

Air Pollution Control District Governing Board
San Diego County Air Pollution Control District
AGENDA ITEM # 01

DATE: October 14, 2021

TO: Air Pollution Control District Governing Board

SUBJECT:

ADOPTION OF PROPOSED AMENDMENTS TO RULES 20.1, 20.3, 20.4 (NEW SOURCE REVIEW) AND RULE 1401 (TITLE V OPERATING PERMITS-GENERAL PROVISIONS)

REQUESTED ACTION:

1. Find that the adoption of proposed amended New Source Review (NSR) Rule 20.1 (General Provisions), Rule 20.3 (Major Stationary Sources and Prevention of Significant Deterioration (PSD) Stationary Sources, and Rule 20.4 (Portable Emission Units) and Title V Operating Permits Rule 1401 – General Provisions are categorically exempt from the provisions of the California Environmental Quality Act pursuant to California Code of Regulations, Title 14, Section 15308, as an action taken to assure the protection of the environment, and pursuant to Section 15061(b)(3) since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
2. Adopt the Resolution entitled: RESOLUTION ADOPTING AMENDED RULE 20.1 – NEW SOURCE REVIEW-GENERAL PROVISIONS; RULE 20.3 – NEW SOURCE REVIEW-MAJOR STATIONARY SOURCES AND PREVENTION OF SIGNIFICANT DETERIORATION (PSD) STATIONARY SOURCES; AND RULE 20.4 – NEW SOURCE REVIEW-PORTABLE EMISSION UNITS OF REGULATION II OF THE RULES AND REGULATIONS; AND TITLE V OPERATING PERMITS RULE 1401 – GENERAL PROVISIONS OF REGULATION XIV OF THE RULES AND REGULATIONS OF THE SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT

OVERVIEW:

The San Diego County Air Pollution Control District (District) rules apply to factories and other stationary sources of air pollution in the San Diego region and include requirements for facilities to obtain permits to operate from the District. A permit outlines the actions a facility must take to control and reduce its air pollutant emissions to protect public health. Permits must comply with federal, State and local requirements. Rules 20.1, 20.3 and 20.4 regulate emissions of air contaminants from new and modified facilities requiring permits from the District, and Rule 1401 governs the District's Title V permitting program which requires each existing "major stationary source" of regulated air pollutants to obtain a federally enforceable operating permit from the District.

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The proposed amendments make three primary changes to these rules, as required pursuant to federal law:

- 1) Correct Rule 20.1, which was last amended in 2019, by removing a reference to the application submittal date in determining the applicability of New Source Review (NSR) emission thresholds. This correction was required by the U.S. Environmental Protection Agency (EPA) in its partial approval of the rule on October 16, 2020;
- 2) Remove language which allows the offsetting of increased emissions of one air pollutant by reducing the emissions of another air pollutant (known as "inter-pollutant offset trading") for ozone precursors including Oxides of Nitrogen (NOx) and Volatile Organic Compounds (VOCs) from Rules 20.3 and 20.4, due to the ruling in *EPA v. Sierra Club*, 985 F.3d 1055 (D.C. Cir. 2021); and
- 3) Revise the applicability thresholds for Rule 1401, due to the redesignation of the San Diego region to severe non-attainment for ozone. The redesignation lowered the threshold requirement for "major stationary sources" to obtain a Title V operating permit. A major stationary source is now defined as a source emitting 25 tons or more per year of either NOx or VOC.

California Health and Safety Code Section 42500 et seq. (Senate Bill (SB) 288) prohibits California air districts from changing their NSR program requirements in ways that would make them less stringent than the rules that existed on December 30, 2002. District staff evaluated the proposed rule amendments, in coordination with the California Air Resources Board (CARB) and determined they do not result in a relaxation of the NSR rules in effect on that date, therefore the amendments are permissible. Staff's evaluation pertaining to the State law (Senate Bill (SB) 288) is documented in Attachment C, fulfilling CARB's request to include this information in today's proceedings.

FISCAL IMPACT:

There is no fiscal impact associated with these recommendations.

PUBLIC ENGAGEMENT AND OUTREACH:

District staff conducted a public webinar on February 3, 2021, to discuss the proposed rule amendments and solicit input from affected parties. A webinar notice was posted on the District's website and sent to approximately 5,000 recipients including air quality permit holders, each of the Chambers of Commerce in the region, the EPA and CARB via direct mail, and other interested parties via the County's email subscription service.

Approximately 45 people attended the workshop including representatives of businesses, government, and other organizations. The participants requested clarifying information but did not raise any significant concerns. District staff prepared responses to all comments and questions received, which were provided to the workshop participants in a workshop report (Attachment E). Due to the court ruling abolishing inter-pollutant offset trading, an addendum to the workshop report (also included in Attachment E) was prepared and sent out to all participants.

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ENVIRONMENTAL STATEMENT:

The California Environmental Quality Act (CEQA) requires environmental review of certain actions. District staff conducted a review as to whether CEQA applies to the adoption of amended Rules 20.1, 20.3, 20.4 and 1401. The proposed amended rules will not result in greater air pollutant emissions from new or modified stationary sources in San Diego County. Additionally, the proposed rule amendments to Rules 20.1, 20.3, 20.4 and 1401 are required by federal law and, as such, are already applicable to the subject sources. District staff therefore determined the adoption of amended Rules 20.1, 20.3, 20.4 and 1401 is categorically exempt from the provisions of CEQA pursuant to California Code of Regulations, Title 14, Section 15308, as an action taken to assure the protection of the environment, and pursuant to Section 15061(b)(3) since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

PREVIOUS RELEVANT BOARD ACTIONS:

June 26, 2019 (AP1) Adoption of Proposed Amendments to Rules 20.1, 20.2, 20.3 and 20.4 (New Source Review); Rule 26.0 (Emission Reduction Credits); and Rule 1415 (Permit Process-Public Notification); August 13, 2003 (AP2) 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)

ATTACHMENT(S):

Attachment A– Resolution Adopting Amended Rule 20.1 – New Source Review-General Provisions; Rule 20.3 – New Source Review-Major Stationary Sources and Prevention of Significant Deterioration (PSD) Stationary Sources; Rule 20.4 – New Source Review-Portable Emission Units of Regulation II of the Rules and Regulations; and Title V Operating Permits Rule 1401 – General Provisions of Regulation XIV of the Rules and Regulations of the San Diego County Air Pollution Control District.

Attachment B – Background

Attachment C – Senate Bill 288 Analysis

Attachment D – Comparative Analysis

Attachment E – Workshop Report & Addendum

Attachment F – Rule 20.1 Change Copy

Attachment G – Rule 20.3 Change Copy

Attachment H – Rule 20.4 Change Copy

Attachment I – Rule 1401 Change Copy

SUBJECT: ADOPTION OF PROPOSED AMENDMENTS TO RULES 20.1, 20.3, 20.4
(NEW SOURCE REVIEW) AND RULE 1401 (TITLE V OPERATING PERMITS-GENERAL
PROVISIONS)

SUBMITTED BY:

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Resolution No: 21-006
Meeting Date: 10/14/2021

**RESOLUTION ADOPTING AMENDED RULE 20.1 – NEW SOURCE REVIEW-
GENERAL PROVISIONS; RULE 20.3 – NEW SOURCE REVIEW-MAJOR
STATIONARY SOURCES AND PREVENTION OF SIGNIFICANT DETERIORATION
(PSD) STATIONARY SOURCES; AND RULE 20.4 – NEW SOURCE REVIEW-
PORTABLE EMISSION UNITS OF REGULATION II OF THE RULES AND
REGULATIONS; AND TITLE V OPERATING PERMITS
RULE 1401 – GENERAL PROVISIONS OF REGULATION XIV OF THE RULES
AND REGULATIONS OF THE SAN DIEGO COUNTY AIR POLLUTION
CONTROL DISTRICT**

On motion of Member Gomez, seconded by Member Bush, the following resolution is adopted:

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

WHEREAS, the San Diego County Air Pollution Control District Governing Board (Governing Board) now desires to amend said Rules and Regulations; and

WHEREAS, notice has been given and a public hearing has been held relating to the amendment of said Rules and Regulations pursuant to Section 40725 of the California Health and Safety Code and Title 40, Section 51.102 of the Code of Federal Regulations; and

WHEREAS, pursuant to Section 40727 of the California Health and Safety Code, the Governing Board makes the following findings:

- (1) (Necessity) The adoption of proposed amended Rules 20.1, 20.3, 20.4 and 1401 is necessary in order to implement federal and State requirements for the evaluation and permitting of new, modified, relocated and replacement stationary air contaminant emission sources to ensure they are built with the best available emission control technologies, or meet the lowest achievable emission rates, and will not interfere with the attainment or maintenance of any ambient air quality standards in the County of San Diego, to ensure that existing major stationary sources, as defined, obtain required federal operating permits pursuant to Title V of the federal Clean Air Act, and to replace an outdated version of these rules in the State Implementation Plan in order to maintain clarity and consistency of requirements for affected permitted sources;
- (2) (Authority) The adoption of proposed amended Rules 20.1, 20.3 and 20.4 is authorized by Section 40702 of the California Health and Safety Code, and the adoption of proposed amended Rule 1401 is authorized by Title 40, Section 70.4 of the Code of Federal Regulations;

- (3) (Clarity) Proposed amended Rules 20.1, 20.3, 20.4 and 1401 can be understood by persons directly affected by them;
- (4) (Consistency) The adoption of proposed amended Rules 20.1, 20.3, 20.4 and 1401 is in harmony with, and not in conflict with or contrary to, existing statutes, court decisions, and State and federal regulations;
- (5) (Non-duplication) The adoption of proposed amended Rules 20.1, 20.3, 20.4 and 1401 will not duplicate existing District, State, or federal requirements;
- (6) (Reference) The adoption of proposed amended Rules 20.1, 20.3 and 20.4 is necessary to comply with: federal law, Clean Air Act Title I, Part A, Part C and Part D – Subparts 1, 2 and 6, which require implementation of measures to ensure that new and modified stationary sources of criteria air contaminant emissions are permitted only if they apply the appropriate level of emission control technologies, will not interfere with the attainment and maintenance of ambient air quality standards, will provide offsetting emission reductions as specified, and will not impair visibility in Class I areas, and to comply with the ruling in *EPA v. Sierra Club*, 985 F.3d 1055 (D.C. Cir. 2021); and State law, California Health and Safety Code Sections 40918.5 and 40919, which require adoption of a new source review permitting program requiring the use of best available control technology and offsetting emission reductions for specified new or modified stationary sources of ozone precursor emissions, and Section 42500 et seq. relating to revisions to air pollution control district new source review rules; and the adoption of proposed amended Rule 1401 is necessary to comply with: federal law, Clean Air Act Title V, which requires state and local agencies to implement an operating permit program for major and other specified sources;

WHEREAS, the Governing Board further finds pursuant to Health and Safety Code Section 40001 that adoption of proposed amended Rules 20.1, 20.3, 20.4 and 1401 will facilitate the attainment and maintenance of ambient air quality standards; and

WHEREAS, the Governing Board further finds that a written analysis comparing proposed amended Rules 20.1, 20.3, 20.4 and 1401 with applicable requirements of federal and local regulations has been prepared pursuant to Health and Safety Code Section 40727.2 and is available to the public upon request; and

WHEREAS, the Governing Board further finds that the adoption of amended Rules 20.1, 20.3, 20.4 and 1401 is categorically exempt from the provisions of CEQA pursuant to California Code of Regulations, Title 14, Section 15308, as an action taken to assure the protection of the environment, where the regulatory process involves procedures for protection of the environment, and pursuant to Section 15061(b)(3) since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment; and

WHEREAS, the Governing Board further finds that an assessment of the socioeconomic impacts of the proposed amended Rules 20.1, 20.3, 20.4 and 1401 is not required pursuant to Section 40728.5 of the California Health and Safety Code as the proposed amended rules will not significantly affect air quality or emissions limitations.

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

1. Proposed amended Rule 20.1 is to read as follows:

RULE 20.1
NEW SOURCE REVIEW - GENERAL PROVISIONS
 (Rev. Adopted & Effective *(date of adoption)*)

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(a) APPLICABILITY	1
(b) EXEMPTIONS	1
(c) DEFINITIONS	2
Table 20.1-1: Air Quality Increments (Class I Areas).....	4
Table 20.1-2: Air Quality Increments (Class II Areas)	5
Table 20.1-3: Class I Areas	8
Table 20.1-4: BACT Cost Modifier	9
Table 20.1-5a: Federal Major Modification	12
Table 20.1-5b: Federal Major Stationary Source	14
Table 20.1-6a: Major Modification	16
Table 20.1-6b: Major Stationary Source	16
Table 20.1-7: RESERVED.....	18
Table 20.1-8: Non-Criteria Pollutant Emissions Significance Levels.....	19
Table 20.1-9: Precursor Air Contaminants.....	21
Table 20.1-10: PSD Modification	21
Table 20.1-11: PSD Stationary Sources and Trigger Levels.....	22
Table 20.1-12: Stationary Sources Impacting Any Class I Area.....	24
Table 20.1-13: Stationary Sources Impacting Any Class II Area	24
(d) EMISSION CALCULATIONS	25
(1) Potential to Emit.....	25
(i) Calculation of Pre-Project and Post-Project Potential to Emit	25
(ii) Calculation of Aggregate Potential to Emit - Stationary Source	28
(2) Actual Emissions.....	29
(i) Calculation of Actual Emissions for Purposes of Determining Potential to Emit.....	29
(ii) Calculation of Actual Emissions for Purposes of Quantifying Emission Reductions.....	30

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(iii) Adjustments for Violations	30
(iv) Adjustments for Currently Applicable Federally Enforceable Requirements ..	30
(3) Emission Increase.....	31
(i) New Emission Units.....	31
(ii) Modified Emission Units	31
(iii) Relocated Emission Units	31
(iv) Replacement Emission Units	31
(v) Portable Emission Units.....	31
(vi) Projects.....	31
(vii) Determining Emissions Increases for Federal Major Modifications and Federal Major Stationary Sources.....	31
(4) Emission Reduction - Potential to Emit, Actual Emission Reduction, Emission Reduction Credits.....	32
(i) Reduction in the Potential to Emit	32
(ii) Actual Emission Reduction.....	33
(iii) Adjustments for Determining Actual Emission Reductions	34
(iv) Emission Reduction Credits.....	34
(5) Emission Offsets	35
(e) OTHER PROVISIONS.....	36
(1) Continuity of Existing Permits.....	36

RULE 20.1. NEW SOURCE REVIEW - GENERAL PROVISIONS
Rev. Adopted and Effective (*date of adoption*)

(a) APPLICABILITY

Except as provided in Rule 11 – Exemptions from Rule 10 Permit Requirements, Section (b) Exemptions of this rule, or Subsections (d)(1)(ii)(B) or (d)(4)(iii)(C) of this rule, this rule applies to any new or modified emission unit, any replacement emission unit, any relocated emission unit or any portable emission unit for which an Authority to Construct or Permit to Operate is required pursuant to Rule 10 – Permits Required, or for which a Determination of Compliance is required pursuant to Rule 20.5 – Power Plants. This rule does not apply to identical or like-kind replacement emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. Except as specified herein, the provisions and requirements of this rule shall be applied on an air contaminant-specific basis. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these Rules and Regulations, or state and federal law.

(b) EXEMPTIONS

Except as provided below, the provisions of Rule 20.1 – New Source Review (NSR)-General Provisions, Rule 20.2 – New Source Review (NSR)-Non-Major Stationary Sources, Rule 20.3 – New Source Review (NSR)-Major Stationary Sources and Prevention of Significant Deterioration (PSD) Stationary Sources and Rule 20.4 – New Source Review (NSR)-Portable Emission Units shall not apply to:

(1) Any emission unit for which a permit is required solely due to a change in Rule 11, provided the unit was operated in San Diego County at any time within one year prior to the date of adoption of the applicable Rule 11 – Exemptions from Rule 10 Permit Requirements change and provided a District permit application for the unit is submitted within one year after the date upon which permit requirements became applicable to the unit. An emission unit to which this subsection applies shall be included in the calculation of a stationary source's aggregate potential to emit, as provided in Subsection (d)(1)(ii).

(2) The following changes, provided such changes are not contrary to any permit condition, and the change does not result in an increase in the potential to emit of any air contaminant not previously emitted:

- (i) Repair or routine maintenance of an existing emission unit.
- (ii) A change of ownership.
- (iii) An increase in the hours of operation.
- (iv) Use of alternate fuel or raw material.

(3) Portable and stationary abrasive blasting equipment which comply with the requirements of 17 CCR Section 92000 et. seq. This exemption shall not apply if the abrasive blasting equipment would be, by itself, a major stationary source, nor to any equipment used in conjunction with the abrasive blasting equipment the use of which may cause the issuance of air contaminants.

(4) Piston engines used at airplane runways at military bases and which engines are used exclusively for purposes of hoisting cable to assist in the capture of errant aircraft during landings. This exemption shall not apply to any new, modified, relocated or replacement piston engine emission unit, or project consisting of one or more such units, that results in an emissions increase which, by itself, constitutes a new federal major stationary source or a federal major modification.

(5) Air compressors used exclusively to pressurize nuclear reactor containment domes, provided the compressors are not operated more than 50 hours over any two-year period, and that the compressors satisfy the Air Quality Impact Analysis (AQIA) provisions of Subsections (d)(2) of Rules 20.2 and 20.3, as applicable.

