

**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.

PROPOSED AMENDMENTS TO RULE 60.1

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. (date of adoption): Eff. (TBD))

(a) APPLICABILITY

(Rev. (date of adoption): Eff. (TBD))

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 Subsections (d)(1)(i) through (d)(1)(iv), on a pollutant category-specific basis; 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

The owner or operator of a stationary source may take into account the operation of air pollution control equipment on the capacity of the source to emit an air contaminant if such equipment is required by Federal, State, or District rules and regulations or permit terms and conditions. The owner or operator of the stationary source shall maintain and operate such air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions.

(1) The following stationary sources with de minimis emissions or operations are exempt from the provisions in Sections (d)(2), (e), (f), and (g):

(i) In every 12-month period, the stationary source emits less than or equal to all of the following quantities of actual emissions:

(A) 5 tons per year of any regulated air pollutant for which the District is designated a serious nonattainment area (2.5 tons per year for severe nonattainment area); and

(B) 5 tons per year of any regulated air pollutant except Hazardous Air Pollutants (HAPs); and

(C) 2 tons per year of a single HAP; and

(D) 5 tons per year of any combination of HAPs, and

(E) 20 percent of any lesser threshold for a single HAP that the Environmental Protection Agency (EPA) may establish by rule; or

(ii) In every 12-month period, a stationary source's throughput is less than or equal to any of the following throughputs and at least 90 percent of the stationary source's emissions are associated with that throughput:

(A) 550 gallons of any one volatile organic compound (VOC)-containing material and 1,400 gallons of any combination of VOC-containing materials, provided that the materials do not contain any halogenated organic compound that is identified as a HAP; or

(B) 300 gallons of any one VOC-containing material and 750 gallons of any combination of VOC-containing materials that contains halogenated organic compounds that are identified as HAPs; or

(C) 550 gallons of any VOC-containing material also containing a single HAP, and 2,500 gallons of VOC-containing material, applied in a surface coating operation; or

(D) 4,400,000 gallons of gasoline dispensed from equipment with Phase I and II vapor recovery systems; or

(E) 470,000 gallons of gasoline dispensed from equipment without Phase I and II vapor recovery systems; or

(F) 1,400 gallons of gasoline combusted; or

(G) 16,600 gallons of diesel fuel combusted; or

(H) 500,000 gallons of distillate oil combusted; or

(I) 71,400,000 cubic feet of natural gas combusted.

Within 30 days of a written request by the District or the EPA, the owner or operator of a stationary source not maintaining records pursuant to Sections (e) or (g) shall demonstrate that the stationary source's emissions or throughput are not in excess

of the applicable quantities set forth in Subsections (b)(1)(i) or (b)(1)(ii). Calendar-year records may be used to substantiate the stationary source's emissions or throughput.

(2) The following stationary sources are exempt from this rule:

(i) Any stationary source whose actual emissions, throughput, or operation, at any time after May 23, 2001, is greater than the quantities specified in Subsections (d)(1) or (g)(1) and which meets both of the following conditions:

(A) The owner or operator has notified the District at least 30 days prior to any exceedance that such owner or operator will submit an application for a Title V permit, or otherwise obtain legally and practicably enforceable permit limits, and

(B) A complete Title V permit application is received by the District, or the permit action to otherwise obtain legally and practicably enforceable or federally enforceable limits is completed, within 12 months of the date of notification.

Notwithstanding the exemption provided by Subsection (b)(2)(i), the stationary source may be immediately subject to applicable federal requirements, including but not limited to, a maximum achievable control technology (MACT) standard or NESHAP.

(ii) Any stationary source that has applied for a Title V permit in a timely manner and in conformance with Regulation XIV and is awaiting final action by the District and EPA.

(iii) Any stationary source required to obtain an operating permit under Regulation XIV for any reason other than being a major source.

(iv) Any stationary source with a valid Title V permit.

Notwithstanding Subsections (b)(2)(ii) and (b)(2)(iv), nothing in this section shall prevent any stationary source which has had a Title V permit from qualifying to comply with this rule upon rescission of a Title V permit or in lieu of maintaining an application for a Title V permit if the owner or operator of the stationary source demonstrates that the stationary source is in compliance with the emissions limitations in Subsection (d)(1) or an applicable alternative operational limit in Subsection (g)(1).

(3) Any stationary source is exempt which has a valid operating permit with legally and practicably enforceable or federally enforceable conditions or other legally and practicably enforceable or federally enforceable limits that limit its potential to emit to below the applicable threshold(s) for a major source.

(4) The provisions of Section (f) shall not apply to stationary sources that emit less than or equal to all of the following quantities in every 12-month period:

(i) 25 tons per year of any regulated air pollutant (excluding HAPs); and

- (ii) 15 tons per year for a regulated air pollutant for which the District has a federal area designation of serious nonattainment; and
- (iii) 6.25 tons per year for a regulated air pollutant for which the District has a federal area designation of severe nonattainment; and
- (iv) 2.5 tons per year of a single HAP; and
- (v) 6.25 tons per year of any combination of HAPs; and
- (vi) 25 percent of any lesser threshold for a single HAP as EPA may establish by rule.

A stationary source previously exempted pursuant to Subsection (b)(4) from compliance with the provisions of Section (f) shall immediately comply with the provisions of Section (f) if the actual emissions from the stationary source exceed any of the quantities specified in Subsections (b)(4)(i) through (b)(4)(vi).

By May 23, 2004, the District shall maintain and make available to the public, upon written request, for any stationary source subject to this rule, information identifying the provisions of this rule applicable to the source.

(c) **DEFINITIONS**

(Rev. (date of adoption): Eff. (TBD))

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 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 including VOCs and oxides of nitrogen (NO_x) and, 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) | 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.

(d) **STANDARDS**

(Rev. (date of adoption): Eff. (TBD))

(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

Effective November 23, 2001, the owner or operator of a stationary source subject to this rule shall comply with any applicable recordkeeping requirements in this section. However, for a stationary source operating under an alternative operational limit pursuant to Section (g), the owner or operator shall instead comply with the applicable recordkeeping and reporting requirements specified in Section (g). The recordkeeping requirements of this rule shall not replace any recordkeeping requirement contained in any operating permit or in any District, State, or Federal rule or regulation.

(1) A stationary source previously exempted pursuant to Subsection (b)(1) shall comply with the applicable provisions of Sections (e), (f), and (g) if the actual emissions from the stationary source exceed any of the quantities specified in Subsection (b)(1)(i).

(2) The owner or operator shall keep and maintain records for each permitted emission unit or groups of permitted emission units sufficient to determine actual emissions. Such information shall be summarized in a monthly log, maintained on-site for two years and maintained to be available for five years, and shall be made available to the Air Pollution Control Officer, ARB, or EPA upon request. Such records shall include but are not limited to:

(i) Surface Coating Operations or Solvent Emission Units

The owner or operator of a stationary source that contains a surface coating or solvent emission unit or uses a coating, solvent, ink or adhesive shall keep and maintain the following records:

(A) A current list of all coatings, solvents, inks and adhesives in use. This list shall include: information on the manufacturer, brand, product name or code, VOC content per volume of material (in grams per liter or pounds per gallon), HAP content per volume of material (in grams per liter or pounds per gallon), or manufacturer's product specifications, material VOC content reports or laboratory analyses providing this information,

(B) A description of any equipment used during and after coating/solvent application, including type, control device(s) type and description (if any), and a description of the coating/solvent application/drying method(s) employed,

(C) A monthly log of the consumption of each VOC (including organic solvents used in cleanup and surface preparation), coating, ink and adhesive used; and

(D) All purchase orders, invoices, and other documents to support information in the monthly log.

