is sooner.

Title V facility operators have been cautioned that EPA does not accept variances as protection from EPA or citizen enforcement of federally applicable requirements. However, EPA regulations provide for an affirmative defense by facility operators (similar to breakdowns under District Rule 98) for certain deviations that are beyond an operator's control.

2. WORKSHOP COMMENT

Is the 60,000 gallon per year limit contained in Regulation XIV, Appendix A, Subsection (f)(2) for each piece of equipment or an aggregate for the facility? If the latter, this seems too low. Would a permit be required?

DISTRICT RESPONSE

The referenced threshold is for the aggregate quantity of fuel transferred for maintenance purposes to and from amphibious ships at the facility. If the stationary source where the equipment is located is a major source and is required to have a Title V permit, and if the quantity of fuel transferred is greater than this threshold, the transfer equipment would no longer be considered insignificant and would have to be explicitly addressed in the facility's Title V permit.

It should be noted that this subsection contains an existing exemption threshold that is not being changed and is identical to the existing permit exemption in District Rule 11, Subsection (d)(17)(vii). At the time this exemption was developed, it was done in consultation with representatives of the affected Navy facility. If there are now problems with this exemption level, they should be discussed with the District's Rule Development staff so they may consider whether any changes are appropriate when Rule 11 is next revised.

3. WORKSHOP COMMENT

When does the District anticipate taking the proposed amendments to the Board?

DISTRICT RESPONSE

On June 26, 2003, EPA published final approval of the redesignation of San Diego County to attainment of the federal one-hour ozone standard. The District will be recommending the Air Pollution Control Board approve the amendments at its August 13, 2003, public hearing. (See also the District response to EPA's informal written comment below – No. 7.)

4. WORKSHOP COMMENT

Will the District automatically revise existing Title V permits to reflect changes to Regulation XIV? What will be the process for amending permits?

DISTRICT RESPONSE

Where changes to the standard language in the current Title V permits are appropriate, the District will make revisions in collaboration with the affected facilities and the local Industry/District Title V Working Group. Either Title V permits will be re-issued with these changes, or non-critical changes will be made when the Title V permits are next renewed.

Where changes are unique to a specific facility's Title V permit, the facility should identify those changes to the District. Depending on their nature, the District will make the changes administratively or request the Title V facility operator apply for permit revisions.

Some changes may need to await final EPA approval of the amendments to Regulation XIV.

5. WORKSHOP COMMENT

When will the changes take effect?

DISTRICT RESPONSE

The rule amendments would normally be effective immediately upon approval by the Air Pollution Control Board. The amendments will be forwarded to EPA through the Air Resources Board for final approval. However, EPA Region IX has informally suggested that EPA will be unable to approve the revisions because of the statewide permit exemption for agricultural operations, a matter still pending resolution in the Legislature. (See Comment No. 7.) If that remains the case, local Title V sources that would otherwise be exempt under the amendments to Regulation XIV may have to remain in the Title V permit program until that matter is resolved.

6. ARB WRITTEN COMMENT

The Air Resources Board staff has reviewed the rules and, based on the information available to us at this time, we have no comments. The rules were examined by the Stationary Source Division and the Enforcement Division.

DISTRICT RESPONSE

ARB staff also informally provided several minor editorial suggestions which the District will incorporate in the final proposed amendments.

7. EPA WRITTEN COMMENT

(As of the writing of this workshop report, no formal EPA comments have been received. However, the following informal comments were received by e-mail on June 12, 2003.)

Since the District's title V permit program is federally approved, any changes to the approved program need to be submitted to EPA for review and comment, and will not be part of the approved program until EPA takes formal approval action on the changes. Upon mutual resolution of issues, EPA would prepare and publish a federal register on the changes to the District's title V program.