(6) Applications for modified Authority to Construct or modified Permit to Operate which are for the sole purpose of reducing an emission unit's potential to emit and which will not result in a modified emission unit, a modified stationary source or an actual emission reduction calculated pursuant to Rule 20.1(d)(4)(ii) shall be exempt from the Best Available Control Technology (BACT), Lowest Achievable Emission Rate (LAER), AQIA and Emission Offset provisions of Rules 20.1, 20.2, 20.3 and 20.4.

(c) **DEFINITIONS**

For purposes of Rules 20.1, 20.2, 20.3, 20.4 and 20.5, the following definitions shall apply. For terms not defined herein, the definitions in Rule 2 – Definitions shall apply.

(1) "**Actual Emissions**" means the emissions of an emission unit calculated pursuant to Subsection (d)(2) of this rule.

(2) "**Actual Emission Reductions**" means emission reductions which are real, surplus, enforceable, quantifiable and permanent. Actual emission reductions shall be calculated pursuant to Subsection (d)(4) of this rule.

(3) "**Aggregate Potential to Emit**" means the sum of the potential to emit of all emission units at the stationary source, calculated pursuant to Section (d) Standards of this rule.

(4) "**Air Contaminant Emission Control Project**" means any activity or project undertaken at an existing emission unit which, as its primary purpose, reduces emissions of air contaminants from such unit in order to comply with a District, California Air Resources Board (CARB) or federal Environmental Protection Agency (EPA) emission control requirement.

(i) Such activities or projects do not include:

(A) the replacement of an existing emission unit with a newer or different unit;

(B) a modification or replacement of an existing emission unit to the extent that such replacement or modification results in an increase in capacity of the emissions unit;

(C) any air contaminant emission control project for a new or modified emission unit which project is proposed to meet these New Source Review Rules 20.1, 20.2, 20.3 or 20.4; or,

(D) any air contaminant emission control project for an existing emission unit proposed to create an actual emission reduction or emission reduction credit in order to meet a requirement of these New Source Review Rules 20.1-20.4.

(ii) Air contaminant emission control projects include, but are not limited to, any of the following:

(A) The installation of conventional or advanced flue gas desulfurization, or sorbent injection for emissions of oxides of sulfur;

(B) Electrostatic precipitators, baghouses, high efficiency multiclones, or scrubbers for emissions of particulate matter or other pollutants;

(C) Flue gas recirculation, low-NOx burners, selective non-catalytic reduction or selective catalytic reduction for emissions of oxides of nitrogen;

(D) Regenerative thermal oxidizers, catalytic oxidizers, condensers, thermal incinerators, flares, absorption equipment or carbon adsorbers for volatile organic compounds or hazardous air pollutants;

(E) Activities or projects undertaken to accommodate switching to an inherently less polluting fuel, including but not limited to, natural gas firing, or the cofiring of natural gas and other inherently less polluting fuels, for the purpose of controlling emissions. The air contaminant emission control project shall include any activity that is necessary to accommodate switching to an inherently less polluting fuel; and

(F) Activities or projects undertaken to replace or reduce the use and emissions of stratospheric ozone depleting compounds subject to regulation by the federal EPA.

(5) **"Air Quality Impact Analysis (AQIA)"** means an analysis of the air quality impacts of the air contaminant emissions from an emission unit, a project, or a stationary source, as applicable, conducted by means of modeling as defined herein and as approved by the Air Pollution Control Officer. Methods other than modeling may be used, as the Air Pollution Control Officer and the federal EPA may approve. An AQIA shall be based

on the emission exhaust system design and discharge characteristics but not on an exhaust stack height greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(6) "**Air Quality Increment**" means any of the following maximum allowable cumulative increases in air contaminant concentration over the minor source baseline concentration from all increment consuming and increment expanding sources (see Tables 20.1-1 and 20.1-2).

**TABLE 20.1 - 1
Air Quality Increments
(Class I Areas)**

<u>Air Contaminant</u>	<u>Increment</u>
<u>Nitrogen Dioxide (NO₂)</u>	
Annual arithmetic mean	2.5 µg/m ³
<u>Sulfur Dioxide (SO₂)</u>	
Annual arithmetic mean	2.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
3-hr. maximum	25.0 µg/m ³
<u>Particulate Matter</u>	
PM ₁₀ Annual arithmetic mean	4.0 µg/m ³
PM ₁₀ 24-hr. maximum	8.0 µg/m ³
PM _{2.5} Annual arithmetic mean	1.0 µg/m ³
PM _{2.5} 24-hr. maximum	2.0 µg/m ³

**TABLE 20.1 - 2
Air Quality Increments
(Class II Areas)**

<u>Air Contaminant</u>	<u>Increment</u>
<u>Nitrogen Dioxide (NO₂)</u>	
Annual arithmetic mean	25.0 µg/m ³
<u>Sulfur Dioxide (SO₂)</u>	
Annual arithmetic mean	20.0 µg/m ³
24-hr. maximum	91.0 µg/m ³
3-hr. maximum	512.0 µg/m ³
<u>Particulate Matter</u>	
PM ₁₀ Annual arithmetic mean	17.0 µg/m ³
PM ₁₀ 24-hr. maximum	30.0 µg/m ³
PM _{2.5} Annual arithmetic mean	4.0 µg/m ³
PM _{2.5} 24-hr. maximum	9.0 µg/m ³

(7) "**Area Fugitive Emissions of PM₁₀**" means fugitive emissions of PM₁₀ which occur as a result of earth moving operations such as drilling, blasting, quarrying, stockpiling, and front end loader operations, and on-site vehicular travel on haul roads used to move materials to, from or within a stationary source.

(8) "**Attainment**" means designated as attainment of the National Ambient Air Quality Standards (NAAQS) pursuant to Section 107(d) of the federal Clean Air Act or of the State Ambient Air Quality Standards (SAAQS) pursuant to Section 39608 of the California Health and Safety Code, as applicable. For the purposes of these Rules 20.1, 20.2, 20.3 and 20.4, attainment of a NAAQS means also designated as attainment or unclassifiable by EPA in 40 CFR Section 81.305.

(9) "**Baseline Concentration**" means the ambient concentration of an air contaminant for which there is an air quality increment, which existed in an impact area on the major and minor source baseline dates. The baseline concentration includes the impact of actual emissions from any stationary source in existence on the baseline date and the impacts from the potential to emit of Prevention of Significant Deterioration (PSD) stationary sources which commenced construction but were not in operation by the baseline date. The baseline concentration excludes impacts of actual emission increases and decreases at any stationary source occurring after the baseline date and actual emissions from any PSD stationary source which commenced construction after January 6, 1975. There are two baseline concentrations for any given impact area, a baseline concentration as of the major source baseline date and a baseline concentration as of the minor source baseline date.

(10) "**Baseline Date**" means either the major source baseline date or source baseline date, as applicable.

(11) "**Begin Actual Construction**" means initiation of physical on-site construction activities on an emission unit which are of a permanent nature. Such activities include, but are not limited to, installation of building supports and foundations, laying of underground pipework, and construction of permanent storage structures. With respect to a modified emission unit resulting from an operational change, begin actual construction means those on-site activities, other than preparatory activities, which mark the initiation of the change.

(12) "**Best Available Control Technology (BACT)**" means and is applied as follows:

(i) The lowest emitting of any of the following:

(A) the most stringent emission limitation, or the most effective emission control device or control technique, or combination thereof, which has been proven in field application and which is cost-effective for such class or category of emission unit unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation, device, control technique or combination thereof is not technologically feasible; or

(B) any emission control device, emission limitation or control technique, or combination thereof, which has been demonstrated but not necessarily proven in field application and which is cost-effective for such class or category of emission unit as determined by the Air Pollution Control Officer, unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation, device, control technique or combination thereof is not technologically feasible; or

(C) any emission control device, emission limitation or control technique, process modifications, changes in raw material including alternate fuels, and substitution of equipment or processes with any equipment or processes, or any combination of these, determined by the Air Pollution Control Officer on a case-by-case basis to be technologically feasible and cost-effective, including transfers of technology from another category of source; or

(D) the most stringent emission limitation, or the most effective emission control device or control technique, or combination thereof, contained in any State Implementation Plan (SIP) approved by the federal EPA for such class or category of emission unit unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation or technique has not been proven in field application, that it is not technologically feasible or that it is not cost-effective for such class or category of emission unit.

(ii) In determining BACT, the Air Pollution Control Officer may also consider lower-emitting alternatives to a proposed new emission unit or process.

(iii) For modified emission units, not including any relocated or replacement emission units, the entire emission unit's post-project potential to emit shall be subject to BACT, except that BACT shall apply to the emissions increase associated with the modification and not the emission unit's entire potential to emit if:

(A) control technology, an emission limit or other emission controls meeting BACT was previously applied to the unit; and

(B) the emissions increase associated with the modification is less than 25 percent of the emission unit's pre-project potential to emit; and

(C) the project's emission increase is less than the major modification thresholds of Table 20.1-6a.

(iv) In no event shall application of BACT result in the emission of any air contaminant which would exceed the emissions allowed by any District rule or regulation, or by any applicable standard under 40 CFR Part 60 (New Source Performance Standards) or 40 CFR Part 61 or Part 63 (National Emission Standards for Hazardous Pollutants).

(v) Whenever feasible, the Air Pollution Control Officer may stipulate an emission limit as BACT instead of specifying control equipment.

(vi) In making a BACT determination, the Air Pollution Control Officer shall take into account those environmental and energy impacts identified by the applicant.

(vii) In the case of a project consisting of multiple new, modified, relocated or replacement emission units subject to BACT under these Rules 20.1-20.4, BACT shall be determined for each such emission unit. The Air Pollution Control Officer may also require BACT be evaluated for combinations of such emission units. The Air Pollution Control Officer may determine that BACT for the project is the lowest emitting, technologically feasible combination of emission limitations, control devices, control techniques, or process modifications applied to individual emission units and/or combinations of such emission units. BACT applied to a combination of emission units shall not result in less stringent BACT for any emission unit in the combination than BACT determined for that emission unit individually.

(13) "**Class I Area**" means any area designated as Class I under Title I, Part C of the federal Clean Air Act. As of April 27, 2016, the Agua Tibia National Wilderness Area was the only area so designated within San Diego County. As of April 27, 2016, the following were the only designated Class I areas within 100 km of San Diego County (see Table 20.1-3):

TABLE 20.1 - 3
Class I Areas

<u>Class I Area</u>	<u>Approximate Location</u>
Agua Tibia Wilderness Area	San Diego County
Cucamonga Wilderness Area	San Bernardino County
Joshua Tree Wilderness Area	Riverside County
San Gabriel Wilderness Area	Los Angeles County
San Gorgonio Wilderness Area	San Bernardino County
San Jacinto Wilderness Area	Riverside County

(14) "**Class II Area**" means any area not designated as a Class I area.

(15) "**Commenced Construction**" means that the owner or operator of a stationary source has an Authority to Construct or a Determination of Compliance issued pursuant to these rules and regulations and either has:

(i) Begun, or caused to begin, a continuous program of actual on-site construction of the source to be completed within a reasonable time, or

(ii) Entered into binding agreements or contractual obligations, which cannot be canceled or modified without substantial loss to the owner or operator, to undertake a program of actual construction of the source to be completed within a reasonable time.

(16) "**Construction**" means any physical change or change in the method of operation, including fabrication, erection, installation, demolition or modification of an emission unit, which would result in a change in emissions.

(17) "**Contemporaneous Net Emissions Increase**" means the sum of emission increases from new, modified, relocated or replacement emission units occurring at a stationary source within a five-year contemporaneous period consisting of the calendar year in which the subject emission unit(s) is expected to commence operation and the four calendar years preceding that calendar year, including all other emission units with complete applications under District review and which are expected to commence operation within such calendar years. The sum of emission increases may be reduced by the following:

(i) Actual emission reductions occurring at the stationary source within the five-year contemporaneous period and which have not been used to create an emission reduction credit or to offset an emission increase under these rules, and

(ii) Enforceable reductions in the potential to emit of a new, modified, relocated or replacement unit, which unit resulted in a contemporaneous net emissions increase within the five-year contemporaneous period at the stationary source. In no case shall the reduction in the potential to emit exceed the emission increases from such unit that occurred within the five-year contemporaneous period.

When an emissions increase from a new, modified, relocated or replacement emission unit or project has been determined to be subject to, and approved as in compliance with, the emission offset requirements of Rules 20.1 and 20.3 or Rule 20.4, the contemporaneous net emissions increase for the subject air contaminant or precursor shall thereafter not include the emission increase from such emission unit or project.

(18) "**Cost-Effective**" means that the annualized cost in dollars per pound of emissions of an air contaminant reduced does not exceed \$6.00 per pound for NO_x, \$6.00 per pound for VOC, \$3.33 per pound for PM₁₀, and \$6.00 per pound for SO_x, multiplied by the applicable BACT Cost Multiplier specified in Table 20.1 – 4 below. For all other air contaminants subject to BACT requirements by Rules 20.1-20.4, cost-effective means that the annualized cost in dollars per pound of emissions of an air contaminant reduced does not exceed the highest cost per pound of emissions reduced by other control measures required to meet stationary source emission standards contained in these rules and regulations, for the specific air contaminant(s) under consideration, multiplied by the BACT Cost Multiplier specified in Table 20.1 – 4. When determining the highest cost per pound of emissions reduced by other control measures, the cost of measures used to comply with the requirements of New Source Review shall be excluded.

TABLE 20.1 - 4
BACT Cost Multiplier

Stationary Source's Post-Project Aggregate <u>Potential to Emit</u>	<u>BACT Cost Multiplier</u>
Potential < 15 tons/year	1.1
Potential ≥ 15 tons/year	1.5

(19) **"Emergency Equipment"** means an emission unit used exclusively to drive an electrical generator, an air compressor or a pump in emergency situations, except for operations up to 52 hours per calendar year for non-emergency purposes. Emission units used for supplying power for distribution to an electrical grid shall not be considered emergency equipment.

(20) **"Emergency Situation"** means an unforeseen electrical power failure from the serving utility or of on-site electrical transmission equipment such as a transformer, an unforeseen flood or fire, or a life-threatening situation. In addition, operation of emergency generators at Federal Aviation Administration licensed airports for the purpose of providing power in anticipation of a power failure due to severe storm activity shall be considered an emergency situation. Emergency situations do not include operation for purposes of supplying power for distribution to an electrical grid, operation for training purposes, or other foreseeable event.

(21) **"Emission Increase"** means an increase in the potential to emit, calculated pursuant to Subsection (d)(3).

(22) **"Emission Offsets"** means actual emission reductions used to mitigate emission increases and which meet the applicable requirements of Rules 20.1, 20.3 and 20.4 of these Rules and Regulations.

(23) **"Emission Reduction Credit (ERC)"** means a credit for an actual emission reduction which has been approved by the Air Pollution Control Officer upon determining that such credit and emission reduction meet the applicable requirements of these Rules and Regulations in effect at the time that such credit is approved.

(24) **"Emission Unit"** means any 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.

(25) **"Enforceable"** means capable of being enforced by the District, including but not limited to, through either the SIP or legally and practicably enforceable limits, including limits contained in conditions of an Authority to Construct, Permit to Operate, Determination of Compliance or Emission Reduction Credit (ERC) Certificate.

(26) **"Existing"** means the configuration of an emission unit, aggregation of emission units or a stationary source prior to, and without consideration of, the project under review.

(27) **"Federal Land Manager"** means the National Park Service's Western Regional Director, the U.S. Forest Service's Pacific Southwest Regional Air Program Manager and the U.S. Fish and Wildlife Service.

(28) **"Federally Enforceable Requirement"** means all of the following as they apply to emission units at a stationary source, including requirements that have been promulgated or approved by the federal EPA through rulemaking but which have future effective compliance dates:

(i) Any standard, emission reduction measure or other requirement provided for in the State Implementation Plan (SIP).

(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) rule or regulation which has been approved or promulgated by the federal EPA into the SIP.

(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 combustion 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 Title VI 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.

(xii) Requirements capable of being enforced by the federal EPA including through either the SIP, terms and conditions of a Permit to Operate, an Authority to Construct, a Determination of Compliance, or an ERC that are for purposes of creating, approving and/or using creditable actual emission reductions to meet federal emission offset requirements and that are necessary to ensure the validity of the emission reductions and compliance with those portions of these Rules and Regulations approved into the SIP.

This subsection shall not preclude enforcement of federally-enforceable requirements by the Air Pollution Control Officer.

(29) "**Federal Major Modification**" means a physical or operational change at an existing federal major stationary source which results, or may result, for an air contaminant for which the stationary source is a federal major stationary source, in either:

(i) an emissions increase, including fugitive emission increases, equal to or greater than any of the significant emissions increase rates listed below in Table 20.1 – 5a; and a contemporaneous net emissions increase, including fugitive emission increases, equal to or greater than any of the significant emissions increase rates listed below in Table 20.1 – 5a; or

(ii) an emissions increase, including fugitive emission increases, equal to or greater than any of the significant emissions increase rates listed below in Table 20.1 – 5a for Oxides of Nitrogen or Volatile Organic Compounds, if the District is designated to be in extreme ozone nonattainment by the U.S. Environmental Protection Agency pursuant to 40 CFR 81.305.