(ii) VOC Liquid Storage Units

The owner or operator of a stationary source that contains a permitted VOC liquid storage unit shall keep and maintain the following records:

(A) A monthly log identifying the liquid stored and monthly throughput; and

(B) Information on the tank design and specifications including air pollution control equipment.

(iii) Combustion Emission Units

The owner or operator of a stationary source that contains a combustion emission unit shall keep and maintain the following records:

(A) Information on equipment type, make and model, maximum design process rate or maximum power input or output, minimum operating temperature (for thermal oxidizers), and capacity, type and description of any air pollution control systems or devices, and all source test information; and

(B) A monthly log of hours of operation, fuel type, fuel usage, fuel heating value (in BTU per standard cubic foot or BTU per gallon for non-fossil fuels), and sulfur content by weight of fuel oil used.

(iv) Emission Control Units

The owner or operator of a stationary source that has any emission control units shall keep and maintain the following records:

(A) Information on equipment type and description, make and model, pollutants controlled, and emission units served by the emission control unit, and

(B) Information on equipment design and key process parameters such as temperatures, pressures, and flow rates necessary to evaluate ongoing control effectiveness, maximum design or rated capacity, inlet and outlet temperatures, and concentrations for each pollutant controlled; catalyst data (type, material, life, volume, space velocity, ammonia injection rate and temperature); baghouse data (design, cleaning method, fabric material, flow rate, air/cloth ratio); electrostatic precipitator data (number of fields, cleaning method, and power input); scrubber data (type, design, sorbent type, pressure drop); other design data as appropriate; and

(C) All source test information; and

(D) A monthly log of hours of operation including notation of any control unit breakdowns, upsets, repairs, maintenance and any other deviations from equipment design process parameters.

(v) General Emission Units

The owner or operator of a stationary source subject to this rule that contains an emission unit not included in Subsections (e)(2)(i), (e)(2) (ii), or (e)(2) (iii) shall keep and maintain the following records as necessary to determine actual emissions:

(A) Information on the process and equipment including the following: equipment type, description, make and model, maximum design process rate or throughput, if available, type and description of any control device(s); and

(B) A monthly log of operating hours, each raw material used and its amount, each product produced and its production rate; and

(C) Purchase orders, invoices, and other documents to support information in the monthly log; and

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

(f) **REPORTING REQUIREMENTS**

(1) At the time of annual renewal of a permit to operate or such other annual date specified by the Air Pollution Control Officer, the owner or operator of a stationary source subject to this rule shall submit to the District a process statement that contains:

(i) All information necessary to verify the source's actual emissions including, but not limited to, applicable information on continuous emissions monitoring data, source test data, throughputs of process materials, throughputs of materials stored, usage of materials, materials VOC and HAP contents, fuel usage, hours of operation, any other information required by this rule and applicable District, State and Federal regulations, and information requested in writing by the Air Pollution Control Officer; and

(ii) A signed statement by the owner or operator certifying that the information contained in the process statement is true, accurate, and complete.

(2) Any additional information requested by the Air Pollution Control Officer under Subsection (f)(1) above shall be submitted to the Air Pollution Control Officer within 30 days of the date of request.

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

An owner or operator may operate permitted emission units at a stationary source subject to this rule under an alternative operational limit, provided that at least 90 percent of the stationary source's actual emissions in every 12-month period are associated with the opera-

tion(s) limited by the alternative operational limit. Upon choosing to operate a stationary source subject to this rule under an alternative operational limit, the owner or operator shall operate the stationary source in compliance with the following alternative operational limits and requirements unless otherwise limited by existing permit conditions or these Rules and Regulations:

(1) General Reporting Requirements

(i) The owner or operator shall report within 30 days to the Air Pollution Control Officer any exceedance of the alternative operational limit.

(ii) The owner or operator shall submit an annual summary of the monthly log as specified in Subsections (g)(3)(i) through (g)(3)(iv), as applicable, to the Air Pollution Control Officer at the time of annual permit renewal and the owner or operator shall certify in writing that the log is accurate and true.

(2) General Recordkeeping Requirements

(i) The owner or operator shall maintain all purchase orders, invoices, and other documents to support information required to be maintained in a monthly log.

(ii) All records shall be maintained on-site for two years and maintained to be available for five years, and shall be made available to the District, ARB or EPA upon request.

(3) Source Specific Operational Limits and Recordkeeping Requirements

As applicable, the owner or operators of gasoline dispensing facilities with Phase I and Phase II vapor recovery systems, degreasing or solvent using emission units, surface coating operations, and diesel-fueled emergency standby engine(s) with output less than 1,000 brake horsepower shall:

(i) For Gasoline Dispensing Facility Equipment with Phase I and II Vapor Recovery Systems

(A) Dispense no more than 7,000,000 gallons of gasoline in every 12-month period; and

(B) maintain a monthly log of gallons of gasoline dispensed in the preceding month and a monthly calculation of the total gallons dispensed in the previous 12 months.

(ii) For Degreasing or Solvent-Using Emission Unit(s)

(A) Use no more than 2,200 gallons of any one VOC-containing material and no more than 5,400 gallons of any combination of VOC-containing materials in every 12-month period, provided that the materials do not contain any halogenated organic compound that is identified as a HAP; or

(B) Use no more than 1,200 gallons of any one VOC-containing material and no more than 2,900 gallons of any combination of VOC-containing materials that contain halogenated organic compounds that are identified as HAPs in every 12-month period; and

(C) Maintain a monthly log of amount and type of VOC used in the preceding month with a monthly calculation of the total gallons used in the previous 12 months.

(iii) For Surface Coating Operations

(A) Use no more than 4,000 gallons of VOC-containing materials, nor more than 2,200 gallons of VOC-containing materials that also contain any HAP, including, but not limited to, coatings, thinners, reducers, and cleanup solution, in every 12-month period, and

(B) Maintain a monthly log of the gallons of VOC-containing materials used in the preceding month with a monthly calculation of the total gallons used in the previous 12 months.

(iv) For Diesel-Fueled Emergency Standby Engine(s) with Output less than 1,000 Brake Horsepower.

(A) Operate the emergency standby engine(s) no more than 2,600 hours in every 12-month period and use no more than 133,000 gallons of diesel fuel in every 12-month period; and

(B) Maintain a monthly log of hours of operation, gallons of fuel used, and a monthly calculation of the total hours operated and gallons of fuel used in the previous 12 months.

(v) For Sheet Fed (Non-Heatset) Offset Lithography, Non-Heatset Web Offset Lithography, or Screen Printers

(A) Use no more than 7,125 gallons of VOC-containing materials, including, but not limited to, cleaning solvent and fountain solution additives, in every 12-month period, and

(B) Maintain a monthly log of the gallons of VOC-containing materials used in the preceding month with a monthly calculation of the total gallons used in the previous 12 months.

(vi) For Heatset Web Offset Lithography or Uncontrolled Flexography and Rotogravure Using Solvent Inks

(A) Use no more than 50,000 pounds of VOC-containing materials, including, but not limited to, ink, coatings, adhesives, dilution solvents, and cleaning solvents, in every 12-month period, and

(B) Maintain a monthly log of the pounds of VOC-containing materials used in the preceding month with a monthly calculation of the total pounds used in the previous 12 months.