Unfortunately, the agricultural exemption that exists in state law precludes Region IX from being able to approve changes to San Diego's title V program or any other California title V program at this point. Per the Clean Air Act title V requirements, any action by EPA approving title V program changes pursuant to a request from a California air district would require a finding by EPA that the district's program meets all requirements for approvability of a title V program. However, EPA cannot make such a determination at this point for any of the California title V programs, as EPA has identified that major agricultural sources in California are exempt under State law and therefore exempt from title V permit requirements in San Diego County and elsewhere in the State. Since this is a statewide title V program deficiency, Region IX cannot propose title V program approvals for any California air district until the State corrects the agricultural exemption-related deficiency.

Consequently, the District must continue to implement the existing approved title V program until the State removes the agricultural exemption and Region IX can review and notice changes to the title V program at a later date. We understand that the District has about 8-10 sources that would no longer be major sources subject to title V permitting requirements if the volatile organic compounds (VOC) and oxides of nitrogen (NOx) major source thresholds are increased to 100 tons per year because of the recent ozone attainment redesignation for San Diego County. We suggest that permit processing for these sources should be deferred (are these sources without an initial title V permit?). We look forward to working with the District to resolve changes to the title V program as soon as the State removes the agriculture exemption.

DISTRICT RESPONSE

The District disagrees with EPA with regards to this comment. EPA has itself already established a precedent for considering the statewide agricultural permit exemption issue separate from the ongoing California air district Title V permit programs. This occurred on October 15, 2002, when EPA took final action to withdraw, in part, approval of 34 Title V permit programs operated by air districts in California. By that action, EPA was specifically not withdrawing approval of the air districts' Title V permit programs as they relate to non-exempt (non-agricultural) major stationary sources. In fact, in response to public comments on the earlier proposal to partially withdraw approval, EPA defended its ability under the Act and its own regulations to bifurcate the agricultural exemption issue from "...the fully approved part 70 programs in the State..." Moreover, in defending its decision to withdraw only a specific part of the fully approved Part 70 programs, EPA stated:

"Today's action is appropriately tailored to the problem it has identified – the inability of California's air districts to require major stationary agricultural sources of air pollution to apply for and obtain title V permits because of an exemption in state law. To subject all major sources within California to part 71 without regard to a problem that is actually narrow in scope would be an overly broad remedy that could also entail

substantial confusion and inefficiency. Such disruption to the programs that the California air districts have been implementing for approximately 7 years is unwarranted."

EPA Region IX should be consistent in its handling of the District's fully approved Title V permit program as it applies to non-agricultural major sources and not tie approvals of changes to that program to the bifurcated agricultural permit exemption issue. Further, the statewide agricultural permit exemption has no substantive effect on the District's Title V permit program, nor the District's ability to effectively administer the program. As Region IX is aware, investigations by Region IX and the District have yet to reveal any major agricultural stationary sources in San Diego County. Thus, as a practical matter, EPA should have no difficulty finding that the amended San Diego Title V program continues to meet the same standards for approvability that were in place October 15, 2002, but for the bifurcated agricultural exemption.

Finally, the District notes that despite numerous discussions between EPA and the District regarding the one-hour ozone standard redesignation request, including discussions of the District's intentions to raise the Title V major stationary source applicability thresholds following approval of the redesignation, EPA staff did not communicate that such relief from the Title V permit program would not be available because of the agricultural operations permit exemption. Indeed, the District's "Ozone Redesignation Request and Maintenance Plan for San Diego County," December 2002, which has been approved by EPA (Federal Register, June 26, 2003, pp37976), provides that, *"Also, the major source threshold for ozone precursors pursuant to the Clean Air Act, Title V ("Permits"), will be a source with actual or potential emissions of 100 tons per year or more of VOC or NOx, rather than the 50-ton per year threshold that applies to San Diego County as a serious ozone nonattainment area."*

It is inappropriate for EPA to now suggest that the District will be unable to implement the very same revised Title V permit program with an increased major source threshold solely because of a separate permitting issue for agricultural sources that has no actual effect in San Diego County. The District sees no valid reason to delay moving forward with the approval and implementation of the proposed changes to its Title V permit program. To continue to subject non-major sources (made eligible for exemption by the raising of the major source thresholds) within San Diego County to Part 70 without regard to a problem that is likely non-existent in San Diego will prolong unnecessary burdens and inefficiencies for the sources and the District.

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