**TABLE 20.1 – 5a
Federal Major Modification**

<u>Air Contaminant</u>	Significant Emissions Increase (Ton/yr)
Fine Particulate Matter (PM _{2.5})	10
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NO _x)*	
marginal or moderate	40
serious or severe	25
extreme	0
Volatile Organic Compounds (VOC)*	
marginal or moderate	40
serious or severe	25
extreme	0
Oxides of Sulfur (SO _x)	40
Carbon Monoxide (CO)	100
Lead (Pb)	0.6

* based on EPA's ozone nonattainment designation for the San Diego Air Basin in 40 CFR 81.305

(30) **"Federal Major Stationary Source"** means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified Permit to Operate, an aggregate potential to emit one or more air contaminants in amounts equal to or greater than any of the emission rates listed below in Table 20.1 – 5b. Fugitive emissions shall not be included in determining the aggregate potential to emit for purposes of applying this definition unless the emission unit, project or stationary source, as applicable, belongs to one of the following source categories:

- (i) Coal cleaning plants (with thermal dryers);
- (ii) Kraft pulp mills;
- (iii) Portland cement plants;
- (iv) Primary zinc smelters;
- (v) Iron and steel mills;
- (vi) Primary aluminum ore reduction plants;
- (vii) Primary copper smelters;
- (viii) Municipal incinerators capable of charging more than 250 tons of refuse per day;
- (ix) Hydrofluoric, sulfuric or nitric acid plants;
- (x) Petroleum refineries;
- (xi) Lime plants;
- (xii) Phosphate rock processing plants;
- (xiii) Coke oven batteries;
- (xiv) Sulfur recovery plants;
- (xv) Carbon black plants (furnace process);
- (xvi) Primary lead smelters;
- (xvii) Fuel conversion plants;
- (xviii) Sintering plants;

- (xix) Secondary metal production plants;
- (xx) Chemical process plants, but not including ethanol production facilities that produce ethanol by natural fermentation included in included in NAICS codes 325193 or 312140;
- (xxi) Fossil-fuel boilers, or combination thereof, totaling more than 250 million British thermal units per hour heat input;
- (xxii) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;
- (xxiii) Taconite ore processing plants;
- (xxiv) Glass fiber processing plants;
- (xxv) Charcoal production plants;
- (xxvi) Fossil fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input;
- (xxvii) Any other stationary source category which, as of August 7, 1980, is being regulated under Sections 111 or 112 of the federal Clean Air Act.

**TABLE 20.1 – 5b
Federal Major Stationary Source**

<u>Air Contaminant</u>	<u>Emission Rate (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	100
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)*	
marginal or moderate	100
serious	50
severe	25
extreme	10
Volatile Organic Compounds (VOC)*	
marginal or moderate	100
serious	50
severe	25
extreme	10
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100
Lead (Pb)	100

* based on EPA's ozone nonattainment designation for the San Diego Air Basin in 40 CFR 81.305

(31) "**Federally-mandated New Source Review (NSR)**" means those portions of these Rules and Regulations applicable to the permitting of new and modified stationary sources and which are contained in the San Diego Air Basin portion of the approved State Implementation Plan.

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

(33) "**Good Engineering Practice Stack Height**" means the same term as defined in 40 CFR §51.100.

(34) "**Impact Area**" means the circular area with the emission unit as the center and having a radius extending to the furthest point where a significant impact is expected to occur, not to exceed 50 kilometers.

(35) "**Increment Consuming**" means emission increases which consume an air quality increment. Emission increases which consume increment are those not accounted for in the baseline concentration, including:

(i) Actual emission increases occurring at any major stationary source after the major source baseline date, and

(ii) Actual emission increases from any non-major stationary source, area source, or mobile source occurring after the minor source baseline date.

(36) "**Increment Expanding**" means actual emission reductions which increase an available air quality increment. Actual emission reductions which increase available increment include:

(i) Actual emission reductions occurring at any major stationary source after the major source baseline date, and

(ii) Actual emission reductions from any non-major stationary source, area source, or mobile source occurring after the minor source baseline date.

(37) "**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.

(38) "**Lowest Achievable Emission Rate (LAER)**" means and is applied as follows:

(i) The lowest emitting of any of the following:

(A) the most stringent emission limitation, or most effective emission control device or control technique, or combination thereof, contained in any SIP approved by the federal EPA for such class or category of emission unit, unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such emission limitation, device or technique is not achievable, or

(B) the most stringent emission limitation which is achieved in practice by such class or category of emission unit, or

(C) Best Available Control Technology (BACT).

(ii) For modified emission units subject to the LAER requirements of these rules, the entire emission unit's post-project potential to emit shall be subject to LAER.

(iii) In no event shall application of LAER result in the emission of any air contaminant which would exceed the emissions allowed by any District Rule or Regulation, or by any applicable standard under 40 CFR Part 60 (New Source Performance Standards) or 40 CFR Parts 61 and 63 (National Emission Standards for Hazardous Air Pollutants).

(39) "**Major Modification**" means a physical or operational change which results, or may result, in a contemporaneous net emissions increase at an existing major stationary source which source is major for the air contaminant for which there is a contemporaneous net emissions increase, equal to or greater than any of the emission rates listed in Table 20.1 – 6a.

**TABLE 20.1 – 6a
Major Modification**

<u>Air Contaminant:</u>	<u>Emission Rate (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	10
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NO _x)	25
Volatile Organic Compounds (VOC)	25
Oxides of Sulfur (SO _x)	40
Carbon Monoxide (CO)	100
Lead (Pb)	0.6

(40) "**Major Source Baseline Date**" means, for all of San Diego County, January 6, 1975 for sulfur dioxide (SO₂) and particulate matter (PM₁₀), February 8, 1988 for nitrogen dioxide (NO₂), and October 20, 2010 for PM_{2.5}.

(41) "**Major Stationary Source**" means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified

Permit to Operate an aggregate potential to emit one or more air contaminants, including fugitive emissions, in amounts equal to or greater than any of the emission rates listed in Table 20.1 – 6b.

TABLE 20.1 – 6b
Major Stationary Source

<u>Air Contaminant:</u>	<u>Emission Rate</u> <u>(Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	100
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)	50
Volatile Organic Compounds (VOC)	50
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100
Lead (Pb)	100

(42) "**Minor Source Baseline Date**" means for all of San Diego County, December 8, 1983 for sulfur dioxide (SO₂), October 1, 1999 for particulate matter (PM₁₀) and nitrogen dioxide (NO₂), and June 14, 2012 for fine particulates (PM_{2.5}).

(43) "**Modeling**" means the use of an applicable federal EPA-approved air quality model to estimate ambient concentrations of air contaminants or to evaluate other air quality related data. Applicable federal guidelines, including those contained in 40 CFR Part 51, Appendix W - Guideline on Air Quality Models, shall be followed when performing modeling to determine air quality impacts relative to the national ambient air quality standards, a significant impact, or an air quality increment. Where an air quality model specified in Appendix W is inappropriate, the model may be modified or another model substituted. Such a modification or substitution of a model may be made on a case-by-case basis or, where appropriate, on a generic basis for purposes of these Rules and Regulations. Written approval of the federal EPA Region 9 Administrator shall be obtained for any such modification or substitution. The use of a modified or substitute model shall be identified in the applicable public notice and opportunity for public comment required in Subsections (d)(4) of Rules 20.2-20.4, unless use on a generic basis has been previously subject to an equivalent public and government agency notice and comment period.

(44) "**Modified Emission Unit**" means any physical or operational change, including but not limited to a permit condition change, which results or may result in an increase in an existing emission unit's potential to emit, including those air contaminants not previously emitted. The following shall not be considered a modified emission unit, provided such a change is not contrary to any permit condition, and the change does not result in an increase in the potential to emit of any air contaminant:

- (i) The movement of a portable emission unit from one stationary source to another.
- (ii) Repair or routine maintenance of an existing emission unit.

- (iii) An increase in the hours of operation or in the production rate.
- (iv) Use of alternate fuel or raw material.

(45) **"Modified Stationary Source"** means an existing stationary source where a new, modified, relocated or replacement emission unit is, or will be, located or where a change in the aggregation of emission units occurs, including, but not limited to, the movement of a relocated emission unit to or from a stationary source or where a modification of an existing unit occurs. The following shall not be considered a modification of a stationary source:

- (i) The replacement of an emission unit, provided there is no increase in the unit's potential to emit or in the potential to emit of any other unit at the stationary source.
- (ii) The movement to or from the stationary source of any portable emission unit, provided there is no increase in the potential to emit of any other unit at the stationary source.

(46) **"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.

TABLE 20.1 – 7 (RESERVED)

(47) **"New Emission Unit"** means any of the following:

- (i) Any emission unit not constructed or installed in San Diego County as of April 27, 2016.
- (ii) Except as provided in Subsection (b)(1) of this rule, any emission unit which was constructed, installed or operated at its current location without a valid Authority to Construct or Permit to Operate from the District.
- (iii) Any emission unit which was inactive for a one-year period or more and which did not hold a valid Permit to Operate during that period.
- (iv) A new emission unit shall no longer be considered a new emission unit, and shall be considered an existing emission unit, on and after the earlier of: (a) two years after the date that such unit first operated; or (b) the date when the Air Pollution Control Officer has

(A) determined that construction is complete;

(B) determined that any required initial emissions and performance testing has been completed and the results reported and approved;

(C) determined that the operation of the unit is in compliance with all conditions of the Authority to Construct relevant to the construction and operation of the unit; and,

(D) issued a temporary or final Permit to Operate.

(48) **“New Federal Major Stationary Source”** means a new emission unit, new project or new stationary source which will be a federal major stationary source, or a modification of an existing stationary source which modification itself constitutes a federal major stationary source. On and after November 5, 2018, if an existing previously permitted stationary source will become a federal major stationary source solely due to a relaxation of a permit limitation on the capacity of the stationary source to emit an air contaminant, such as a limit on emissions, hours of operation, process rates or fuel use, the stationary source shall be considered a new federal major stationary source and the requirements of these Rules 20.1, 20.2, 20.3 and 20.4 shall apply as if construction of the stationary source had not yet commenced.

(49) **"New Major Stationary Source"** means a new emission unit, new project or new stationary source which will be a major stationary source, or a modification of an existing stationary source which modification itself constitutes a major stationary source.

(50) **"New Stationary Source"** means a stationary source which, prior to the project under review, did not contain any permitted equipment, excluding portable emission units.

(51) **“Nonattainment”** means designated as not in attainment of a National Ambient Air Quality Standard (NAAQS) pursuant to Section 107(d) of the federal Clean Air Act or of a State Ambient Air Quality Standard (SAAQS) pursuant to Section 39608 of the California Health and Safety Code, as applicable. For the purposes of these Rules 20.1, 20.2, 20.3 and 20.4, nonattainment of a NAAQS means also designated as nonattainment by EPA in 40 CFR Section 81.305.

(52) **"Non-Criteria Pollutant Emissions Significance Level"** means a contemporaneous net emissions increase occurring at any new or modified PSD stationary source, equal to or greater than the amounts listed in Table 20.1 - 8.

TABLE 20.1 - 8
Non-Criteria Pollutant Emissions Significance Levels

<u>Air contaminant:</u>	<u>Emission Rate</u> <u>(Ton/yr)</u>
Fluorides	3
Hydrogen Sulfide (H ₂ S)	10
Mercury	0.1
Reduced Sulfur Compounds	10
Sulfuric Acid Mist	7

(53) “**Non-Major Stationary Source**” means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified Permit to Operate, an aggregate potential to emit, including fugitive emissions, of each air contaminant listed in Table 20.1-6b less than the applicable emission rates specified in Table 20.1-6b.

(54) “**Offset Ratio**” means the required proportion of emission offsets to emission increases, as specified in Rules 20.3 or 20.4.

(55) “**Permanent**” means enforceable and which will exist for an unlimited period of time.

(56) “**Permit Limitation on Potential to Emit**” means an enforceable permit condition that restricts, or will restrict, the maximum potential emissions from an emission unit or aggregation of emission units and that does not violate any District, state or federal law, rule, regulation, order, or permit condition.

(57) “**Portable Emission Unit**” means an emission unit that is subject to the permit requirements of Rule 10 of these Rules and Regulations, and is designed to be and capable of being carried or moved from one location to another. Indicia of portability include, but are not limited to, wheels, skids, carrying handles, dolly, trailer or platform. For the purposes of this regulation, dredge engines on a boat or barge are considered portable. An emission unit is not portable if any of the following apply:

(i) The unit, or its replacement, is attached to a foundation or, if not so attached, will reside at the same location for more than 12 consecutive months. Any portable emission unit such as a backup or standby unit that replaces a portable emission unit at a location and is intended to perform the same function as the unit being replaced will be included in calculating the consecutive time period. In that case, the cumulative time of all units, including the time between the removal of the original unit(s) and installation of the replacement unit(s), will be counted toward the consecutive time period; or

(ii) The emission unit remains or will reside at a location for less than 12 consecutive months if the unit is located at a seasonal source and operates during the full annual operating period of the seasonal source. A seasonal source is a stationary source that remains in a single location on a permanent basis (i.e., at least two years) and operates at that single location at least three months each year; or

(iii) The emission unit is moved from one location to another in an attempt to circumvent the portable emission unit residence time requirements.

Days when portable emission units are stored in a designated holding or storage area shall not be counted towards the above time limits, provided the emission unit was not operated on that calendar day except for maintenance and was in the designated holding or storage area the entire calendar day.

The Air Pollution Control Officer may determine, on a case-by-case basis, that emission units which exceed the above time limits will be considered as relocated equipment and will be subject to the applicable requirements for relocated emission units contained in Rules 20.1, 20.2 and 20.3.

(58) **"Post-Project Potential to Emit"** means an emission unit's potential to emit after issuance of an Authority to Construct for the proposed project, calculated pursuant to Section (d).

(59) **"Potential to Emit"** means the maximum quantity of air contaminant emissions, including fugitive emissions, that an emission unit is capable of emitting or permitted to emit, calculated pursuant to Section (d).

(60) **"Precursor Air Contaminants"** means any air contaminant which forms or contributes to the formation of a secondary air contaminant for which an ambient air quality standard exists. For purposes of this rule, the precursor relationships are listed in Table 20.1 - 9.

**TABLE 20.1 - 9
Precursor Air Contaminants**

<u>Precursor Air Contaminant</u>	<u>Secondary Air Contaminant</u>
NOx	NO ₂
	PM ₁₀
	PM _{2.5}
	Ozone
VOC	PM ₁₀
	Ozone
SOx	SO ₂
	PM ₁₀
	PM _{2.5}

(61) **"Pre-Project Actual Emissions"** means an emission unit's actual emissions prior to issuance of an Authority to Construct for the proposed project, calculated pursuant to Section (d).

(62) **"Pre-Project Potential to Emit"** means an emission unit's potential to emit prior to issuance of an Authority to Construct for a proposed project, calculated pursuant to Section (d).

(63) **"Project"** means an emission unit or aggregation of emission units for which an application or combination of applications for one or more Authorities to Construct or modified Permits to Operate is under District review.

(64) **"Proven in Field Application"** means demonstrated in field application to be reliable, in continuous compliance and maintaining a stated emission level for a period of at least one year, as determined by the Air Pollution Control Officer.

(65) **"PSD Modification"** means a contemporaneous net emissions increase occurring at a modified PSD stationary source equal to or greater than the amounts listed in Table 20.1 - 10 or any non-criteria pollutant emissions significance level listed in Table 20.1-8.

**TABLE 20.1 - 10
PSD Modification**

<u>Air contaminant:</u>	<u>Emission Rate (Ton/yr)</u>
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NO _x)	40
Volatile Organic Compounds (VOC)	40
Oxides of Sulfur (SO _x)	40
Carbon Monoxide (CO)	100
Lead and Lead Compounds (Pb)	0.6

(66) **"PSD Stationary Source or Prevention of Significant Deterioration Stationary Source"** means any stationary source, as specified in Table 20.1 - 11, which has, or will have after issuance of a permit, an aggregate potential to emit one or more air contaminants in amounts equal to or greater than any of the emission rates listed in Table 20.1 - 11.

**TABLE 20.1 - 11
PSD Stationary Sources and Trigger Levels**

<u>For stationary sources consisting of:</u>	
1. Fossil fuel fired steam electrical plants of more than 250 MM Btu/hr heat input	
2. Fossil fuel boilers or combinations thereof totaling more than 250 MM Btu/hr of heat input	
3. Municipal incinerators capable of charging more than 250 tons of refuse per day	
4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels	
5. Charcoal production plants	17. Phosphate rock processing plants
6. Chemical process plants	18. Petroleum refineries
7. Coal cleaning plants with thermal dryers	19. Primary aluminum ore reduction plants
8. Coke oven batteries	20. Primary copper smelters
9. Fuel conversion plants	21. Primary lead smelters
10. Furnace process carbon black plants	22. Primary zinc smelters
11. Glass fiber processing plants	23. Portland cement plants
12. Hydrofluoric acid plants	24. Secondary metal production plants
13. Iron and steel mill plants	25. Sintering plants
14. Kraft pulp mills	26. Sulfuric acid plants
15. Lime plants	27. Sulfur recovery plants
16. Nitric acid plants	28. Taconite ore processing plants

<u>The following emission rates:</u>	
<u>Air Contaminant</u>	<u>(Ton/yr)</u>
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)	100
Volatile Organic Compounds (VOC)	100
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100

<u>For all other stationary sources:</u>	
<u>Air Contaminant</u>	<u>(Ton/yr)</u>
Particulate Matter (PM ₁₀)	250
Oxides of Nitrogen (NO _x)	250
Volatile Organic Compounds (VOC)	250
Oxides of Sulfur (SO _x)	250
Carbon Monoxide (CO)	250

(67) **"Quantifiable"** means that a reliable basis to estimate emission reductions in terms of both their amount and characteristics can be established, as determined by the Air Pollution Control Officer. Quantification may be based upon emission factors, stack tests, monitored values, operating rates and averaging times, process or production inputs, mass balances or other reasonable measurement or estimating practices.