(vii) For Oil and Natural Gas-Fired Boilers, Process Heaters, and Steam Generators with Capacity that is no more than 100 Million Btu's Per Hour

(A) Use no more than any of the following in every 12-month period:

- (1) 360 million cubic feet of natural gas,
- (2) 700,000 gallons of distillate oil,
- (3) 160,000 gallons of residual oil,
- (4) a combination of 320 million cubic feet of natural gas and 260,000 gallons of distillate oil,
- (5) a combination of 300 million cubic feet of natural gas and 160,000 gallons of residual oil, or
- (6) a combination of 300 million cubic feet of natural gas and 160,000 gallons of distillate and residual oil; and,

(B) Maintain a monthly log of the usage of natural gas, distillate oil and residual oil in the preceding month with a monthly calculation of the total usage in the previous 12 months.

(viii) For Hot Mix Asphalt Plants

(A) Produce no more than 250,000 tons of hot mix asphalt, in every 12-month period; and

(B) Maintain a monthly log of the tons of hot mix asphalt produced in the preceding month with a monthly calculation of the total tons produced in the previous 12 months.

(4) Physical and Operational Changes

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 an exceedance of an applicable operational limit specified in Subsection (g)(3).

(h) **COMPLIANCE**

(1) Failure to comply with any of the applicable provisions of this rule shall constitute a violation. Each day during which a violation of this rule occurs is a separate offense.

(2) A stationary source subject to this rule shall be subject to all applicable federal requirements for a major source, including Regulation XIV, commencing on the first day following any 12-month period in which the stationary source exceeds a limit specified in Subsection (d)(1) and any applicable alternative operational limit specified in Subsection (g)(1).

(3) A stationary source subject to this rule shall be subject to all applicable federal requirements for a major source, including Regulation XIV, commencing on the first day following any 12-month period in which the owner or operator can not demonstrate that the stationary source is in compliance with the limits in Subsection (d)(1) or any applicable alternative operational limit specified in Subsection (g)(1).

PROPOSED AMENDMENTS TO RULE 60.2

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. (date of adoption): Eff. (TBD))

(a) APPLICABILITY

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

Notwithstanding any provision of this rule, any new or modified stationary source or any new, modified, relocated, or replaced emission unit must obtain an Authority to Construct and/or a Permit to Operate in accordance with Regulation II, including Rules 20.1, 20.2, 20.3, and 20.4, and Rule 1200, as applicable.

(b) EXEMPTIONS (RESERVED)

(c) DEFINITIONS

(Rev. (date of adoption): Eff. (TBD))

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:

~~(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, including VOCs and oxides of nitrogen (NO_x), and excluding fugitive emissions 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 included-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.

(d) **STANDARDS**

(Rev. (date of adoption): Eff. (TBD))

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

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

(1) Application Content

An application shall include:

- (i) Specification of the regulated air pollutant(s) for which synthetic minor source status is requested; and
- (ii) The identification and description of all existing emission units at the source emitting the specified pollutant(s), except for insignificant units unless deemed necessary by the Air Pollution Control Officer to determine the source's actual emissions; and
- (iii) A demonstration to the satisfaction of the Air Pollution Control Officer that the stationary source's aggregate actual emissions of all regulated air pollutants will be less than the applicable major source thresholds for the 12-month period beginning with the month in which application for synthetic minor source status is made; and
- (iv) Proposed legally and practicably enforceable permit limits which:
 - (A) identify the emission units or groups of emission units that such conditions shall be applied to; and
 - (B) limit the actual emissions of the specified regulated air pollutant(s) to a level such that the stationary source is a synthetic minor source for that pollutant(s); and
- (v) A written certification signed by a responsible official that, based on information and belief formed after reasonable inquiry, the contents of the application are true, accurate, and complete; and
- (vi) A fee deposit sufficient to cover the estimated costs to the District to review, evaluate, and act on the application; and
- (vii) Any additional information requested by the Air Pollution Control Officer.

(2) Timely Application

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

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

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

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

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

(f) DISTRICT PROCEDURES

(1) Action on Applications

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

(2) Renewal of Synthetic Minor Source Status

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

(3) Content of Synthetic Minor Source Permits

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

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

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

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

(iv) Include the initial start date of compliance timeframes; and

(v) Include recordkeeping requirements in accordance with Section (h); and

(vi) Include reporting requirements in accordance with Section (i); and

(vii) Specify any new monitoring requirements including analysis procedures, test methods and frequency, and recordkeeping designed to serve as monitoring that are sufficient to allow a determination of compliance with the legally and practicably enforceable permit limits for the relevant compliance timeframes.

(4) Compliance with Regulation XIV

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

(g) FEES

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

(h) RECORDKEEPING

The recordkeeping requirements of this rule shall not supersede any recordkeeping requirements contained in any Authority to Construct, Temporary Permit to Operate, Permit to Operate, Certificate of Exemption, Certificate of Registration, or Settlement Agreement established pursuant to these rules and regulations; any District rules and regulations; or state law. The owner or operator of a stationary source that has applied for or received legally and

practicably enforceable permit limits pursuant to this rule shall maintain records, as necessary to determine actual emissions, in accordance with the following:

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

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

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

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

(iv) For emission units with limits having a 12-month period compliance timeframe, records of the total operating hours, the total amount of each material used or consumed, and the total amount of each product produced during each 12-month period; and

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

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

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

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

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

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

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

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

(ii) For all VOC and HAP containing materials:

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

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

(C) For limits having a 12-month period compliance timeframe, records of the total amount of each material used during each 12-month period; and

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

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

(4) For each emission unit or group of emission units that contributes to residual actual emissions the owner or operator shall maintain such records or upon request from the Air Pollution Control Officer provide other information necessary to demonstrate that residual actual emissions are less than de minimis emissions pursuant to Subsection (d)(4).

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

(i) REPORTING

The owner or operator of any equipment or stationary source subject to the provisions of this rule shall submit by the submittal date of the Emissions Statement Form(s) required by Rule 19.3 for the year in which application for synthetic minor source status is requested, and each year thereafter, or on such other dates as specified by the Air Pollution Control Officer, a Process Statement for the preceding calendar year for all emission units with legally and practicably enforceable permit limits.

Documentation and calculations used to prepare the material presented in the Process Statement shall be maintained by the owner or operator for at least three years and shall be made available to the District upon request.

PROPOSED AMENDMENTS TO RULE 1401

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. (TBD))

(a) APPLICABILITY

Notwithstanding the provisions of Rule 11, this regulation shall apply to any stationary source that is:

- (1) A major stationary source as defined in this regulation, or
- (2) Subject to a standard, limitation or other requirement under Section 111 of the federal Clean Air Act or Regulation X, Standards of Performance for New Stationary Sources (NSPS), except as provided in Subsection (b)(1) of this rule, or
- (3) Subject to a standard, limitation or other requirement under section 112 of the federal Clean Air Act or Regulation XI, National Emission Standards for Hazardous Air Pollutants (NESHAPS), except as provided in Subsection (b)(1) of this rule, or
- (4) Subject to the acid rain provisions of Title IV of the federal Clean Air Act, or
- (5) A solid waste incineration unit required to obtain a permit pursuant to Section 129(e) of the federal Clean Air Act.

Terms and conditions of permits imposed pursuant to this regulation may be incorporated into permits to operate for emission units or for a group or groups of emission units at the stationary source. Terms and conditions imposed pursuant to this regulation that are applicable to more than one emission unit at the stationary source may, if appropriate, be incorporated into individual permits to operate by reference or through a common attachment.

Applicability of or exemption from this regulation does not constitute applicability of or exemption from any other provisions of these Rules and Regulations.

(b) EXEMPTIONS

The provisions of Regulation XIV shall not apply to any of the following:

- (1) Emission units at stationary sources that are not major stationary sources, until the federal Environmental Protection Agency (federal EPA) completes rulemaking that requires any such source to have a permit under Title V of the federal Clean Air Act.

(2) Stationary sources, source categories or emission units that would be required to obtain a permit solely because they are subject to 40 CFR Part 60 Subpart AAA, Residential Wood Heaters.

(3) Stationary sources, source categories, or emission units that would be required to obtain a permit solely because they are subject to 40 CFR Part 61 Subpart M, Asbestos Demolition and Renovation.

(4) Insignificant emission units as specified in Rule 1411 provided that such unit or units are not subject to any applicable requirement other than District Rules 50 and 51. This exemption shall not exclude the emissions from such insignificant emission units in determining the applicability of or fees associated with any provisions of this regulation or of Title V of the federal Clean Air Act to any stationary source.

(c) **DEFINITIONS** (Rev. ~~5/23/01~~ *(date of adoption)*: Eff. ~~12/31/01~~ *(TBD)*)

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 VOC and oxides of nitrogen (NOx) and 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 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**

Nothing in this regulation shall provide relief from the requirement of Rule 10 of these Rules and Regulations to obtain an authority to construct.

PROPOSED AMENDMENTS TO RULE 1410

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. *(TBD)*)

(a) APPLICATION SHIELD

Any source that submits a timely and complete application for permit issuance or renewal under this regulation shall not be in violation of the requirement to have a permit to operate under this rule until the Air Pollution Control Officer takes final permit action on the permit application or the permit expires. If a timely and complete application is submitted and the Air Pollution Control Officer does not issue a permit renewal prior to the expiration of the term of the existing permit, then the permit shall not expire and the terms and conditions of the permit, including any permit shield, shall remain in effect until the permit renewal is issued or denied. These protections shall cease to apply if, subsequent to the permit application being determined to be complete or being deemed complete, the applicant fails to submit by the deadline specified in writing by the Air Pollution Control Officer, pursuant to Rule 1414 (h), any additional information identified as being needed to process the application.

(b) PERMIT TO OPERATE

Except as provided in Section (a) above and Subsection (b)(2) below, no source subject to this regulation may operate after the time that it is required to submit a timely and complete application for a permit to operate unless the source is operating in compliance with permit(s) issued pursuant to this regulation.

(1) Multiple Emission Unit Permits to Operate and Multiple Permits to Operate. Nothing in these Rules and Regulations shall prohibit the Air Pollution Control Officer from issuing more than one permit to operate to a stationary source or from grouping more than one emission unit under a single permit to operate, which will supersede any permits to operate previously issued to the affected emission units, provided the Air Pollution Control Officer determines that:

(i) Such units or groupings of units comply with the applicable requirements of these Rules and Regulations,

(ii) The units or grouping of units included under a single permit to operate are adequately and clearly described,

(iii) The applicability of particular conditions within such a permit to operate to one or more units is clearly specified, for all alternative operating scenarios applicable to the source,

(iv) All conditions of such a permit to operate are reasonably enforceable, and

(v) All emission units, excluding insignificant units, are covered by a permit to operate or a timely application for a permit to operate.

The Air Pollution Control Officer shall group units into a single permit to operate if such a grouping is proposed by the applicant for a permit to operate, unless the Air Pollution Control Officer determines that such grouping will violate the conditions set forth above, or will not facilitate operational flexibility at the source, or will result in violation of any applicable requirement of these Rules and Regulations.

(2) **Temporary Authorizations, Duration.** The Air Pollution Control Officer may grant a temporary authorization to operate any new or modified emission unit for which a complete application for a Title V permit to operate must be submitted within 12 months after operation has been commenced pursuant to Rule 1414(c) provided all of the following have been met:

(i) Construction or modification has been completed in accordance with an Authority to Construct issued pursuant to Rule 10.

(ii) Construction or operation of the new or modified unit is not prohibited by any existing permit issued pursuant to this regulation.

(iii) The Air Pollution Control Officer finds that operation of the new or modified emission unit is expected to comply with all applicable requirements of these Rules and Regulations and all terms and conditions of the Authority to Construct.

A temporary authorization may be issued if the operator of a source subject to this regulation submits or proposes to submit a complete application for a permit to operate that includes permit terms and conditions and if the operator demonstrates to the satisfaction of the Air Pollution Control Officer that the proposed new terms and conditions create a need for research and development, or additional testing or evaluation, before the proposed terms and conditions can be approved. A temporary authorization may also be issued to a source that is subject to this regulation to allow development, advancement and field testing of technology to meet pending and anticipated regulations or best available control technology (BACT) standards.

An application for a permit to operate shall not be found to be incomplete solely because research and development, testing or evaluation is determined to be necessary before a permit can be issued, and any source whose application for a permit to operate is otherwise timely and complete shall have the benefit of the application shield set forth in Section (a) of this rule. If the Air Pollution Control Officer determines that additional information is needed to take final permit action on an application that was determined or deemed to be complete, the Air Pollution Control Officer may request such information and require the applicant to furnish the information within a reasonable time. The ability

of a source to operate under an application shield shall cease to be in effect if the source fails to provide the required information within the specified time.

Issuance of a temporary authorization shall not relieve the owner or operator of a source from the obligation to file a timely and complete application for a permit to operate or a permit revision, nor from the obligation to comply with all federally enforceable requirements.

A temporary authorization issued pursuant to this regulation shall expire on the date that a timely and complete application for a permit to operate or modification is due.

(3) Availability and Effects of Appeals. An owner or operator may appeal any permit action proposed by the Air Pollution Control Officer in response to an application for a permit to operate or modification. Appeals shall be made to the Hearing Board in accordance with Rule 1425, before the proposed permit action is noticed for public review and comment or before it is forwarded to the federal EPA and affected states for consideration. A proposed permit to operate shall not be noticed for public review or forwarded to the federal EPA and affected states for review while any permit action or proposed permit action is being appealed before the Hearing Board. No final permit to operate shall be issued during this period or during the time for public review and comment and the federal EPA review set forth in Rule 1415. An appeal to the Hearing Board shall be resolved in a timely manner and in no case shall an appeal delay final permit action on a permit beyond 45 days from receipt of a request for an administrative permit amendment, 60 days for a minor permit modification, or 18 months for a significant permit modification, initial permit, permit reopening or permit renewal.

In the case of an appeal of any permit action for equipment proposed to be installed in conjunction with existing equipment operating under a permit to operate to comply with new requirements of District Rules and Regulations or other applicable law, District enforcement of the new requirements shall be deferred until the appeal is resolved. This paragraph applies only to any permit action taken before the effective date of the new requirements.

In the case of an appeal of any permit terms and conditions proposed to be deleted from or added to permits to operate, such permit actions and District enforcement thereof shall be deferred until the appeal is resolved.