(68) **"Real"** means actually occurring and which will not be replaced, displaced or transferred to another emission unit at the same or other stationary source within San Diego County, as determined by the Air Pollution Control Officer.

(69) **"Reasonably Available Control Technology" or "RACT"** means the lowest emission limit that a particular source is capable of meeting by the application of control technology that is reasonably available, as determined by the Air Pollution Control Officer pursuant to the federal Clean Air Act, considering technological and economic feasibility.

(70) **"Relocated Emission Unit"** means a currently permitted emission unit or grouping of such units which is to be moved within San Diego County from one stationary source to another stationary source. The moving of a portable emission unit shall not be considered a relocated emission unit.

(71) **"Replacement Emission Unit"** means an emission unit which supplants another emission unit where the replacement emission unit serves the same function and purpose as the emission unit being replaced, as determined by the Air Pollution Control Officer.

(72) **"Secondary Emissions"** means emissions which would occur as a result of the construction, operation or modification of a PSD stationary source, but which are not directly emitted from any emission unit at the stationary source. Except as provided below, secondary emissions exclude emissions which come directly from mobile sources, such as emissions from the tailpipe of a motor vehicle. Secondary emissions include, but are not limited to:

(i) Emissions from ships or trains coming to or from the stationary source, unless such emissions are regulated by Title II of the federal Clean Air Act, and

(ii) Emission increases from any emission unit at a support facility not located at the stationary source, but which would not otherwise be constructed or increase emissions, and

(iii) Emissions from any emission unit mounted on a ship, boat, barge, train, truck or trailer, where the operation of the emission unit is dependent upon, or affects the process or operation (including duration of operation) of any emission unit located on the stationary source.

(73) "**Significant Impact**" means an increase in ambient air concentration, resulting from emission increases at a new or modified stationary source, equal to or greater than any of the levels listed in Tables 20.1 - 12 and 20.1 - 13.

TABLE 20.1 - 12
Stationary Sources Impacting Any Class I Area

<u>Air Contaminant</u>	<u>Significant Impact</u> <u>(24-hour Maximum)</u>
Particulate Matter (PM ₁₀)	1.0 µg/m ³
Nitrogen Dioxide (NO ₂)	1.0 µg/m ³
Sulfur Dioxide (SO ₂)	1.0 µg/m ³
Carbon Monoxide (CO)	1.0 µg/m ³

TABLE 20.1 - 13
Stationary Sources Impacting Any Class II Area

<u>Air Contaminant</u>	<u>Significant Impact</u>
<u>Particulate Matter (PM₁₀)</u>	
Annual arithmetic mean	1.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
Nitrogen Dioxide (NO ₂)	
Annual arithmetic mean	1.0 µg/m ³
Sulfur Dioxide (SO ₂)	
Annual arithmetic mean	1.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
Carbon Monoxide (CO)	
8-hr. maximum	500.0 µg/m ³
1-hr. maximum	2000.0 µg/m ³

(74) "**State Ambient Air Quality Standards (SAAQS)**" means the maximum allowable ambient air concentrations for specified air contaminants and monitoring periods as established by the California Air Resources Board (ARB).

(75) **"Surplus"** means any emission reduction which is surplus of federal requirements, as defined herein, and is also in excess of:

(i) Any stationary source emission reduction measure contained in the San Diego Regional Air Quality Strategy, California Clean Air Act requirements, or state law, and any District rule, regulation, or order, including those which carry out such emission reduction measures. A variance issued by the Air Pollution Control District Hearing Board is not an order within the meaning of this subsection.

(76) **"Surplus of Federal Requirements"** means any emission reduction which is in excess of:

(i) Any standard, emission reduction measure or other requirement contained in the San Diego portion of the California SIP;

(ii) The most recent version of any standard, emission reduction measure or other requirement adopted by the Air Pollution Control Board and submitted for EPA approval into the SIP;

(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 stationary source emission reduction measure contained in the federal Clean Air Act or federal law, and any District or state law, rule, regulation, or order which carry out such emission reduction measures. A variance issued by the Air Pollution Control District Hearing Board is not an order within the meaning of this subsection;

(vi) Any term or condition of an Authority to Construct issued pursuant to these rules and regulations which term or condition is imposed pursuant to 40 CFR Parts 60 or 61, 40 CFR Part 63, 40 CFR Part 52.21 or 40 CFR Part 51, Subpart I; and

(vii) Emission reductions which have already been approved as ERCs or otherwise committed for air quality purposes, including but not limited to as emission offsets.

(77) **"Temporary"** means enforceable, existing and valid for a specified, limited period of time.

(78) **"Yearly"** means twelve consecutive months.

(d) **EMISSION CALCULATIONS**

The emission calculation provisions and requirements of this Section (d) shall be applied on an air contaminant-specific basis.

(1) **POTENTIAL TO EMIT**

The potential to emit of each air contaminant shall be calculated on an hourly, daily and yearly basis.

(i) **Calculation of Pre-Project and Post-Project Potential to Emit**

Except as provided in Subsections (d)(1)(i)(A) through (F), the pre-project and post-project potential to emit of each emission unit shall be calculated based on the maximum design capacity or other operating conditions which reflect the maximum potential emissions, including fugitive emissions.

(A) **Permit Limitations on Pre-Project and Post-Project Potential to Emit Shall be Used**

Except as provided in Subsections (d)(1)(i)(C) and (D), if specific enforceable permit limitations on potential to emit restrict or will restrict maximum potential emissions of an emission unit on an hourly, daily or annual basis to a lower level, these limitations shall be used to calculate the pre-project or post-project potential to emit, as applicable, on an hourly, daily and annual basis.

(B) **Calculation of Pre-Project Potential to Emit for Modified Emission Units Where No Permit Limitations Exist**

If there are no specific enforceable conditions limiting an emission unit's pre-project potential to emit, the pre-project potential to emit shall be limited to the emission unit's highest actual emissions calculated pursuant to Subsection (d)(2), unless limited to a lower level of emissions, as the applicant and the Air Pollution Control Officer may agree, by a permit limitation on potential to emit for the emission unit.

(C) **Calculation of Pre-Project Potential to Emit for Modified Emission Units Located at Major Stationary Sources**

If a modified emission unit is or will be located at an existing major stationary source, or if a modified emission unit will itself be a major stationary source, the pre-project potential to emit of the emission unit shall be calculated as follows:

- (1) If the modified emission unit's pre-project actual emissions are less than 80 percent of the emission unit's potential to emit calculated pursuant to Subsections (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be the same as the unit's actual emissions.

(2) If the modified emission unit's pre-project actual emissions are equal to or greater than 80 percent of the emission unit's potential to emit calculated pursuant to Subsection (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be as calculated pursuant to Subsection (d)(1)(i)(A) and (B).

(3) Notwithstanding paragraphs (1) and (2) above, if an Authority to Construct has previously been issued for an emission unit pursuant to New Source Review rules for the District, and the previous emission increases that resulted from that emission unit were offset in accordance with the New Source Review rules in effect at that time, the emission unit's pre-project potential to emit shall be as calculated pursuant to Subsection (d)(1)(i)(A) and (B).

(D) Calculation of Pre-Project Potential to Emit for Modified Emission Units Located at Federal Major Stationary Sources

If a modified emission unit is or will be located at an existing federal major stationary source, or if a modified emission unit is part of a project that will constitute a federal major stationary source, the pre-project potential to emit of the emission unit shall be calculated as follows:

(1) For the sole purpose of calculating the emissions increase to determine if the project under review constitutes a federal major modification or a new federal major stationary source, the modified emission unit's pre-project potential to emit shall equal the unit's actual emissions.

(2) For the sole purpose of calculating the emissions increase that must be offset pursuant to Rule 20.3, Subsection (d)(5), the emission unit's pre-project potential to emit shall be calculated as follows:

(i) If the modified emission unit's pre-project actual emissions are less than 80 percent of the emission unit's potential to emit calculated pursuant to Subsections (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be the same as the unit's actual emissions.

(ii) If the modified emission unit's pre-project actual emissions are equal to or greater than 80 percent of the emission unit's potential to emit calculated pursuant to Subsection (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be as calculated pursuant to Subsection (d)(1)(i)(A) and (B).

(E) Calculation of Pre-Project Potential to Emit for New Emission Units

Notwithstanding any other provision of this rule, the pre-project potential to emit for a new emission unit shall be zero.

(F) Calculation of Post-Project and Pre-Project Potential to Emit for Projects

The post-project and pre-project potential to emit for a project shall be calculated as the sum of all the post-project or pre-project potentials to emit, as applicable, for the emission units aggregated in the project unless limited to a lower level of emissions, as the applicant and the Air Pollution Control Officer may agree, by a permit limitation on potential to emit for the project. The aggregate pre-project and post-project potentials to emit for a project shall not affect the applicability of BACT requirements in Rules 20.2, 20.3 and 20.4 to individual emission units that are a part of the project.

(ii) **Calculation of Aggregate Potential to Emit - Stationary Source**

Except as provided for below in Subsections (d)(1)(ii)(A) through (E), the aggregate potential to emit of a stationary source shall be calculated as the sum of the post-project potential to emit of all emission units permitted for the stationary source, including emission units under District review for permit and those to which Subsection (b)(1) applies.

(A) Permit Limitations on Post-Project Potential to Emit Shall be Used

If specific, enforceable limiting conditions restrict, or will restrict, emissions of a stationary source, or an aggregation of emission units at a stationary source, to a lower level on an hourly, daily or annual basis, these limitations on post-project potential to emit shall be used in calculating the aggregate potential to emit of the stationary source.

(B) Permit-Exempt Equipment

The potential to emit of emission units exempt from permit requirements under these Rules and Regulations or state law shall not be included in the aggregate potential to emit of a stationary source except that emissions of any air contaminant from such emission units shall be included if the actual emissions of such air contaminant would be determining as to whether the stationary source is a federal major stationary source.

The applicant and the Air Pollution Control Officer may agree to place all permit-exempt emission units which would be classified under

the same class or category of source under permit for purposes of creating emission reduction credits (ERCs). In such case, the potential to emit of such emission units shall be included in the stationary source's aggregate potential to emit.

(C) Emergency Equipment

The potential to emit from the operation of emergency equipment during emergency situations shall not be included in the calculation of a stationary source's aggregate potential to emit. The potential to emit from operation of emergency equipment during non-emergency situations shall be included in the calculation of a stationary source's aggregate potential to emit.

(D) Portable Emission Units

The potential to emit of portable emission units which are considered under the same major industrial grouping, as identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*, as the stationary source where such units are or will be operated, or which are used as part of or to supplement a primary process at the stationary source where the operation of one is dependent upon or affects the operation of the other, shall be included in such stationary source's aggregate potential to emit. All other portable emission units shall be excluded from the calculation of a stationary source's aggregate potential to emit.

(E) Military Tactical Support Equipment Engines

Emissions from portable engines, including gas turbines, used exclusively in conjunction with portable military tactical support equipment shall be excluded from the calculation of a stationary source's aggregate potential to emit.

(2) **ACTUAL EMISSIONS**

Actual emissions are used: to determine pre-project potential to emit where specified in Subsection (d)(1) of this rule; and, in procedures to quantify emission reductions as specified in Subsection (d)(4)(ii) of this rule. Actual emissions are calculated based on the actual operating history of the emission unit and shall be calculated in accordance with Subsections (d)(2)(i), (ii), (iii) and (iv) below, as applicable.

(i) **Calculation of Actual Emissions for Purposes of Determining Pre-Project Potential to Emit**

Actual emissions of an existing emission unit shall be calculated in accordance with Subsections (d)(2)(i)(A) or (B) below on an operating hour, day and

year basis for purposes of determining an emission unit's pre-project potential to emit.

(A) The emission unit's pre-project actual hourly, daily and yearly emissions shall be based on the highest level of hourly, daily and yearly emissions, respectively, occurring during a twenty-four consecutive month period representative of normal operations within the five-year period preceding the receipt date of the application.

(B) The pre-project actual emissions for emission units operated for a period less than twenty-four consecutive months shall be based on the longest operating time period determined by the Air Pollution Control Officer to be most representative of actual operations.

(ii) **Calculation of Actual Emissions for Purposes of Quantifying Emission Reductions**

(A) Actual emissions of an existing emission unit shall be calculated on an operating hour, day and year basis averaged over the most representative twenty-four consecutive months within the five years preceding the receipt date of an application, as determined by the Air Pollution Control Officer.

(B) For emission units which have not been operated for a twenty-four consecutive month period which is representative of actual operations within the five years preceding the receipt date of the application, the calculation of actual emissions shall be based on the average of any two twelve consecutive month operating periods determined by the Air Pollution Control Officer to be representative within that five-year period. If two representative twelve consecutive month operating time periods do not exist, the calculation of actual emissions shall be based on the average of the total operational time period within that five-year period.

(iii) **Adjustments for Violations**

If an emission unit was operated in violation of any District, state or federal law, rule, regulation, order or permit condition during the period used to determine actual emissions, the actual emissions calculated pursuant to this Subsection (d)(2) shall be adjusted to reflect the level of emissions which would have occurred if the emission unit had not been in violation.

(iv) **Adjustments for Currently Applicable Federally Enforceable Requirements**

For an emission unit being modified, replaced or relocated, and which will be located at a federal major stationary source, the actual emissions calculated on an operating year (yearly) basis pursuant to this Subsection (d)(2) shall be further adjusted to reflect the level of emissions which would have occurred had the emission unit been required to comply with all federally enforceable requirements applicable to the

emission unit at the time that a complete application to modify, replace or relocate the emission unit is submitted. This subsection (d)(2)(iv) shall only apply to air contaminants, and their precursors, for which the San Diego Air Basin is designated as nonattainment of a national ambient air quality standard. This subsection (d)(2)(iv) shall not apply to any existing electric utility steam generating unit which is intended to supply more than one-third of its potential electric output capacity and more than 25 megawatts electrical output to any utility power distribution system for sale. Any steam supplied to a steam distribution system for the purpose of providing steam to a steam-electric generator that would produce electrical energy for sale shall be included in determining the electrical energy output of the unit.

(3) **EMISSION INCREASE**

A project's or emission unit's emission increase shall be calculated as follows:

(i) **New Emission Units**

Emission increases from a new emission unit shall be equal to the post-project potential to emit for the emission unit.

(ii) **Modified Emission Units**

Emission increases from a modified emission unit shall be calculated as the emission unit's post-project potential to emit minus the emission unit's pre-project potential to emit.

(iii) **Relocated Emission Units**

Emission increases from a relocated emission unit at its new location shall be equal to the emission unit's post-project potential to emit.

(iv) **Replacement Emission Units**

Emission increases from a replacement emission unit shall be calculated as the replacement emission unit's post-project potential to emit minus the existing emission unit's pre-project potential to emit.

(v) **Portable Emission Units**

Emission increases from a portable emission unit shall be calculated as the emission unit's post-project potential to emit minus the emission unit's pre-project potential to emit.

(vi) **Projects**

Emission increases from a project shall be calculated as the project's post-project potential to emit minus the project's pre-project potential to emit.

(vii) **Determining Emissions Increases for Federal Major Modifications and Federal Major Stationary Sources**

When calculating emissions increases for the sole purpose of determining whether a project at an existing federal major stationary source constitutes a federal major modification, or whether a modification at an existing stationary source constitutes a new federal major stationary source, and thereafter applying the provisions of this Rule 20.1 and Rules 20.2, 20.3, and 20.4 of these Rules and Regulations specific to federal major modifications and federal major stationary sources, an applicant for such project or modification may choose to use the methods contained in 40 CFR 51.165 (a)(2)(ii)(B) through (F), and references therein, as they existed on April 27, 2016. Applicants choosing to use the methods contained in 40 CFR 51.165 (a)(2)(ii)(B) through (F) shall comply with the recordkeeping and reporting requirements contained in 40 CFR 51.165 (a)(6) and (a)(7) when there is a reasonable possibility, as defined in 40 CFR 51.165 (a)(6)(vi), that a project that is not a major modification may result in a significant emissions increase of a regulated NSR pollutant. References in 40 CFR 51.165 (a)(2)(ii)(B) through (F) to major modification and to major stationary source shall be read as referring to federal major modification and federal major stationary source as defined in Section (c) of this rule. The provisions of this Section (d) for determining emissions increases, excluding this Subsection (d)(3)(vii), shall apply for all other purposes of this Rule 20.1 and Rules 20.2, 20.3 and 20.4.

(4) **EMISSION REDUCTION - POTENTIAL TO EMIT, ACTUAL EMISSION REDUCTION, EMISSION REDUCTION CREDITS**

A project's or emission unit's emission reduction shall be calculated as follows:

(i) **Reduction in the Potential to Emit**

(A) Modified Emission Units

Reduction in the potential to emit for a modified emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit.