(c) POSTING OF PERMIT TO OPERATE

A person who has been granted a valid permit to operate shall firmly affix such permit, a true copy of such permit, or other approved identification bearing the permit number upon the emission unit in such a manner as to be clearly visible and accessible. In the event that the emission unit is so constructed or operated that the permit to operate cannot be so placed, the permit shall be mounted so as to be clearly visible in an accessible place within 25 feet of the emission unit, or maintained readily available at all times on the operating premises.

(d) ALTERATION OF PERMIT

A person shall not willfully deface, alter, forge, counterfeit or falsify any permit issued under these Rules and Regulations.

(e) RESERVED

(f) EXISTING REQUIREMENTS

The terms and conditions of permits to operate shall be maintained in the permit, except as provided in Rule 1420(b).

(g) CONTROL EQUIPMENT

Nothing in this rule shall be construed to authorize the Air Pollution Control Officer to require the use of machinery, devices or equipment of a particular type or design, if the required emission standard may be met by machinery, device, equipment, product or process changes otherwise available unless a regulation promulgated by the federal EPA and required to be enforced through this regulation specifies the use of specific machinery, device, equipment, product or process change.

(h) RENEWAL OF PERMITS TO OPERATE (Rev. 5/23/01:Eff.12/31/01)

A permit to operate issued under this regulation shall have a life of five years from the date of issuance. Permits to operate shall be renewed upon approval of the Air Pollution Control Officer in accordance with the procedures in this rule every five years on a staggered schedule to be determined by the Air Pollution Control Officer.

In addition to this five-year renewal the permit to operate will be subject to annual review in accordance with Rule 10(h) of these Rules and Regulations.

An application for renewal of a permit to operate issued must be submitted at least 12 months, but not more than 18 months, prior to permit expiration, on forms prescribed by the Air Pollution Control Officer. The application and any necessary certification of compliance must be submitted by a responsible official of the source.

Permits to operate may be renewed only upon:

- (1) Submission of a complete application for permit, including required statements and certifications, as set forth in Rule 1414.
- (2) Payment of appropriate renewal fees as prescribed in Rule 40.
- (3) Annual submittal of a supplemental statement certified by a responsible official setting out the status of the source with respect to past and current compliance with substantive requirements of the existing permit to operate, as evidenced by

monitoring or other compliance reports (including progress reports if any are required under an applicable schedule of compliance).

(4) Determination by the Air Pollution Control Officer that the source can be operated in compliance with the terms and conditions of the proposed renewed permit to operate, taking into account any compliance schedule that will be a part of that permit.

(5) Completion of a 30-day public comment period and a 45-day review period for affected states and the federal EPA.

(6) There being no objection to the renewal of the permit from the Administrator of the federal EPA. If the Administrator objects within the 45-day period, a permit shall not be renewed until the Administrator has withdrawn the objection.

(i) **ADMINISTRATIVE PERMIT AMENDMENTS** (Rev. ~~5/23/01~~ *(date of adoption)*:
Eff. ~~12/31/01~~ *(TBD)*)

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. (TBD))

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 ~~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) **Procedures for Significant Permit Modifications.** A modification that would be a significant permit modification under this regulation that is also subject to new source review shall first be processed under the new source review rules. This process shall include an opportunity for public review and comment, and notice and review by the federal EPA and affected states, whether or not such procedures would otherwise be required under the new source review rules. Permit terms and conditions that otherwise would be significant permit modifications but have been approved through the enhanced procedures for Authorities to Construct specified in Section (q) of this rule shall be incorporated into the permit to operate as administrative permit amendments.

A person shall not make a modification to a source requiring a significant permit modification unless such modification is authorized by the Air Pollution Control Officer and such modification is made a part of the permit to operate or a temporary authorization has been issued pursuant to Rule 1410(b)(2).

Any significant permit modification that is not subject to enhanced procedures for Authorities to Construct shall be subject to all provisions of this regulation for initial permit to operate, including provisions for application, completion of form used by the Air Pollution Control Officer to notify the federal EPA and affected states, public notice and comment, review by affected states, and review by the federal EPA, as prescribed for initial permit issuance and five-year permit renewal.

Applications for significant permit modifications shall remain pending until approved, canceled, or denied.

(2) **Action on Significant Permit Modifications.** The Air Pollution Control Officer shall make every effort to act on a complete application for a significant modification within 12 months of receipt but in no case shall final permit action be taken more than 18 months from the date a complete application is received or an application is deemed complete.

(3) **Change of Location.** Any person who possesses a permit to operate any emission unit at a source that is subject to this regulation and desires to change the location of such emission unit shall first apply to the Air Pollution Control Officer for a significant modification to the permit to operate pursuant to this section. The provisions of this paragraph shall not apply to any change of location for any portable emission unit provided such change will not violate a term or condition of the permit or cause or exacerbate violation of any national ambient air quality standard, air quality increment, or visibility requirement and the owner or operator has notified the Air Pollution Control Officer at least 10 days in advance of each change in location. Any change of location of a non-portable emission unit within a contiguous parcel of land in the possession of, or owned by, or recorded as the property of, the same person shall not be considered a change of location.

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

(Rev. (date of adoption): Eff. (TBD))

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

An applicant that has sought and received permit terms and conditions to allow internal trading of emissions solely for the purpose of complying with a federally enforceable emissions cap established independent of otherwise applicable requirements, may make any trade that is consistent with those permit terms and conditions upon seven days notice to the Air Pollution Control Officer.

This notice shall be in writing and must include a brief description of the trade, the date or dates on which the trade will occur, and information on any change in emissions.

The Air Pollution Control Officer may determine that a planned trade is not within the scope of the applicable permit at any time. Any such determination must be in writing setting out the specific reason or reasons that the proposed trade is not within the scope of the permit. Upon such a determination, the trade shall not proceed.

(n) OPERATIONAL FLEXIBILITY: ALTERNATIVE OPERATING SCENARIOS

Any applicant that identifies alternative operating scenarios in an application for permit pursuant to this regulation may exercise such alternative operating scenarios without prior notice to the Air Pollution Control Officer provided:

(1) The Air Pollution Control Officer determines during issuance of the permit to operate that such alternative operating scenarios do not violate any provisions or standards of these Rules and Regulation or of state, or federal law.

(2) Each alternative operating scenario is identified in all affected permits to operate.

(3) The applicant maintains current operating logs, in the manner and form prescribed by the Air Pollution Control Officer, identifying which alternative operating scenario the operation is under, and all information necessary to determine compliance as specified in the permit to operate.

(o) REOPENING OF A PERMIT TO OPERATE

Any permit to operate issued pursuant to this regulation shall be reopened prior to expiration following written notice of intent by the Air Pollution Control Officer to the permit holder at least 30 days prior to reopening, if any of the following occur:

(1) Additional requirements promulgated under the federal Clean Air Act become applicable for a major stationary source with at least three years remaining on the permit term. Such reopening shall be completed within 18 months after promulgation of the applicable requirement.

(2) Additional requirements (including excess emissions requirements) become applicable under the federal Clean Air Act Acid Rain Program.

(3) The Air Pollution Control Officer or the Administrator of the federal EPA determines that the permit must be revised or revoked:

(i) to correct a material mistake, or because inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or

(ii) to assure compliance with all applicable requirements.

The procedures for reopening and revising or reissuing a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists.

Reopenings by the Administrator of the federal EPA shall be performed in accordance with Section 70.7 (g) of 40 CFR Part 70.

Any source whose permit is partially reopened may request that the entire permit be reopened and reissued for a new five-year term.

In-scope permit actions, Section 502(b)(10) changes, trades under an emissions cap, administrative permit amendments, and minor permit modifications shall not require the use of permit reopening procedures.

(p) PERMIT SHIELD

Any source seeking a permit pursuant to this regulation may request that a permit shield be provided, to preclude enforcement of specific enumerated requirements where the Air Pollution Control Officer has determined in writing that such requirements are not applicable to the source and summarized the determination in the permit, or to limit enforcement to permit conditions for specified applicable requirements where the Air Pollution Control Officer has determined that compliance with such conditions may be deemed compliance with the underlying specified applicable requirements and the requirements are specifically identified as such in the permit.

No shield may apply to requirements promulgated after the permit to operate is issued nor to permit modifications or Section 502(b)(10) changes implemented without public notice and comment and an opportunity for review by the federal EPA and affected states.

A permit shield shall exist only as stated in the permit to operate. A permit shield shall not be in effect if the source is not in compliance with the terms and conditions of the permit that provide the permit shield.

The Air Pollution Control Officer may grant or deny permit shields, or limit the scope of such shields. District determinations may be based on the applicant's circumstances, the level of effort that would be required to identify or verify all requirements applicable to a source, the state of the law in the area where the shield is proposed, and other relevant considerations.

Nothing in this section shall alter or affect the following:

- (1) The provisions of Section 303 of the federal Clean Air Act including the authority of the Administrator under that section,
- (2) The liability of a source for any violation of applicable requirements prior to or at the time of permit issuance,
- (3) The applicable requirements of the acid rain program consistent with Section 408 (a) of the federal Clean Air Act, and
- (4) The ability of EPA to obtain information from a source pursuant to Section 114 of the federal Clean Air Act.

(q) ENHANCED PROCEDURES FOR AUTHORITIES TO CONSTRUCT

(Rev. (date of adoption): Eff. (TBD))

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.

PROPOSED AMENDMENTS TO RULE 1415

Proposed amendment to Rule 1415 Section (a) is to read as follows:

RULE 1415. PERMITS REQUIRED

(Adopted 1/18/94: Revised 3/7/95)
(Revised 5/23/01: Effective 12/31/01)
(Rev. (date of adoption): Eff. (TBD))

(a) PUBLIC NOTICE (Rev. 5/23/01 (date of adoption): Eff. 12/31/01 (TBD))

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

Pursuant to any petition from the public as a result of public notice, the Air Pollution Control Officer shall, with reasonable cause, hold a public hearing to receive comments regarding initial issuance, modification, or renewal of a permit to operate. All public hearings shall be preceded by issuance of a public notice containing all information specified in Section (d) of this rule at least 30 days prior to the public hearing.

(c) NOTICE TO THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY (EPA)

At least 45 days prior to issuance of a five year initial permit to operate subject to this regulation, or significant modification or renewal of such a permit, a draft of the proposed permit shall be made available to the federal EPA, Region IX for the purpose of comment on the proposed permit. In the event a proposed permit to operate issuance or renewal is substantively changed after submittal to federal EPA, such changes shall be resubmitted to

federal EPA. An additional 45 days shall be provided for federal EPA review and comment regarding the changes. The federal EPA shall be provided with a copy of the final permit with supporting analysis used as a basis for permit issuance.

The Air Pollution Control Officer shall not issue a permit to operate required by this regulation if the Administrator of the federal EPA objects, within the specified review period, to such issuance. In such case, a permit to operate shall not be issued by the Air Pollution Control Officer except in a form consistent with the objection, or after the Administrator withdraws the objection.

(d) CONTENTS OF PUBLIC NOTICE

Notice to the public shall:

- (1) Identify the affected facility by name and address;
- (2) Provide the name and address of the District processing the permit;
- (3) Identify the activity or activities involved in the proposed permit action;
- (4) Identify the emissions change involved in any modification;
- (5) Identify the name, telephone number and address of the person who can provide additional information including:
 - (i) a copy of the permit draft;
 - (ii) the permit application; and
 - (iii) all relevant supporting materials available to the Air Pollution Control Officer.
- (6) Describe procedures for providing comments;
- (7) Include the time and place of any hearing, if already scheduled, or the procedures for petitioning for a hearing; and
- (8) Identify the scope of the permit review and identify areas that are appropriate for public comment.

(e) COORDINATED PROCESSING OF RELATED PERMITS

The District shall endeavor to issue a single public notice, to hold a single public hearing (if a hearing is necessary), and to coordinate notice to the federal EPA for any group of permits for similar sources that raises similar issues.

(f) EXCEPTIONS

The public notice requirements of this rule shall not apply to minor modifications and administrative amendments.

(g) NEW APPLICATION LISTS

Lists of new permit applications received will be posted in the District office on a weekly basis. These lists will be available for public review during normal business hours. A copy of the list will be provided to any person or interested group who has requested a copy in writing.

(h) CONSIDERATION OF COMMENTS (Rev. 5/23/01:Eff.12/31/01)

Comments that are relevant to the permit review and areas appropriate for public comment identified pursuant to Subsection (d)(8) of this rule shall be considered and responded to by the District in the review of an application for permit.

The Air Pollution Control Officer shall provide a written response, including reasons for not accepting comments and recommendations for a proposed permit, to persons or agencies that submitted written comments which are postmarked or otherwise submitted by the close of the public notice and comment period. All written comments and responses to such comments shall be kept on file at the District office and made available upon request.

(i) COPIES OF PERMIT ACTION

Upon issuance of an Authority to Construct, Temporary Authorization, Permit to Operate, or a revised Permit to Operate, the Air Pollution Control Officer shall mail a copy of such action to any person or interested group who has requested a copy in writing.

(j) PUBLIC INSPECTION

The permit file will be open to public inspection to the extent required by District Rules and Regulations, and state and federal law.

(k) TRADE SECRETS

Nothing in this regulation shall require or authorize the Air Pollution Control Officer to release to the public or the federal EPA any information which has been labeled as "trade secret" by the person furnishing such information except as provided in Regulation IX and 40 CFR Section 70.4 (b)(3)(viii). However, the Air Pollution Control Officer will provide the federal EPA with notice of which specific trade secret information has been withheld.

(l) ACTION ON APPLICATIONS

Notwithstanding the requirements of Sections (a) through (k) of this rule, the Air Pollution Control Officer shall take final permit action on an application for an initial permit, a revised permit, or a reopening of a permit within the time limits specified in Rule 1410.

(m) TRANSMITTAL OF PERMIT DOCUMENTS TO THE FEDERAL EPA

The Air Pollution Control Officer shall provide to the Administrator of the federal EPA a copy of each application (or summary thereof) for initial permit, permit renewal, administrative permit amendment and permit modification, each proposed permit, and each final initial, revised or renewed permit.