(B) Relocated Emission Units

Reduction in the potential to emit for a relocated emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit. Notwithstanding the foregoing, the post-project potential to emit of a relocated emission unit shall be used in determining the aggregate potential to emit of, and any contemporaneous net emissions increase at, the stationary source to which it is relocated, and the emission increase of any project which the relocated emission unit is a part.

(C) Replacement Emission Units

Reduction in the potential to emit for a replacement emission unit shall be calculated as the existing emission unit's pre-project potential to emit minus the replacement emission unit's post-project potential to emit.

(D) Portable Emission Units

Reduction in the potential to emit for a portable emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit.

(E) Projects

Reduction in the potential to emit for a project shall be calculated as the project's pre-project potential to emit minus the project's post-project potential to emit.

(ii) **Actual Emission Reduction**

Notwithstanding any other provision of this rule, actual emissions calculated pursuant to Subsection (d)(2)(ii), (iii) and (iv) shall be used for purposes of determining an actual emission reduction in accordance with this Subsection (d)(4)(ii) and Subsection (d)(4)(iii). An actual emission reduction must be real, surplus, enforceable, quantifiable and permanent. Actual emission reductions shall be calculated as follows:

(A) Shutdowns

Unless an emission unit is replaced, actual emission reductions from the shutdown of an emission unit shall be calculated based on the emission unit's pre-project actual emissions. Actual emission reductions from the shutdown and replacement of an emission unit shall be calculated pursuant to Subsection (d)(4)(ii)(D).

(B) Modified Emission Units

Actual emission reductions from a modified emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(C) Relocated Emission Units

Actual emission reductions from a relocated emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(D) Replacement Emission Units

Actual emission reductions from a replacement emission unit shall be calculated as the existing emission unit's pre-project actual emissions minus the replacement emission unit's post-project potential to emit.

(E) Portable Emission Units

Actual emission reductions from a portable emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(F) Projects

Actual emission reductions from a project shall be calculated as the sum of all the pre-project actual emissions from the emission units aggregated in the project minus the project's post-project potential to emit.

(iii) **Adjustments For Determining Actual Emission Reductions**

The following adjustments shall be made in determining actual emission reductions:

(A) Units Permitted and Operated Less Than Two Years

If an emission unit has been permitted and operated for a period less than two years, the emission unit's actual emissions (in tons per year) shall be calculated as the unit's actual emissions (in tons) that occurred during the actual operating time period multiplied by the actual operating time period in days divided by 1,460 days.

(B) Adjustments for Permitted Emission Units

Actual emission reductions from permitted emission units shall exclude emission reductions which are not surplus at the time the actual emission reduction is determined.

(C) Adjustments for Emission Units Exempt from Permit Requirements

This provision shall apply to actual emission reductions from an emission unit which is exempt from permit requirements pursuant to Rule 11. Such actual emission reductions shall be determined in accordance with Subsections (d)(2)(ii), (d)(2)(iii) and (d)(4)(ii) of this rule, but shall not be further reduced in accordance with this rule at the time the actual emission reduction is determined. However, at the time the emission reduction credits (ERCs) or actual emission reductions created from such an exempt emission unit are used to meet an emission offset requirement of these Rules 20.1 and 20.3 or 20.4, the ERCs or the actual emission reduction, as applicable, shall be further

adjusted to exclude emission reductions which are not surplus at the time the ERC or actual emission reduction is so used. A condition shall be included in any ERC for such an exempt emission unit requiring such adjustment to occur at the time of use of the ERC.

(iv) **Emission Reduction Credits (ERCs)**

The following procedures shall be followed in evaluating and acting on an application for emission reduction credits:

(A) An emission reduction credit may be approved by the Air Pollution Control Officer upon determining that the actual emission reduction that is the basis of such credit meets the applicable requirements of this Rule 20.1, and of these Rules and Regulations, in effect at the time that such credit is approved.

(B) The Air Pollution Control Officer's approval of an emission reduction credit shall be in writing and shall contain conditions necessary to ensure the validity of the credit.

(C) Such approval shall be first subject to public notice in a newspaper of general circulation and on the public notice section of the Air Pollution Control District's web site, for the duration of the public comment period, and a 30-calendar day period for public, agency and applicant review and comment. A copy of the public notice shall be provided to the federal EPA, through its Region 9 office, and to the California ARB.

(D) An applicant for an emission reduction credit may appeal the denial or conditional approval of a credit to the Air Pollution Control District Hearing Board within 30 days of receipt of such denial or conditional approval.

(E) The use of an emission reduction credit to meet an emission offset requirement of these Rules 20.1, 20.3 or 20.4 shall be subject to the applicable requirements of those rules.

(5) **EMISSION OFFSETS**

Emission offsets are actual emission reductions which are provided to mitigate emission increases where required by these Rules and Regulations. In order to be considered an emission offset, actual emission reductions or ERCs must be valid for the life of the emission increase which they are offsetting. Emission offsets must meet the applicable criteria specified in this Rule 20.1 and Rules 20.3 and 20.4.

(i) Emission offsets shall consist of:

(A) actual emission reductions calculated in accordance with Subsections (d)(4)(ii) and (d)(4)(iii) of this rule; or,

(B) ERCs meeting the applicable requirements of Rules 20.1 through 20.4 in effect at the time such ERCs were approved; or,

(C) mobile source ERCs issued pursuant to Rule 27.1; or,

(D) emission reduction credits issued pursuant to a District rule which has been approved by the federal EPA into the District portion of the State Implementation Plan and which contains standards for the creation and approval of such credits.

(ii) In order to qualify as an emission offset, actual emission reductions shall have been evaluated and approved as an emission reduction credit by the Air Pollution Control Officer pursuant to the applicable requirements of Rules 20.1, 20.3 and 20.4 or Rule 27.1, or an applicable District emission reduction credit creation and approval rule approved by the federal EPA into the State Implementation Plan, unless the actual emission reductions are being proposed to offset emission increases occurring concurrently at the stationary source. In such a case, the Air Pollution Control Officer may choose to administratively forego the issuance of ERCs.

(iii) Emission offsets shall be in effect and enforceable at the time of startup of the emission unit, project or stationary source requiring the offsets.

(iv) Emission offsets must be federally enforceable at the time of issuance of an Authority to Construct if the source is a new federal major stationary source or a federal major modification for the pollutant for which offsets are being provided.

(v) Actual emission reductions and ERCs used to meet the emission offset requirements of Rules 20.3 applicable to a new federal major stationary source or a federal major modification shall be surplus of federal requirements at the time such emission reductions and ERCs are to be used as offsets. If the actual emission reductions, which were the basis of any such offsetting emission reductions or ERCs, resulted from the shutdown or curtailment in production and/or operating hours of an existing emission unit or existing stationary source, where such shutdown or curtailment occurred on or before the last day of the baseline year used in the Air Pollution Control District's most recent NAAQS attainment plan, such emissions must have been included in the projected emissions inventory used to develop the attainment demonstration associated with that plan.

(vi) Emission offsets shall be provided on a ton per year basis.

(vii) Emission offsets shall be located in San Diego County, except as provided pursuant to a District rule, approved by the California ARB and the federal EPA into the District portion of the State Implementation Plan, containing standards for the creation and approval of emission reduction credits in coastal waters adjacent to San Diego County.

(e) OTHER PROVISIONS

(1) CONTINUITY OF EXISTING PERMITS

All of the conditions contained in any Authority to Construct or Permit to Operate issued prior to November 5, 2018, shall remain valid and enforceable for the life of the Authority to Construct or Permit to Operate, unless specifically modified by the District.

2. Proposed amended Rule 20.3 is to read as follows:

RULE 20.3
NEW SOURCE REVIEW
MAJOR STATIONARY SOURCES AND PSD STATIONARY SOURCES
(Rev. Adopted & Effective *(date of adoption)*)

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE No.</u>
(a) APPLICABILITY	1
(b) EXEMPTIONS	1
(c) DEFINITIONS	2
(d) STANDARDS	2
(1) Best Available Control Technology (BACT) and Lowest Achievable Emission Rate (LAER)	2
(i) New or Modified Emission Units - BACT	2
(ii) Relocated Emission Units - BACT	3
(iii) Replacement Emission Units - BACT	3
(iv) Emergency Equipment Emission Units	3
(v) Lowest Achievable Emission Rate (LAER)	3
(vi) New, Modified, Relocated or Replacement Emission Units – PSD Stationary Sources	4
(vii) Projects with Multiple Emission Units	4
(2) Air Quality Impact Analysis (AQIA)	4
(i) AQIA for New, Modified, Replacement or Relocated Emission Units and Projects	4
Table 20.3 - 1: AQIA Trigger Levels	5
(ii) AQIA for PM _{2.5} and PM ₁₀ Emission Increases	5
(iii) AQIA for Projects	6
(iv) AQIA Not Required for NO _x or VOC Impacts on Ozone	6
(v) AQIA Requirements for PM ₁₀ Impacts May be Waived	6
(vi) AQIA May be Required	7
(3) Prevention of Significant Deterioration (PSD)	8
(i) Applicability	8
(ii) Notification Requirements	9
(iii) Air Quality Impact Analysis (AQIA)	10
(iv) Air Quality Increment	10
(v) Additional Impacts Analyses	11
(vi) Protection of Class I Areas	12
(vii) Additional Requirements	12
(4) Public Notice and Comment	13
(i) Public Comment Period	13
(ii) Applicant Response	13
(iii) Publication of Notice	14

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(iv) Information to be Made Available for Public Inspection.....	14
(4) Public Notice and Comment	13
(i) Public Comment Period	13
(ii) Applicant Response.....	13
(iii) Publication of Notice.....	14
(iv) Information to be Made Available for Public Inspection.....	14
(5) Emission Offset Requirements	15
(i) Determination of Applicability	15
(ii) Emission Offsets	15
Table 20.3-2: NO _x and VOC Offset Ratio	15
(e) ADDITIONAL REQUIREMENTS–FEDERAL MAJOR STATIONARY SOURCES	17
(1) Compliance Certification	17
(2) Alternative Siting and Alternatives Analysis.....	18
(3) Analysis of Visibility Impairment in Class I Areas	18
(i) Required Analyses	18
(ii) Notification Requirements	18
(iii) Application Denial	19
(4) Prohibition on Issuing Federal Major Stationary Source Permits	19

NOTE: The following listed sections and subsections will not be submitted to the federal Environmental Protection Agency (EPA) for inclusion in the State Implementation Plan (SIP). As such, the following listed sections and subsections are not enforceable by EPA, but remain enforceable by the San Diego County Air Pollution Control District.

Subsection(d)(1)(vi); Subsections (d)(2)(i)(B), (d)(2)(v), and (d)(2)(vi)(B); and, Subsection (d)(3).

RULE 20.3. NEW SOURCE REVIEW - MAJOR STATIONARY SOURCES AND PREVENTION OF SIGNIFICANT DETERIORATION (PSD) STATIONARY SOURCES

Rev. Adopted and Effective (*date of adoption*)

(a) APPLICABILITY

This rule applies to any new or modified major stationary source, to any new or modified federal major stationary source, to any new or modified emission unit, to any replacement emission unit, and to any relocated emission unit being moved to a stationary source if, after completion of the project, the stationary source will be a major stationary source, a federal major stationary source, or a Prevention of Significant Deterioration (PSD) Stationary Source. This rule does not apply to identical or like-kind replacement emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. This rule does not apply to any portable emission unit. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these rules and regulations, or state and federal law.

(b) EXEMPTIONS

The exemptions contained in Rule 20.1 – New Source Review (NSR)-General Provisions, Section (b) Exemptions, apply to this rule. In addition, for purposes of this rule, the following exemptions shall apply.

(1) An existing permitted emission unit which is to be temporarily relocated from one stationary source within San Diego County to another stationary source shall be exempt from the BACT requirements of Subsection (d)(1)(ii) provided that:

(i) The emission unit is not being modified,

(ii) There is no increase in the emission unit's potential to emit,

(iii) The unit is not located for more than 180 days at the stationary source where it is moved to,

(iv) The emission unit is not located at more than two stationary sources over any 365-day period, and

(v) The emission unit at the new location does not constitute a new federal major stationary source nor a federal major modification.

(2) An existing permitted emission unit which is to be permanently relocated from one stationary source within San Diego County to another stationary source shall be exempt from the BACT requirements of Subsection (d)(1)(ii), provided that:

(i) There is no increase in the emission unit's potential to emit,

(ii) The relocation occurs within 10 miles of the previous stationary source,

(iii) The relocated emission unit commences operating at the stationary source it was relocated to within one year of the emission unit ceasing operations at its previous stationary source, and

(iv) The emission unit at the new location does not constitute a new federal major stationary source nor a federal major modification.

(3) Emission increases resulting from an air contaminant emission control project shall be exempt from the emission offset requirements of Subsection (d)(5) of this rule to the extent that the project does not include an increase in the capacity of the emission unit being controlled. Emission increases that are associated with an increase in capacity of the emission unit being controlled shall be subject to the emission offset provisions of this rule, as applicable. This exemption from offsets shall not apply to any air contaminant for which the emissions increase constitutes a new federal major stationary source, or for which the emissions increase constitutes a federal major modification unless the emissions increase is for NO_x or VOC and the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area.

(c) **DEFINITIONS**

The definitions contained in Rule 20.1, Section (c) Definitions, apply to this rule.

(d) **STANDARDS**

(1) **BEST AVAILABLE CONTROL TECHNOLOGY (BACT) AND LOWEST ACHIEVABLE EMISSION RATE (LAER)**

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

(i) **New or Modified Emission Units - BACT**

Except as provided in Subsection (d)(1)(v), any new or modified emission unit which has any increase in its potential to emit particulate matter (PM₁₀), oxides of nitrogen (NO_x), volatile organic compounds (VOC), or oxides of sulfur (SO_x) and which unit has a post-project potential to emit 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(ii) **Relocated Emission Units - BACT**

Except as provided in Subsections (b)(1), (b)(2) and (d)(1)(v), any relocated emission unit with a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(iii) **Replacement Emission Units - BACT**

Except as provided in Subsection (d)(1)(v), any replacement emission unit with a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(iv) **Emergency Equipment Emission Units**

For any emergency equipment emission unit subject to the BACT requirements of Subsections (d)(1)(i), (ii), (iii) or (vi) of this rule, BACT shall apply based on the unit's non-emergency operation emissions and excluding the unit's emissions while operating during emergency situations.

(v) **Lowest Achievable Emission Rate (LAER)**

(A) Except as provided for in paragraphs (d)(1)(v)(B) and (C) below, LAER shall be required for each new, modified, relocated or replacement emission unit and project which results in an emissions increase which constitutes a new major stationary source, a new federal major stationary source, major modification, or federal major modification. LAER shall be required only for those air contaminants and their precursors for which the stationary source is major and for which the District is classified as non-attainment of a national ambient air quality standard.

(B) If actual emission reductions of VOC or NO_x, as applicable, are provided from within the stationary source at a ratio of at least 1.3 to 1.0 for the emissions increases of VOC or NO_x from an emissions unit or project subject to the LAER provisions of this Subsection (d)(1)(v), such emission increases shall be exempt from the requirement for LAER and from further emission offsets under Subsection (d)(5) of this rule and shall instead be subject to BACT. This provision shall not apply if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area.

(C) A new, modified, relocated or replacement emission unit or project at an existing major stationary source or federal major stationary source which results in an emission increase of VOC or NO_x, and which increase would be otherwise subject to LAER, shall be subject to BACT instead of LAER provided the stationary source's post-project aggregate potential to emit is less than 100 tons per year of VOC or NO_x. This provision shall apply on a pollutant-specific basis. This provision shall not apply if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area.

(vi) **New, Modified, Relocated or Replacement Emission Units – PSD Stationary Sources**

Any new, modified, relocated or replacement emission unit at a PSD stationary source, which emission unit has an emission increase of one or more air contaminants which constitutes a new PSD stationary source (see Table 20.1-11) or

PSD modification (see Tables 20.1-8 and 20.1-10), shall be equipped with BACT for each such air contaminant.

(vii) **Projects with Multiple Emission Units**

Where a project at a stationary source consists of more than one new, modified, relocated or replacement emission unit required by this Subsection (d)(1) to be equipped with BACT or LAER, BACT or LAER, as applicable, shall be evaluated for each such emission unit. The Air Pollution Control Officer may require that BACT or LAER, as applicable, be also evaluated for combinations of such emission units. Where technologically feasible, lowest emitting and, for BACT, cost-effective, the Air Pollution Control Officer may require that BACT or LAER be applied to a combination of such emission units. In such case, BACT or LAER applied to such combinations shall not result in greater emissions for the project nor for each emission unit that is part of the project than were BACT or LAER, as applicable, applied to each emission unit.

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit or project subject to this rule unless the following requirements are satisfied.

The demonstrations required by this Subsection (d)(2) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) **AQIA for New, Modified, Replacement or Relocated Emission Units and Projects**

(A) For each new, modified, replacement or relocated emission unit and project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.3 – 1 below, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer through an AQIA, as defined in Rule 20.1, that such emissions increase will not:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, nor

(3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard, nor

(4) by itself, result in an increase in ambient concentrations of any air contaminant, for which San Diego County is in attainment of the applicable national ambient air quality standards, greater than the

applicable air quality increment above the baseline concentration for that air contaminant in any Class I or Class II area. This provision shall only apply if the emissions increase constitutes a new federal major stationary source or federal major modification.