PROPOSED AMENDMENTS TO RULE 1418

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

RULE 1418. PERMITS REQUIRED

(Adopted 1/18/94; Revised 3/7/95)
(Rev. *(date of adoption)*: Eff. *(TBD)*)

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

The Air Pollution Control Officer shall, within 60 days of receipt of an application for an initial permit to operate, for significant modification of a permit to operate or for renewal of such a permit, determine whether the application is complete or incomplete and so notify the applicant; if incomplete, the notice shall specify the additional information needed from the applicant to complete the application. An application for a permit to operate shall be determined to be complete when all required information and fees specified in Rule 1414 are submitted, even if the applicant or the Air Pollution Control Officer determines that testing will be required, before a decision can be made to approve or disapprove the permit application. The completeness determination for a permit application shall not be delayed pending compliance with any authority to construct conditions that are unrelated to the completeness determination. When all the additional information is received and the application is deemed complete, the applicant will be so notified. Unless the Air Pollution Control Officer determines that an application is not complete within 60 days of receipt of the application, such application shall be deemed complete.

(b) ACTION TIME *(Rev. (date of adoption): Eff. (TBD))*

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. (TBD))*

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

Notice of any action taken shall be deemed to have been given when written notification has been delivered to the applicant or the applicant's representative.

(e) EFFECTIVE DATE OF PERMIT ACTION *(Rev. (date of adoption): Eff. (TBD))*

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.

PROPOSED AMENDMENTS TO RULE 1421

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. (TBD))

(a) CONDITIONS AND COMPLIANCE SCHEDULES AUTHORIZED (Rev. (date of adoption): Eff. (TBD))

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. (TBD))

(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

Any person who fails to comply with any condition imposed shall be liable to penalty pursuant to Division 26, Part 4, Chapter 4, Article 3, of the State of California Health and Safety Code.

(d) FEDERAL ENFORCEABILITY

Any permit conditions imposed pursuant to this rule and identified by the Air Pollution Control Officer as federally enforceable shall be enforceable by the federal EPA and any of its authorized employees or agents, and by citizens to the extent provided in the federal Clean Air Act. (As with any permit condition, these permit conditions are also enforceable by state and local authorities.) Forbearance from enforcement of such provisions by the Air Pollution Control Officer shall not limit the enforcement authority of the federal EPA, or citizens.

The Air Pollution Control Officer may designate as federally enforceable only those permit conditions that identify, describe, or define applicable requirements that are federally enforceable by operation of law or that the applicant requests be made federally enforceable in order to create a voluntary emissions cap. Except as provided herein, the Air Pollution Control Officer may not use the process to attach federal enforcement authority to permit conditions that would not otherwise have been federally enforceable.

A requirement that is federally enforceable by operation of law apart from the permit process will continue to be federally enforceable despite the failure of the Air Pollution Control Officer to designate the requirement as federally enforceable.

The Air Pollution Control Officer shall act promptly to reopen a permit if the Air Pollution Control Officer determines that the permit does not designate any permit term, condition, or applicable requirement as federally enforceable that was federally enforceable prior to the granting of the permit or which became federally enforceable after the granting of the permit. In the latter case, the permit shall not be reopened if the remaining life of the permit is less than three years.

Where a permit condition is designated as federally enforceable, any enforcement undertaken by the federal EPA or a citizen shall have full force of any and all legal recourse and penalties the federal EPA or a court of law are empowered to impose pursuant to authority granted in the federal Clean Air Act and the Code of Federal Regulations.

PROPOSED AMENDMENTS TO RULE 1425

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)
Revised 3/7/95)
(Rev. (date of adoption): Eff. (TBD))

(a) **PLACE FOR APPEALS** (Rev. (date of adoption): Eff. (TBD))

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. (TBD))

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**

Any proposed decision to issue a permit to operate or modification of a permit, or to renew a permit to operate with new or modified conditions, may be appealed to the Hearing Board by persons other than the applicant under the following conditions. On matters where the Air Pollution Control Officer provided public notice and an opportunity for comment, only persons who appeared, submitted written testimony, or otherwise participated in the application or permit review process may appeal to the Hearing Board. If no such notice was provided, any aggrieved person may appeal. The appeal shall be in the form of a request to the Hearing Board to

determine whether the decision or proposal to issue the permit, modification or renewal was proper. A request to the Hearing Board shall be made by filing a petition in accordance with the Rules and Regulations of the Hearing Board and payment of fees as provided in these Rules and Regulations. The request shall state with reasonable particularity the grounds therefor and shall be signed under penalty of perjury. A copy of such request shall be served on the applicant for the permit to operate and the Air Pollution Control Officer no later than the day the request is filed with the Hearing Board. Within 30 days of the request, the Hearing Board shall hold a noticed public hearing and render a decision on whether the proposed decision to issue a permit to operate, modification or renewal was properly made in accordance with applicable District Rules and Regulations, and state and federal law.

(d) REQUEST FOR STAY

(1) An aggrieved person who has filed a petition pursuant to Section (c) of this rule may request the Hearing Board to stay the effect of any permit action that would otherwise be effective prior to the expiration of the time for the federal EPA review, pending a decision of the Hearing Board on the petition. Any such request shall be in writing, shall state with reasonable particularity the grounds in support of the request and shall be signed under penalty of perjury. A copy of the petition and request for stay shall be served personally on the applicant for the permit to operate and the Air Pollution Control Officer on or before the day the request for stay is filed with the Hearing Board. Service of the request on an applicant for a permit to operate, who does not maintain a fixed place of business within the County of San Diego, and upon the Administrator of the federal EPA may be accomplished by mail. Proof of service on the applicant for a permit to operate must accompany any request for a stay at the time such request is filed with the Hearing Board. The person requesting the stay shall include, with the notice of the request to the applicant, a notice of the time and place of the meeting of the Hearing Board at which the request for stay will be considered.

(2) A request for stay served and filed pursuant to Subsection (d)(1) above, shall be heard, notice requirements permitting, at the next meeting of the Hearing Board at which time the Hearing Board shall determine whether the permit to operate, modification or renewal should be stayed until the final decision of the Hearing Board on the propriety of the issuance of the permit, modification or renewal is rendered. If the notice requirements cannot be met for the next meeting of the Hearing Board, the stay request shall be heard at the following meeting of the Hearing Board. The person requesting the stay, the holder of the permit to operate and the Air Pollution Control Officer shall be given an opportunity to present evidence and arguments on the request for stay.

(3) Minor modifications that an applicant can implement prior to approval pursuant to this regulation may not be stayed by the Hearing Board. The Hearing Board shall stay the effect of other District determinations pending final decision by the Hearing Board only if the Hearing Board finds that denial of the stay would likely result in great or irreparable injury to an applicant, an aggrieved person or the public. The decision of the Hearing Board on the stay shall be served by the Clerk of the Hearing Board on all parties and the Air Pollution Control Officer.

(e) STAY AFFECTING MODIFICATION ONLY

With respect to a permit to operate for a modification of an existing permitted operation, any appeal or stay provided for in this rule shall apply only to the modification and not to the existing operation.

(f) DISPUTE RESOLUTION

Not later than three business days after receipt by the Air Pollution Control Officer of an appeal pursuant to Section (b) or (c) of this rule or a request for stay pursuant to Section (d) of this rule, the Air Pollution Control Officer or a designee shall attempt to schedule a meeting with the appellant and the applicant to resolve the issues identified in the appeal or request for stay. If there is a resolution of the issues by the parties, the matter before the Hearing Board shall be withdrawn or dismissed. If all the issues are not resolved at the meeting, the Air Pollution Control Officer shall file a report with the Hearing Board detailing the resolved and unresolved issues and the Air Pollution Control Officer's position on the unresolved issues.