(B) For each new, modified, replacement or relocated emission unit and project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.3 – 1 below, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, that such emissions increase will not:

- (1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, nor
- (2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(v), nor
- (3) prevent or interfere with the attainment or maintenance of any state ambient air quality standard.

TABLE 20.3 - 1
AQIA Trigger Levels

<u>Air Contaminant</u>	<u>Emission Rate</u>		
	<u>(lb/hr)</u>	<u>(lb/day)</u>	<u>(tons/yr)</u>
Particulate Matter (PM ₁₀)	---	100	15
Fine Particulate Matter (PM _{2.5})	---	67	10
Oxides of Nitrogen (NO _x)	25	250	40
Oxides of Sulfur (SO _x)	25	250	40
Carbon Monoxide (CO)	100	550	100
Lead and Lead Compounds	---	3.2	0.6

(ii) **AQIA for PM_{2.5} and PM₁₀ Emission Increases**

In determining if a PM_{2.5} or PM₁₀ AQIA is required under this Subsection (d)(2), the emissions increases shall include both directly emitted PM_{2.5} and PM₁₀, and PM_{2.5} and PM₁₀ which would condense after discharge to the atmosphere. If a PM_{2.5} or PM₁₀ AQIA is required, the AQIA shall include both directly emitted PM_{2.5} or PM₁₀, and PM_{2.5} or PM₁₀ which would condense after discharge to the atmosphere. Any permit terms or conditions limiting emissions of PM_{2.5} or PM₁₀ as a result of the requirements of this Subsection (d)(2) shall apply to the combination of both directly emitted and condensable PM_{2.5} or PM₁₀. The provisions of this Subsection (d)(2)(ii) shall apply separately to PM_{2.5} and PM₁₀.

(iii) **AQIA for Projects**

Where a project consists of multiple new, modified, replacement or relocated emission units, the determination of whether an air quality impact analysis is required under this Subsection (d)(2) shall be based on the aggregate total of

emissions increases occurring from those project emission units for which emissions are increasing, excluding any concurrent actual emission reductions occurring from other emission units at the same stationary source. If an air quality impact analysis is required, the air quality impacts of the project shall be based on the aggregate of the air quality impacts of each unit's emission increases at each off-site location analyzed. The air quality impact reduction at any off-site location analyzed that results from any concurrent, enforceable actual emission reductions occurring from other emission units, at the same stationary source, may be included to determine the net air quality impacts of a project at such off-site location.

(iv) **AQIA Not Required for NO_x or VOC Impacts on Ozone**

Notwithstanding the requirements of this Subsection (d)(2) a demonstration shall not be required for determining the impacts from an emission unit's or project's NO_x or VOC emissions on an ambient air quality standard for ozone, unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of NO_x or VOC emissions from such emission unit or project on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board (CARB) with regard to state ambient air quality standards and the federal EPA with regard to national ambient air quality standards.

(v) **AQIA Requirements for PM₁₀ Impacts May be Waived**

Notwithstanding the requirements of Subsection (d)(2)(i), the Air Pollution Control Officer may waive the AQIA requirements for PM₁₀ impacts on the state ambient air quality standards, as follows:

(A) If the project will result in a maximum PM₁₀ air quality impact of less than 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis), all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at a ratio of 1.5 to 1.

(B) If the project will result in a maximum PM₁₀ air quality impact equal to or greater than 5 µg/m³ but less than 10 µg/m³ (24-hour average basis) or equal to or greater than 3 µg/m³ but less than 6 µg/m³ (annual geometric mean basis):

(1) the project must be equipped with BACT for PM₁₀ emissions without consideration for cost-effectiveness,

(2) all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at an overall ratio of 1.5 to 1,

(3) sufficient emission offsets must be provided within the project's impact area to offset all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, at a ratio of at least 1 to 1,

(4) emission offsets in an amount and location which are demonstrated to have a modeled off-stationary source air quality impact at least equal to the project's PM₁₀ ambient air quality impact minus 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis) must be provided, and

(5) all reasonable efforts to reduce the air quality impacts of the project are made.

(C) In no case shall the project result in a maximum PM₁₀ air quality impact equal to or greater than 10 µg/m³ (24-hour average basis) or equal to or greater than 6 µg/m³ (annual geometric mean basis).

(vi) **AQIA May be Required**

(A) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any new or modified stationary source, any emission unit or any project if the stationary source, emission unit or project may be expected to:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, or

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, or

(3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard, or

(4) by itself, result in an increase in ambient concentrations of any air contaminant, for which San Diego County is in attainment of the applicable national ambient air quality standards, greater than the applicable air quality increment above the baseline concentration for that air contaminant in any Class I or Class II area. This provision shall only apply if the emissions increase constitutes a new federal major stationary source or federal major modification.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any stationary source, emission unit or project for which an AQIA is required pursuant to this Subsection (d)(2)(vi)(A) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such source, unit or project will not result in any of the impacts to the national ambient air quality standards or an air quality increment specified above in (1), (2), (3) and (4) of this Subsection (d)(2)(vi)(A).

(B) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any new or modified stationary source, any emission unit or any project if the stationary source, emission unit or project may be expected to:

(1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, or

(2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(v), or

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any stationary source, emission unit or project for which an AQIA is required pursuant to this Subsection (d)(2)(vi)(B) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emissions increases from such source, unit or project will not result in any of the impacts to state ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(vi)(B).

(3) PREVENTION OF SIGNIFICANT DETERIORATION (PSD)

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any project subject to this Subsection (d)(3) unless the applicant demonstrates that the following requirements are satisfied. The demonstrations required by this Subsection (d)(3) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) Applicability

(A) PSD Stationary Sources

(1) The provisions of Subsections (d)(3)(ii) through (vii) below shall apply to any new PSD stationary source and to any PSD modification, for those air contaminants for which the District is classified as attainment or unclassified with respect to a national ambient air quality standard.

(2) The provisions of Subsections (d)(3)(ii), (iii), (v) and (vii) below shall apply to any emission increase of a non-criteria air contaminant at a PSD stationary source with a potential to emit equal to or greater than a non-criteria pollutant emissions significance level (see Table 20.1-8) for the air contaminant.

(B) Major Stationary Sources – Projects Causing a Significant Impact

The provisions of Subsections (d)(3)(ii) through (vii) shall apply to any project at a new or modified major stationary source, which project is expected to have, as determined by an AQIA required pursuant to Subsection (d)(2):

(1) a significant impact on any Class I area, regardless of the Class I area's national attainment or nonattainment classification, or

(2) a significant impact on any Class II area where the Class II area is classified as attainment of the national ambient air quality standard for that air contaminant for which there is a significant impact.

(ii) **Notification Requirements**

(A) **Notification of Federal Land Manager - Before Application Submittal**

The applicant shall provide written notification to the Federal Land Manager of the applicant's intent to file an application for an Authority to Construct, Permit to Operate, or a Determination of Compliance pursuant to Rule 20.5 – Power Plants, not less than 30 days prior to application submittal. The applicant's notification to the Federal Land Manager shall include copies of all of the analyses required by this Subsection (d)(3). Concurrently, the applicant shall notify the federal EPA and the District, and provide copies of the written notification given to the Federal Land Manager.

(B) **Notification of Federal Land Manager - After Application Submittal**

If a project is modified prior to issuance of an Authority to Construct such that it becomes subject to Subsection (d)(3), the Air Pollution Control Officer shall provide the notification required by Subsection (d)(3)(ii)(A) no later than 15 days after it is determined that the provisions of Subsection (d)(3) apply.

(C) **Failure to Notify**

If the applicant has failed to provide the notification required by Subsection (d)(3)(ii)(A) within the time periods described in that subsection, the applicant shall provide the notification required by that subsection no later than 15 days after the Air Pollution Control Officer informs the applicant that the provisions of Subsection (d)(3) apply.

(iii) **Air Quality Impact Analysis (AQIA)**

Notwithstanding the emission threshold requirements of Subsection (d)(2), the applicant shall perform an AQIA as prescribed in Subsection (d)(2) for those pollutants for which, pursuant to Subsection (d)(3)(i), Subsection (d)(3) applies. In conducting the AQIA, projected growth calculated pursuant to (d)(3)(v)(A) shall be

taken into account. The Air Pollution Control Officer shall comply with the public comment and notice provisions of Subsection (d)(4) and with the following:

(A) Federal Land Manager and Federal EPA Notification

Notify the Federal Land Manager and EPA. This notification shall include all of the analyses required by Subsection (d)(3), the location of the project, the project's approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1, Table 20.1 - 3), and the results of the AQIA, at least 60 days prior to the public comment period required by Subsection (d)(4).

(B) CARB, SCAQMD and Imperial County APCD Notification

Notify and submit to the CARB, the South Coast Air Quality Management District (SCAQMD) and the Imperial County Air Pollution Control District (ICAPCD) all of the information required by Subsection (d)(4)(iv).

(iv) Air Quality Increment

If the stationary source is located in an area designated as attainment or unclassified for the SO₂, NO₂, PM_{2.5} or PM₁₀ national ambient air quality standards pursuant to Section 107(d)(1)(D) or (E) of the federal Clean Air Act, the following shall be satisfied:

(A) The applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, using procedures approved by the Air Pollution Control Officer, that the applicable air quality increments are not exceeded within the project's impact area.

(B) The demonstration required by Subsection (d)(3)(iv)(A) shall include the following:

(1) a description of the federal attainment area where a significant impact occurs and the attainment area's corresponding minor source baseline date, and

(2) an analysis of the air quality impacts of all increment consuming and increment expanding emissions within the impact area, and

(3) an analysis of the air quality impacts of increment consuming and increment expanding emissions outside the impact area that may have a significant impact within the impact area.

(v) **Additional Impacts Analyses**

The analyses required by Subsections (d)(3)(v)(A) through (C) shall include the impacts of total emissions which exceed a non-criteria emissions significance level.

(A) **Growth Analysis**

The applicant shall prepare a growth analysis containing all of the following:

- (1) an assessment of the availability of residential, commercial, and industrial services in the area surrounding the stationary source,
- (2) a projection of the growth in residential, industrial and commercial sources, construction related activities, and permanent and temporary mobile sources which will result from the construction of the new major stationary source or major modification, including any secondary emissions associated with the construction,
- (3) an estimate of the emission of all pollutants from the projected growth, and
- (4) a determination of the air quality impacts occurring due to the combined emissions from the projected growth and the stationary source's emissions increase.

(B) **Soils and Vegetation Analysis**

The applicant shall perform an analysis of the impacts from air contaminants on soils and vegetation containing all of the following:

- (1) the analysis shall be based on an inventory of the soils and vegetation types found in the impact area, including all vegetation with any commercial or recreational value, and
- (2) the analysis shall consider the impacts of the combined emissions from projected growth as determined above, pursuant to Subsection (d)(3)(v)(A) and the stationary source's emissions increase.

(C) **Visibility Impairment Analysis**

The applicant shall perform a visibility impairment analysis. The analysis shall focus on the effects of the emission increases from the new PSD stationary source or PSD modification and their impacts on visibility within the impact area. The analysis shall include a catalog of scenic vistas, airports, or other areas which could be affected by a loss of visibility within the impact area, a determination of the visual quality of the impact area, and an initial screening of emission sources to assess the possibility of visibility impairment.

If the screening analysis indicates that a visibility impairment will occur, as determined by the Air Pollution Control Officer, a more in-depth visibility analysis shall be prepared.

(vi) **Protection of Class I Areas**

(A) **Requirements**

(1) An AQIA shall be prepared as prescribed in Subsection (d)(2) for all emission increases attributable to the new or modified stationary source, notwithstanding the emission threshold requirements of Subsection (d)(2). The AQIA shall include a demonstration that the new or modified stationary source will not cause or contribute to a violation of any national ambient air quality standard nor interfere with the attainment or maintenance of those standards.

(2) The analyses contained in Subsections (d)(3)(iii) through (v) shall be prepared for all emission increases which will result in a significant impact.

(B) **Application Denial - Federal Land Manager/Air Pollution Control Officer Concurrence**

The Air Pollution Control Officer shall deny an Authority to Construct for a new or modified stationary source subject to this Subsection (d)(3)(vi), if the Federal Land Manager demonstrates, and the Air Pollution Control Officer concurs, that granting the Authority to Construct would result in an adverse impact on visibility, soils, vegetation or air quality related values of a Class I area. The Air Pollution Control Officer shall take into consideration mitigation measures identified by the Federal Land Manager in making the determination.

(vii) **Additional Requirements**

(A) **Tracking of Air Quality Increment Consumption Sources**

The Air Pollution Control Officer shall track air quality increment consumption, consistent with current requirements established by the federal EPA.

(B) **Preconstruction Monitoring Requirement**

The applicant shall submit at least one year of continuous monitoring data, unless the Air Pollution Control Officer determines that a complete and adequate analysis can be accomplished with monitoring data gathered over a shorter period. Such shorter period shall not be less than four consecutive months. The requirement for monitoring may be waived by the Air Pollution Control Officer if representative monitoring data is already available.

(C) Cancellation of Authority to Construct

Any Authority to Construct or modified Permit to Operate issued to a PSD stationary source subject to the provisions of Subsection (d)(3) of this rule, shall become invalid if construction or modification is not commenced within 18 months after its issuance or if construction or modification is discontinued for a period of 18 months or more after its issuance. The 18-month period may be extended by the Air Pollution Control Officer for good cause.

(4) **PUBLIC NOTICE AND COMMENT**

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any emission unit or project subject to the AQIA or notification requirements of Subsections (d)(2) or (d)(3) above, nor for any emission unit or project which results in an emissions increase of VOC equal to or greater than 250 pounds per day or 40 tons per year, nor for any emission unit or project that would otherwise constitute a new major stationary source, a new federal major stationary source, a major modification or a federal major modification, unless the following requirements are satisfied.

(i) **Public Comment Period**

At least 40 days before taking final action on an application, the Air Pollution Control Officer shall:

(A) provide the public with notice of the proposed action in the manner prescribed in Subsection (d)(4)(iii), and

(B) provide the CARB, federal EPA, and any tribal air pollution control agencies having jurisdiction in the San Diego Air Basin with notice of the proposed action and all of the information specified in Subsection (d)(4)(iv), and

(C) make available for public inspection all information relevant to the proposed action as specified in Subsection (d)(4)(iv), and

(D) provide at least a 30-day period within which comments may be submitted.

The Air Pollution Control Officer shall consider all comments submitted.

(ii) **Applicant Response**

Except as agreed to by the applicant and the Air Pollution Control Officer, no later than 10 days after close of the public comment period, the applicant may submit written responses to any comment received during the public comment period. Responses submitted by the applicant shall be considered prior to the Air Pollution Control Officer taking final action. The applicant's responses shall be made available in the public record of the permit action.

(iii) **Publication of Notice**

The Air Pollution Control Officer shall publish a notice of the proposed action and a copy of the draft Authority to Construct or modified Permit to Operate on the public notice section of the San Diego County Air Pollution Control District's web site for the duration of the public comment period. In addition, the notice shall also be published in at least one newspaper of general circulation in San Diego County. The notice shall:

- (A) include the name and address of the of the applicant, and
- (B) describe the proposed District action, including the preliminary decision to approve, conditionally approve, or deny the application, and
- (C) describe the proposed action and emission changes, including the use of any modified or substitute air quality impact model as allowed under 40 CFR Part 51, Appendix W, and
- (D) identify the location(s) where the public may inspect the information relevant to the proposed action, and
- (E) indicate the date by which all comments must be received by the District for consideration prior to taking final action, and the duration of the public comment period, and
- (F) describe procedures for providing public comment, and
- (G) include the time and place of any hearing, if already scheduled, or the procedures for petitioning for a hearing.

(iv) **Information to be Made Available for Public Inspection**

The relevant information to be made available for public inspection shall include, but not be limited to:

- (A) the application and all analyses and documentation used to support the proposed action, the District's evaluation of the project, a copy of the draft Authority to Construct or modified Permit to Operate and any information submitted by the applicant not previously labeled Trade Secret pursuant to Regulation IX, and
- (B) the proposed District action on the application, including the preliminary decision to approve, conditionally approve or deny the application and the reasons therefor.

(5) **EMISSION OFFSET REQUIREMENTS**

Except as provided for in Subsection (b)(3), the Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any new or

modified stationary source, new or modified emission unit, replacement or relocated emission unit or project which results in an emissions increase that constitutes a new major stationary source, a new federal major source, a major modification, or a federal major modification for NOx or VOC, or for any air contaminant, or its precursor air contaminants, for which the San Diego Air Basin has been designated by EPA as nonattainment for the NAAQS for such air contaminant, unless emission offsets are provided, on a pollutant-specific basis, for such emission increases as specified below.

(i) **Determination of Applicability**

The determination that a new emission unit, project or new stationary source is a new major stationary source or a new federal major stationary source shall be based on the emission unit’s post-project potential to emit, or the project’s or stationary source’s aggregate post-project potential to emit, respectively. The determination that a new, modified, replacement or relocated emission unit or project at an existing major stationary source or federal major stationary source is a major modification or federal major modification shall be based on the stationary source’s contemporaneous net emissions increase, unless the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area where for NOx and VOC emissions it shall be based on the emission unit’s or the project’s emissions increase. These determinations shall be made on a pollutant-specific basis.