(g) LIMITATIONS ON APPEALS TO THE HEARING BOARD

No appeals may be taken to the Hearing Board, and the Hearing Board shall not have jurisdiction, in the following circumstances:

(1) Renewal of a permit to operate or transfer of ownership, provided permit conditions are not modified or revised, unless new requirements that became applicable to the source after the prior permit was issued have not been reflected in the proposed renewal permit. In the event new requirements are applicable or permit conditions are modified or revised at the time of renewal, the provisions of this rule shall apply only to the new requirements and to the modification or revision, and related conditions.

(2) Approval of a permit to operate modification required solely because of a change in permit exemptions stated in Rule 1411, provided the affected emission unit was installed at the time the applicable revisions to Rule 1411 became effective and provided no modifications to the equipment are necessary to comply with these Rules and Regulations or applicable state and federal law. In the event a modification is not exempt under this section, the provisions of this rule shall apply only to the modification, and related conditions.

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

If the Administrator of the federal EPA does not object in writing to the issuance of a permit to operate as proposed by the Air Pollution Control Officer during the period provided in this regulation for federal EPA review, any person may petition the Administrator within 60 days after the expiration of that review period to make such objection.

Petitions pursuant to this section may be filed while an appeal to the Hearing Board is being made by the petitioner or by another person.

Any such petition shall be based only on objections to the permit that were raised with reasonable specificity during the public comment period, unless the petitioner demonstrates that it was impracticable to raise such objections within such period, or unless grounds for such objection arose after such period. If the Administrator objects to the permit as a result of a petition filed under this paragraph, the permitting authority shall not issue the permit until the federal EPA's objection has been resolved, except that a petition for review does not stay the effectiveness of a permit or its requirements if the permit was issued after the end of the federal EPA review period and prior to a federal EPA objection. If the Air Pollution Control Officer has issued a permit prior to receipt of a federal EPA objection under this paragraph, the Administrator will modify, terminate, or revoke such permit, and the Air Pollution Control Officer may thereafter issue only a revised permit that satisfies the federal EPA's objections.

Neither a petition under this section, nor a federal EPA decision to modify, terminate or revoke a permit pursuant to this section, shall render a source in violation of the requirement to have submitted a timely and complete application under this regulation.

(i) FINAL PERMIT ACTION

Notwithstanding the appeal and petition provisions of Sections (a) through (h) of this rule, the Air Pollution Control Officer shall take final permit action on an application to issue, amend, modify or renew a permit, or on a permit reopening, within the time limits specified in Rules 1410 and 1418.

(j) JUDICIAL REVIEW

Judicial review of a final permit action shall be available as provided by state and federal law.

PROPOSED AMENDMENTS TO REGULATION XIV – APPENDIX A

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. (TBD))

This listing is of equipment determined to be insignificant units under this regulation due to the relatively low potential to emit. An insignificant unit shall not include any unit subject to an applicable requirement other than District Rules 50 and 51.

(a) Any engines mounted on, within or incorporated into any vehicle, train, ship, boat or barge, that are used exclusively to provide propulsion, supply heat or electrical energy to that same vehicle, train, ship, boat, or barge, or that are used exclusively to load or unload cargo. Sand, rock, silt, soil or other materials which come from the bottom of a body of water shall not be considered cargo. This exemption is not intended to apply to equipment used for the dredging of waterways, to floating dry docks, or to equipment used in pile driving adjacent to or in waterways.

(b) Equipment utilized exclusively in connection with any structure, which is designed for and used exclusively as a dwelling for not more than four families.

(c) Air pollution control equipment associated with any article, machine, equipment, process or contrivance not required to have a permit to operate.

(d) The following equipment: (Rev. (date of adoption); Eff. (TBD))

(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 (0.252×10^6 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, planing, 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) Stationary storage tanks (excluding tanks subject to Rule 61.9) for the storage of organic compounds, as follows:

- (1) With a capacity of 250 gallons (946 liters) or less.
- (2) With a capacity greater than 250 gallons (946 liters) provided that such containers, reservoirs or tanks will be used exclusively to store organic compounds that are not volatile organic compounds as defined in Rule 61.0.
- (3) Used exclusively for the storage of organic solvents which are liquids at standard conditions and which are to be used as dissolvers, viscosity reducers, reactants, extractants, cleaning agents or thinners and not used as fuels provided that emissions from all such activities at a source are less than 15 pounds per day.
- (4) For the storage of natural gas or propane when not mixed with other volatile organic compounds as defined in Rule 61.0.
- (5) Used exclusively as a source of fuel for wind machines used for agricultural purposes.
- (6) Pressurized tanks used to store inorganic or halogenated organic gases and associated equipment used exclusively to transfer materials into such tanks provided such tanks contain less than 50 pounds of a Class I or II ozone depleting compound.

(f) The following equipment:

- (1) Mobile transport tanks or delivery tanks or cargo tanks on vehicles used for the delivery of volatile organic compounds, except asphalt tankers used to transport and transfer hot asphalt used for roofing applications.
- (2) Equipment used to transfer fuel to and from amphibious ships for maintenance purposes, provided total annual transfers do not exceed 60,000 gallons per year at a stationary source.
- (3) Equipment used exclusively to store and/or transfer liquid soaps, liquid detergents, vegetable oils, fatty acids, fatty esters, fatty alcohols, or waxes and wax emulsions.

(g) Application equipment for architectural surface coatings as defined in Rule 67.0.

(h) Liquid surface coating or adhesive application operations:

(1) Conducted within an application station (portable or stationary) where not more than 20 gallons per year of material containing organic compounds are applied;

(2) Exclusively using materials with a VOC content of less than 20 grams per liter, less water and exempt solvents, and is located at a stationary source where less than an average of 30 gallons of such materials are applied per operating day for each calendar month;

(3) Using non-refillable aerosol spray cans for application of coatings;

(4) Conducted outside defined coating areas for the purpose of touch-up or maintenance of equipment;

(5) Using hand-held brushes for application of a primer coating from containers of eight (8) ounces (236.6 milliliters) or less in size to fasteners to be installed on aerospace component parts;

(6) Using air brushes with a coating capacity of two (2) ounces (59.1 milliliters) or less for the application of a stencil coating;

(7) Conducted in primary or secondary schools for instruction; or

(8) Hot melt adhesive application equipment provided emissions from all such activities at a source are less than 15 pounds per day.

(i) (Rev. (date of adoption): Eff. (TBD)) 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) Vacuum cleaning systems used exclusively for housekeeping purposes.

(k) Back-pack power blowers.

(l) Structural changes which cannot change the quality, nature or quantity of air contaminant emissions.

(m) Repairs or maintenance not involving structural changes to any equipment for which a permit has been granted.

(n) Any article, machine, equipment, or contrivance other than an incinerator or boiler, the discharge from which contains airborne radioactive materials and which is emitted into the atmosphere in concentrations above the natural radioactive background concentration in air. "Airborne radioactive material" means any radioactive material dispersed in the air in the form of dusts, fumes, smoke, mists, liquids, vapors or gases. This exemption from the requirement to have a permit shall not include any emission unit subject to the provisions of Section 112 of the federal Clean Air Act or any implementing regulations promulgated by the federal EPA.

(o) The following equipment: *(Rev. (date of adoption): Eff. (TBD))*

(1) Equipment used for hydraulic or hydrostatic testing.

(2) Equipment used exclusively for the dyeing 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.