The applicant for a new major stationary source, a new federal major stationary source or a new, modified, replacement or relocated emission unit or project at an existing major stationary source or an existing federal major stationary source shall submit, with each application for such emission unit, project or source, sufficient information to determine the emissions increases for the unit, project or source, and the contemporaneous net emissions increases if located at an existing major stationary source.

(ii) **Emission Offsets**

(A) If the NOx or VOC emissions increase from the project under review constitutes a new federal major stationary source or a federal major modification, an emissions increase calculated pursuant to Rule 20.1, Subsections (d)(1) through (3), where the pre-project potential to emit for modified units within the project is calculated in accordance with Rule 20.1, Subsection (d)(1)(i)(D)(2), shall be offset at the ratio listed below in Table 20.3 – 2, based on the ozone nonattainment designation by EPA in 40 CFR 81.305 for the San Diego Air Basin.

**TABLE 20.3 – 2
NOx and VOC Offset Ratio**

<u>Ozone nonattainment designation</u>	<u>Offset Ratio</u>
Marginal, moderate or serious	1.2 to 1.0
Severe	1.3 to 1.0
Extreme	1.5 to 1.0

(B) The requirements of Subsection (d)(5)(ii)(A) of this rule shall not apply to a federal major modification for NO_x or VOC if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area and the emissions increase is offset by emission reductions occurring within the stationary source at a ratio of 1.3 to 1.0.

(C) The requirements of Subsections (d)(5)(ii)(A) and (d)(5)(ii)(B) of this rule shall not apply if the District demonstrates to the satisfaction of EPA that all federal major stationary sources of NO_x and VOC in the District are equipped with federal BACT, as defined in CAA Section 169(3). After EPA approval of such a demonstration, if the NO_x or VOC emissions increase from the project under review constitutes a new federal major stationary source or a federal major modification, such emissions increase shall be offset at a ratio of 1.2 to 1.0.

(D) If the NO_x or VOC emissions increase from the project under review constitutes a new major stationary source or a major modification, such emissions increase shall be offset at a ratio of 1.2 to 1.0.

(E) For any other EPA designated nonattainment air contaminant or its precursor for which the emissions increase from the project under review constitutes a new major stationary source, a new federal major stationary source, a major modification, or a federal major modification, an emissions increase calculated pursuant to Rule 20.1, Subsections (d)(1) through (3), where the pre-project potential to emit for modified units within the project is calculated in accordance with Rule 20.1, Subsection (d)(1)(i)(C) or (D)(2), as applicable, shall be offset at a ratio of 1.0 to 1.0.

(F) When an emissions increase from a new, modified, replacement or relocated emission unit or project has been determined to be subject to, and approved as in compliance with, the emission offset requirements of this rule, the contemporaneous net emissions increase for the subject air contaminant shall thereafter not include the amount of such offset emissions increase from the new or modified emission unit or project, on a pollutant-specific basis.

(G) When the emissions offset requirements of this Subsection (d)(5) are being applied to a new federal major stationary source or federal major modification, the amount of creditable emission reductions from any emission reduction credits to be provided shall be adjusted as specified in Rule 20.1, Subsection (d)(5)(v). Such adjustments shall be made at the time that an Authority to Construct is issued, for credits provided by the applicant on or before such issuance, and at the time that a credit is surrendered, for credits provided by the applicant after issuance of the Authority to Construct.

(e) ADDITIONAL REQUIREMENTS – FEDERAL MAJOR STATIONARY SOURCES

(1) COMPLIANCE CERTIFICATION

Prior to receiving an Authority to Construct or modified Permit to Operate pursuant to this rule, an applicant for any new federal major stationary source or federal major modification shall certify that all major stationary sources owned or operated by such person, or by any entity controlling, controlled by or under common control with such a person, in the state are in compliance, or on an approved schedule for compliance, with all applicable emission limitations and standards under the federal Clean Air Act.

(2) ALTERNATIVE SITING AND ALTERNATIVES ANALYSIS

The applicant for any new federal major stationary source or federal major modification shall conduct an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source or modification which demonstrates that the benefits of the proposed source or modification outweigh the environmental and social costs imposed as a result of its location or construction. Analyses conducted in conjunction with state or federal statutory requirements may be used.

(3) ANALYSIS OF VISIBILITY IMPAIRMENT IN CLASS I AREAS

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit or project which constitutes a new federal major stationary source or federal major modification and which may have an impact on visibility in a Class I area unless the applicant demonstrates that the following requirements are satisfied. The demonstrations required by this Subsection (e)(3) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) Required Analyses

At the time of application submittal, the applicant shall provide an initial screening analysis of the impairment to visibility, including any integral vista, in each affected Class I area as a result of the emissions increases from the new federal major stationary source or federal major modification, and any general commercial, residential, industrial and other growth associated with the new source or modification. If a screening analysis indicates that a visibility impairment will occur, as determined by the Air Pollution Control Officer, a more in-depth visibility impairment analysis shall be prepared. All analyses of impairment to visibility shall be conducted using applicable methods and procedures promulgated or approved by the federal EPA.

(ii) **Notification Requirements**

The Air Pollution Control Officer shall notify the Federal Land Manager and EPA not later than 30 days after receipt of an application for a new federal major source or a federal major modification subject to the requirements of this Subsection (e)(3). The notification shall include a copy of the application submittal, the location of the project, the project's approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1, Table 20.1 - 3), the results of any AQIA, and the results of any screening analysis and any more in-depth analysis of the impacts of the project on visibility in any Class I area.

(iii) **Application Denial**

The Air Pollution Control Officer shall deny an Authority to Construct or Permit to Operate for any new federal major stationary source or federal major modification if the Air Pollution Control Officer finds, after consideration of comments and any analysis from the Federal Land Manager, that the emissions increases from such new source or modification would have an adverse impact on visibility in a Class I area. As defined in 40 CFR 52.21(b)(29), an adverse impact on visibility means visibility impairment which interferes with the management, protection, preservation or enjoyment of the visitor's visual experience of the Class I area.

(4) **PROHIBITION ON ISSUING FEDERAL MAJOR SOURCE PERMITS**

The Air Pollution Control Officer shall not issue a permit to construct or operate a new federal major stationary source or a federal major modification if the EPA Administrator has determined that applicable implementation plan for the nonattainment area is not being adequately implemented.

3. Proposed amended Rule 20.4 is to read as follows:

RULE 20.4
NEW SOURCE REVIEW
PORTABLE EMISSION UNITS
(Rev. Adopted & Effective *(date of adoption)*)

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(a) APPLICABILITY	1
(b) EXEMPTIONS	1
(c) DEFINITIONS	1
(d) STANDARDS	2
(1) BACT and LAER for New, Modified or Replacement Portable Emission Units.....	2
(i) Portable Emission Units - BACT	2
(ii) Portable Emission Units - LAER	2
(iii) Portable Emission Units - PSD Stationary Sources	3
(2) Air Quality Impact Analysis (AQIA).....	3
(i) AQIA for Portable Emission Units	3
Table 20.4 - 1: AQIA Trigger Levels.....	4
(ii) AQIA for PM _{2.5} and PM ₁₀ Emission Increases	4
(iii) AQIA Not Required for NO _x or VOC Impacts on Ozone.....	4
(iv) AQIA Requirements for PM ₁₀ Impacts May be Waived	5
(v) AQIA May be Required	6
(3) Significant Impact in Class I Areas.....	7
(i) Federal Land Manager and Federal EPA Notification.....	7
(ii) CARB, SCAQMD and Imperial APCD Notification	7
(4) Public Notice and Comment	7
(i) Public Comment Period	8
(ii) Applicant Response.....	8
(iii) Publication of Notice.....	8
(iv) Information to be Made Available for Public Inspection.....	9

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(5) Emission Offsets	9
(i) Emission Offsets - Portable Emission Units	9
(ii) Permanent and Temporary Emission Offsets.....	10
(iii) RESERVED	10

NOTE: The following listed sections and subsections will not be submitted to the federal Environmental Protection Agency (EPA) for inclusion in the State Implementation Plan (SIP). As such, the following listed sections and subsections are not enforceable by EPA, but remain enforceable by the San Diego County Air Pollution Control District.

Subsections (b)(2) and (b)(3); Subsection (d)(1)(iii); Subsections (d)(2)(i)(B), (d)(2)(iv), and (d)(2)(v)(B); and Subsections (d)(3) and (d)(5).

RULE 20.4. NEW SOURCE REVIEW - PORTABLE EMISSION UNITS
(Rev. Adopted & Effective *(date of adoption)*)

(a) **APPLICABILITY**

This rule applies to any new, modified or replacement portable emission unit. Subsection (d)(2)(v) of this rule also applies to any stationary source where one or more portable emission units will be located. This rule does not apply to identical or like-kind replacement portable emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these rules and regulations, or state and federal law.

(b) **EXEMPTIONS**

The exemptions contained in Rule 20.1 – a New Source Review (NSR)-General Provisions, Section (b) Exemptions, apply to this rule. In addition, for purposes of this rule, the following exemptions shall apply.

(1) Except as provided in Subsection (d)(2)(v) of this rule, the provisions of this rule shall not apply to any previously permitted portable emission unit, unless such unit is modified or replaced.

(2) Emission increases resulting from an air contaminant emission control project to reduce emissions from a portable emission unit shall be exempt from the emission offset requirements of Subsection (d)(5) of this rule to the extent that the project does not include an increase in the capacity of the emission unit being controlled. Emission increases that are associated with an increase in capacity of the emission unit being controlled shall be subject to the emission offset provisions of this rule, as applicable. This exemption from offsets shall not apply to any air contaminant for which the emissions increase constitutes a new federal major stationary source or a federal major modification.

(3) The emission offset requirements of Subsection (d)(5) of this rule shall not apply to a portable emission unit operating at a stationary source if the operation of such unit is not related to the primary activities of the stationary source, as defined herein.

(c) **DEFINITIONS**

The definitions contained in Rule 20.1 – New Source Review (NSR)-General Provisions, Section (c) Definitions shall apply to this rule. In addition, for purposes of this rule, the following definition shall apply.

(1) "**Related to the Primary Activities of the Stationary Source**" means with regard to the operation of a portable emission unit, that the unit is considered under the same major industrial grouping, as identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*, as the stationary

source where such unit will be operated, or is used as part of or supplements a primary process at the stationary source where the operation of one is dependent upon or affects the operations of the other. This includes industrial processes, manufacturing processes and any connected processes involving a common material, service or product.

(d) **STANDARDS**

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit unless the applicant demonstrates that the following requirements will be satisfied. These requirements shall be applied on an air contaminant-specific basis.

(i) **Portable Emission Units - BACT**

Unless a portable emission unit is equipped to comply with Lowest Achievable Emission Rate (LAER), as provided in Subsection (d)(1)(ii) of this rule, for the following air contaminants otherwise subject to BACT, any new or modified portable emission unit which has any increase in its potential to emit particulate matter (PM₁₀), oxides of nitrogen (NO_x), volatile organic compounds (VOC), or oxides of sulfur (SO_x), and which unit has a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC, or SO_x, respectively, and any replacement portable emission unit which has such a post-project potential to emit, shall be equipped with Best Available Control Technology (BACT) for each such air contaminant.

(ii) **Portable Emission Units - LAER**

Any new, modified or replacement portable emission unit which has any emissions increase of an air contaminant or its precursors for which the District is designated as non-attainment with respect to a national ambient air quality standard, and which may be expected to operate at a stationary source that is a major stationary source or a federal major stationary source of such air contaminant or precursor, shall be equipped to comply with LAER for each such air contaminant or precursor except as provided in (A) or (B) below. For each air contaminant for which LAER is not required by the following, BACT shall apply:

(A) LAER shall not apply if the applicant demonstrates, to the satisfaction of the Air Pollution Control Officer, and agrees to federally enforceable permit conditions to ensure that, the emissions increase of such nonattainment air contaminant or precursor from such unit will not constitute a new major stationary source, a new federal major stationary source, or a major modification or federal major modification at any stationary source at which it is to be located and which is major for such non-attainment air contaminant or precursor.

(B) LAER shall not apply if operation of the portable emission unit is not related to the primary activities of the major stationary source or federal major stationary source at which it is to be located, provided the portable emission unit, or aggregation of such portable emission units co-located at the same stationary source, does not constitute a new federal major stationary source.

(iii) **Portable Emission Units - PSD Stationary Sources**

Any new, modified or replacement portable emission unit which may be located at a Prevention of Significant Deterioration (PSD) stationary source, and which emission unit has an emission increase of one or more air contaminants which constitutes a new PSD stationary source (see Table 20.1-11) or PSD modification (see Tables 20.1-8 and 20.1-10) shall be equipped with BACT for each such air contaminant.

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit unless the following requirements are satisfied. Modeling shall be used to conduct any Air Quality Impact Analysis (AQIA). The AQIA shall be performed using maximum expected ambient air contaminant concentrations within San Diego County, based on existing data, unless the applicant agrees to enforceable permit conditions that require a new AQIA whenever the equipment is to be located at a stationary source for which the initial AQIA was not representative.

The demonstrations required by this Subsection (d)(2) shall be based on the emission unit emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

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

(A) For each new, modified or replacement portable emission unit which results in an emissions increase equal to or greater than the amounts listed in Table 20.4 - 1, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, as defined in Rule 20.1 – New Source Review (NSR)-General Provisions, that the new, modified or replacement portable emission unit will not:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, nor

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

(B) For each new, modified or replacement portable emission unit which results in an emissions increase equal to or greater than the amounts listed in Table 20.4 - 1, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, that the new, modified or replacement portable emission unit will not:

(1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection(d)(2)(iv), nor

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

TABLE 20.4 - 1
AQIA Trigger Levels

<u>Air Contaminant</u>	<u>Emission Rate</u>		
	<u>(lb/hr)</u>	<u>(lb/day)</u>	<u>(tons/yr)</u>
Particulate Matter (PM ₁₀)	---	100	15
Fine Particulate Matter (PM _{2.5})	---	67	10
Oxides of Nitrogen (NO _x)	25	250	40
Oxides of Sulfur (SO _x)	25	250	40
Carbon Monoxide (CO)	100	550	100
Lead and Lead Compounds	---	3.2	0.6

(ii) **AQIA for PM_{2.5} and PM₁₀ Emission Increases**

In determining if a PM_{2.5} or PM₁₀ AQIA is required under this Subsection (d)(2), the emissions increases shall include both directly emitted PM_{2.5} and PM₁₀, and PM_{2.5} and PM₁₀ which would condense after discharge to the atmosphere. If a PM_{2.5} or PM₁₀ AQIA is required, the AQIA shall include both directly emitted PM_{2.5} or PM₁₀, and PM_{2.5} or PM₁₀ which would condense after discharge to the atmosphere. Any permit terms or conditions limiting emissions of PM_{2.5} or PM₁₀ as a result of the requirements of this Subsection (d)(2) shall apply to the combination of both directly emitted and condensable PM_{2.5} or PM₁₀. The provisions of this Subsection (d)(2)(ii) shall apply separately to PM_{2.5} and PM₁₀.

(iii) **AQIA Not Required for NO_x or VOC Impacts on Ozone**

Notwithstanding any other provision of this rule, a demonstration shall not be required for determining the impacts from a portable emission unit's NO_x or VOC emissions on an ambient air quality standards for ozone, unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of NO_x or VOC emissions from such portable emission units on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board (CARB) with regard to state ambient air quality

standards and the federal Environmental Protection Agency (EPA) with regard to national ambient air quality standards.

(iv) **AQIA Requirements for PM₁₀ Impacts May be Waived**

Notwithstanding the requirements of Subsection (d)(2)(i) above, the Air Pollution Control Officer may waive the AQIA requirements for PM₁₀ impacts on the state ambient air quality standards, as follows:

(A) If the emission unit, individually or in combination with any other portable emission units proposed to be co-located, will result in a maximum particulate matter air quality impact of less than 5 $\mu\text{g}/\text{m}^3$ (24-hour average basis) and 3 $\mu\text{g}/\text{m}^3$ (annual geometric mean basis), all of the emission unit's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at a ratio of 1.5 to 1.

(B) If the emission unit, individually or in combination with any other portable emission units proposed to be co-located, will result in a maximum PM₁₀ air quality impact equal to or greater than 5 $\mu\text{g}/\text{m}^3$ but less than 10 $\mu\text{g}/\text{m}^3$ (24-hour average basis) or equal to or greater than 3 $\mu\text{g}/\text{m}^3$ but less than 6 $\mu\text{g}/\text{m}^3$ (annual geometric mean basis):

(1) the emission unit must be equipped with BACT for PM₁₀ without consideration for cost-effectiveness,

(2) all of the emission unit's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at an overall ratio of 1.5 to 1,

(3) sufficient emission offsets must be provided within the emission unit's impact area to offset all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, at a ratio of at least 1 to 1,

(4) emission offsets in an amount and location which are demonstrated to have a modeled off-stationary source air quality impact at least equal to the emission unit's PM₁₀ ambient air quality impact minus 5 $\mu\text{g}/\text{m}^3$ (24-hour average basis) and 3 $\mu\text{g}/\text{m}^3$ (annual geometric mean basis) must be provided, and

(5) all reasonable efforts to reduce the air quality impacts of the project are made.

(C) In no case shall the emission unit, individually or in combination with any other portable emission units proposed to be co-located, result in a maximum PM₁₀ air quality impact equal to or greater than 10 $\mu\text{g}/\text{m}^3$ (24-hour

average basis) or equal to or greater than $6 \mu\text{g}/\text{m}^3$ (annual geometric mean basis).

(v) **AQIA May be Required**

(A) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any portable emission unit, or aggregation of portable emission units, if it may be expected to:

- (1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, or
- (2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, or
- (3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit or aggregation of portable emission units for which an AQIA is required pursuant to this Subsection (d)(2)(v)(A) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such unit or aggregation of units will not result in any of the impacts to the national ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(v)(A).

(B) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any portable emission unit, or aggregation of portable emission units, if it may be expected to:

- (1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, or
- (2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(iv), or
- (3) prevent or interfere with the attainment or maintenance of any state ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit or aggregation of portable emission units for which an AQIA is required pursuant to this Subsection (d)(2)(v)(B) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such unit or aggregation of units will not result in any of the impacts to state ambient air

quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(v)(B).

(C) If the Air Pollution Control Officer determines that concurrent operations of more than one portable emission unit at the same stationary source may be expected to cause any of the air quality impacts specified in this Subsection (d)(2)(v) to occur, the Air Pollution Control Officer may require the owner or operator of the units, or of the stationary source, to apply for and obtain a Permit to Operate for the operations and to demonstrate that the operations will not cause any such air quality impacts to occur.

This Subsection (d)(2)(v) may be invoked notwithstanding the equipment being previously permitted.

(3) **SIGNIFICANT IMPACT IN CLASS I AREAS**

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit which is expected to have a significant impact on any Class I area, as determined by an AQIA required pursuant to Subsection (d)(2), unless the following requirements are satisfied. The Air Pollution Control Officer shall:

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

Notify the Federal Land Manager and the federal EPA in writing. This notification shall include all of the information specified by Subsection (d)(4)(iv), the location(s) where operation of the portable emission unit may cause a significant impact on any Class I area, the approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1 – New Source Review (NSR)-General Provisions, Table 20.1-3 Class I Areas) and the results of the AQIA, and

(ii) **CARB, SCAQMD and Imperial County APCD Notification**

Notify and submit to the CARB, the South Coast Air Quality Management District (SCAQMD) and the Imperial County Air Pollution Control District (ICAPCD) the information specified in Subsection (d)(4)(iv).

(4) **PUBLIC NOTICE AND COMMENT**

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any portable emission unit subject to the AQIA or notification requirements of Subsections (d)(2) or (d)(3), nor for any emission unit or project which results in an emissions increase of VOCs equal to or greater than 250 pounds per day or 40 tons per year, unless the following requirements are satisfied.

(i) **Public Comment Period**

At least 40 days before taking final action on an application subject to the requirements of Subsections (d)(2) or (d)(3), the Air Pollution Control Officer shall:

(A) provide the public with notice of the proposed action in the manner prescribed in Subsection (d)(4)(iii), and

(B) provide a copy of the public notice to the federal EPA Administrator, through its Region 9 office, to the CARB, and to any tribal air pollution control agencies having jurisdiction in the San Diego Air Basin, and

(C) make available for public inspection all information relevant to the proposed action as specified in Subsection (d)(4)(iv), and

(D) provide at least a 30-day period within which comments may be submitted.

The Air Pollution Control Officer shall consider all comments submitted.

(ii) **Applicant Response**

Except as agreed to by the applicant and the Air Pollution Control Officer, no later than 10 days after close of the public comment period, the applicant may submit written responses to any comment received during the public comment period. Responses submitted by the applicant shall be considered prior to the Air Pollution Control Officer taking final action. The applicant's responses shall be made available in the public record of the permit action.

(iii) **Publication of Notice**

The Air Pollution Control Officer shall publish a notice of the proposed action and a copy of the draft Authority to Construct or modified Permit to Operate on the public notice section of the Air Pollution Control District's web site for the duration of the public comment period. In addition, the notice shall be published in at least one newspaper of general circulation in San Diego County. The notice shall:

(A) include the name and address of the applicant, and

(B) describe the proposed District action, including the preliminary decision to approve, conditionally approve, or deny the application, and

(C) describe the proposed action and emission changes, including the use of any modified or substitute air quality impact model as allowed under 40 CFR Part 51, Appendix W, and

(D) identify the location(s) where the public may inspect the information relevant to the proposed action, and

(E) indicate the date by which all comments must be received by the District for consideration prior to taking final action, and the duration of the public comment period, and

(F) describe procedures for providing public comment, and

(G) include the time and place of any hearing, if already scheduled, or the procedures for petitioning for a hearing.

(iv) **Information to be Made Available for Public Inspection**

The relevant information to be made available for public inspection shall include, but is not limited to:

(A) the application and all analyses and documentation used to support the proposed action, the District's compliance evaluation, a copy of the draft Authority to Construct or Permit to Operate and any information submitted by the applicant not previously labeled Trade Secret pursuant to Regulation IX, and

(B) the proposed District action on the application, including the preliminary decision to approve, conditionally approve or deny the application and the reasons therefore.

(5) **EMISSION OFFSETS**

Except as provided in Subsections (b)(3) and (b)(4) of this rule, the Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit or project which has any emissions increase of VOC or NO_x and which may be located at a major stationary source of such air contaminant unless emission offsets are provided for such emission increases. Emission offsets shall be required on an air contaminant-specific basis and shall meet the requirements specified below and in Subsection (d)(5) of Rule 20.1 – New Source Review (NSR)-General Provisions of these Rules and Regulations.

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

Emission offsets shall be required for emission increases of VOC and NO_x emissions from portable emission units which may be operated at a major stationary source of VOC or NO_x emissions, respectively. If the VOC and NO_x emission increases of the portable emission unit have been previously fully offset by permanent, enforceable emission reductions or the permanent surrender of emission reduction credits pursuant to these Rules and Regulations, no further offsets shall be required unless the unit is subsequently modified resulting in an emissions increase.

If the NO_x and VOC emissions of the unit have not previously been fully and permanently offset, the owner or operator of such unit shall first apply for and obtain a modified Permit to Operate for operation at the major stationary source and shall provide emission offsets, on a pollutant-specific basis, for all VOC and NO_x

emissions from the portable emission unit. Emission offsets shall be provided at a ratio of 1.2 to 1.0 if the portable emission unit is equipped to comply with LAER for VOC or NOx emissions, as applicable, or at a ratio of 1.3 to 1.0 if the portable emission unit is equipped to comply with BACT for VOC or NOx emissions, as applicable.

If a portable emission unit is brought onto a major stationary source of VOC or NOx to remedy an immediately occurring emergency situation, the application for a modified Permit to Operate the portable emission unit shall be submitted within 24 hours from the time the portable emission unit is first located at the affected stationary source.

(ii) **Permanent and Temporary Emission Offsets**

Emission offsets required by this Subsection (d)(5) shall be provided as specified in paragraphs (A) or (B) below.

(A) Permanent Emission Offsets

The owner or operator of a portable emission unit may satisfy the offset requirements of this Subsection (d)(5) by permanently surrendering to the Air Pollution Control Officer sufficient emission reduction credits or providing sufficient permanent actual emission reductions prior to the first date such new, modified or replacement portable emission unit commences operating at a major stationary source of VOC or NOx emissions, as applicable, in San Diego County. Thereafter, further emission offsets shall not be required for the applicable air contaminant unless such unit is modified resulting in an emissions increase.

(B) Temporary Emission Offsets

The owner or operator of a portable emission unit may satisfy the emission offset requirements of this Subsection (d)(5) by temporarily surrendering to the Air Pollution Control Officer sufficient emission reduction credits or temporarily providing concurrent, enforceable actual emission reductions for the entire period of time that the portable emission unit is located at the stationary source where emission offsets are required.

(iii) **RESERVED**

4. Proposed amended Rule 1401 is to read as follows:

REGULATION XIV. TITLE V OPERATING PERMITS

RULE 1401. GENERAL PROVISIONS (Rev. Adopted and Effective (*date of adoption*))

(a) APPLICABILITY

Notwithstanding the provisions of Rule 11 – Exemptions from Rule 10 Permit Requirements, 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 – Exemption from Permit to Operate for Insignificant Units provided that such unit or units are not subject to any applicable requirement other than District Rules 50 – Visible Emissions and Rule 51 – Nuisance. 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**

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 – Permits Required, Section (i) Administrative Permit Amendments.]

(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 – Permits Required, Section (a) Application Shield.

(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 – Applications, Section (f) Complete Application, or an application deemed to be complete pursuant to Rule 1418 – Action on Applications, Section (a) Completeness Determination.

(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 – Exemption from Permit to Operate for Insignificant Units and listed in Appendix A – Insignificant Units of this regulation. An insignificant unit shall not include any unit subject to an applicable requirement other than District Rule 50 – Visible Emissions and Rule 51 – Nuisance.

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

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

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

(iii) emission rates of a "Federal Major Stationary Source" as defined in Rule 20.1 – New Source Review (NSR)-General Provisions, Section (c) Definitions.

(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 – Permits Required 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 – Permits Required, Section (o) Reopening of a Permit to Operate.

(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 – Permits Required of these Rules and Regulations to obtain an authority to construct.

RULE 1402 THROUGH 1409 RESERVED

IT IS FURTHER RESOLVED AND ORDERED that proposed amended Rules 20.1, 20.3 and 20.4 of Regulation II shall take effect on *(date of EPA approval into SIP)*.

IT IS FURTHER RESOLVED AND ORDERED that proposed amended Rule 1401 of Regulation XIV shall take effect on *(date of EPA approval into SIP)*.

PASSED AND ADOPTED by the Air Pollution Control Board of the San Diego County Air Pollution Control District, State of California, this 14th day of October, 2021, by the following votes:

AYES: Birkbeck-Garcia, Bush, Fletcher, Gomez, Martinez, Medina, Sanchez, Shu

ABSENT: Elo-Rivera, Whitburn, Vargas

— — —

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

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



MARVICE MAZYCK
Air Pollution Control District Governing Board Clerk

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL

BY: Rodney Lorang, Senior Deputy

Background of Proposed Amended New Source Review (NSR) and Title V Rules

The rules of the San Diego County Air Pollution Control District (District), including the requirement to have permits to operate, apply to factories and other stationary sources of air pollution in the San Diego region. The purpose of these rules is to protect air quality and public health as new facilities are built and existing facilities expand.

A permit outlines the actions a facility must take to control and reduce its air pollutant emissions to protect public health. Permits must comply with federal, State and local requirements. Rules 20.1, 20.3 and 20.4 regulate emissions of air contaminants from new and modified facilities requiring permits from the District, and Rule 1401 governs the District's Title V permitting program which requires each existing "major stationary source" of regulated air pollutants to obtain a federally enforceable operating permit from the District.

Rule 20.1 Modification Requested by EPA

Existing New Source Review (NSR) Rule 20.1 was amended by the Air Pollution Control Board on June 26, 2019. These rules were developed in close collaboration with the U.S. Environmental Protection Agency (EPA) and the California Air Resources Board (CARB) to ensure compliance with applicable federal and State requirements. Following the Board's approval in 2019, the EPA granted partial approval of Rule 20.1. EPA requested the removal of one sentence in the rule's applicability section which could limit the District's ability to immediately enforce the region's upcoming reclassification from a Serious to Severe ozone nonattainment area on permit applications received, but not yet acted upon.

The San Diego region was officially reclassified by EPA to a Severe ozone nonattainment area, effective July 2, 2021. The reclassification to Severe means that a major stationary source is now defined as a source emitting 25 tons or more per year of either oxides of nitrogen (NOx) or volatile organic compounds (VOC), down from the 50 tons or more per year NOx or VOC threshold for a Serious nonattainment area designation. New and modified major stationary sources are subject to more stringent levels of control than non-major stationary sources.

Rule 20.3 and Rule 20.4 Inter-Pollutant Offset Trading

Previously, existing federal law allowed certain facilities to offset their increased emissions of one air pollutant by reducing the emissions of another air pollutant, at prescribed ratios, provided both pollutants contribute to the same air quality nonattainment problem. For example, volatile organic compounds (VOC) and oxides of nitrogen (NOx) emissions both contribute to the formation of ozone, therefore these two ozone-causing air pollutants could be "traded" during the permitting process to satisfy offset requirements. This is known as "inter-pollutant offset trading".

On January 29, 2021, the U.S. Court of Appeals for the D.C. Circuit ruled that the Clean Air Act does not allow inter-pollutant offset trading for ozone precursors and struck down the provisions allowing for such trading in the EPA's nonattainment NSR regulations (*EPA v. Sierra Club*, 985 F.3d 1055 (D.C. Cir. 2021)). As a result, the District can no longer allow inter-pollutant offset trading, and has removed any reference to inter-pollutant offset trading in NSR Rules 20.3 and 20.4.

Rule 1401 Applicability Thresholds

The District's Title V permit program is mandated by Title V of the federal Clean Air Act. It requires each existing "major stationary source" of regulated air pollutants to obtain a federally enforceable operating permit from the District that addresses all applicable requirements under the Clean Air Act including monitoring, record keeping, and reporting requirements.

Under federal law, the emission thresholds for the applicability of certain Title V permitting requirements on new and expanding facilities vary depending on the region's degree or "classification" of ozone nonattainment, i.e., Marginal, Moderate, Serious, Severe or Extreme. Existing Title V Rule 1401 does not list the emission applicability thresholds for possible federal ozone nonattainment classifications. The proposed rule amendments revise the definition of "Major Stationary Source" in Section (c) Definitions to reference and align with the "Federal Major Stationary Source" definition in existing NSR Rule 20.1, Section (c) Definitions. This "Federal Major Stationary Source" definition is consistent with federal law and specifies the emission rate thresholds that define a "major stationary source" of volatile organic compounds and/or oxides of nitrogen based on the region's degree or "classification" of ozone nonattainment.

As a result of the region's July 2, 2021 reclassification to Severe nonattainment, facilities now considered a "major stationary source" (i.e., emitting 25 tons of more per year of NOx or VOC) have one year from the date of reclassification, to either submit a Title V application or to revise their permits to limit their emissions to below the major source threshold. There are currently 27 facilities that have a Title V permit. The District anticipates that approximately 40 facilities will be impacted by this reclassification.

If adopted, these rule amendments will provide additional clarity and certainty about which federal Title V permitting requirements apply to existing stationary sources based on their emission rates and the applicable ozone nonattainment classification of the region.

Rule Evaluations and Comparisons

State law prohibits relaxing or weakening New Source Review rules compared to the rules that were in effect on December 30, 2002. District staff evaluated the proposed rule amendments, in coordination with CARB, and determined they do not result in a relaxation of the New Source Review rules in effect on those dates, therefore the amendments are permissible. Staff's evaluation pertaining to the State law (California Health and Safety Code §§42500 et seq., "Senate Bill (SB) 288") is documented in Attachment C, fulfilling CARB's request to include this information in today's proceedings.

Additionally, State law requires the District to identify all federal, State and District requirements that apply to the same equipment or sources as do the proposed amended rules, except in specified circumstances. This analysis is provided in Attachment D.

Socioeconomic Impact Assessment

State law requires the District to perform an assessment of the socioeconomic impacts when adopting, amending, or repealing a rule that will significantly affect air quality or emission limitations. A review conducted by District staff found that proposed amended Rules 20.1, 20.3,

20.4 (New Source Review) and Rule 1401 (Title V General Provisions) will not significantly affect air quality or emission limitations. The proposed amendments implement existing federal requirements. Accordingly, a socioeconomic impact assessment is not required.

Submittal to EPA

If adopted, the proposed amended rules will be submitted through CARB to the EPA for approval and inclusion, as appropriate, in the San Diego County portion of the State Implementation Plan for attaining and maintaining air quality standards. The submittal to the EPA is necessary to demonstrate compliance with more stringent federal requirements to implement “reasonably available control technology” on stationary gas turbine engines.

**Analysis of Proposed Amended New Source Review Rules for
Compliance with California Health & Safety Code §§ 42500 et seq. (Senate Bill 288)**

The California Health and Safety Code Section 42500 et seq. (Senate Bill (SB) 288) prohibits California air districts from changing their New Source Review (NSR) program requirements in ways that would make them less stringent than the rules that existed on December 30, 2002. For the San Diego County Air Pollution Control District's (District) NSR Rules 20.1, 20.3 and 20.4, this would mean the version of the rules adopted November 4, 1998, effective December 17, 1998. For the District's Title V Rule 1401, no version existed on December 30, 2002.

The District is proposing amendments to its NSR rules to address a partial approval of Rule 20.1 by the U.S. Environmental Protection Agency (EPA), and to remove the provisions allowing inter-pollutant offsets due to a recent court ruling prohibiting inter-pollutant offset trading. Inter-pollutant offset trading allows certain facilities to offset their increased emissions of one air pollutant by reducing the emissions of another air pollutant, at prescribed ratios, provided both pollutants contribute to the same air quality nonattainment problem. The District is also proposing amendments to its Title V rule to add a reference to the federally mandated ozone non-attainment classification applicability thresholds to Rule 1401 which was necessitated by the redesignation of San Diego to severe non-attainment for ozone to be consistent with federal requirements.

These proposed amendments will not result in a less stringent new source review program, and will not make the 1998 District NSR rule requirements less stringent as explained below:

- Removing the sentence from the Rule 20.1 applicability section allows the District to apply the Severe ozone nonattainment designation at the time an Authority to Construct is issued, ensuring that the most current requirements are applied to the application.
- Removing the provision allowing for inter-pollutant offsets from the NSR rules is required due to the recent ruling by the U.S. Court of Appeals, D.C. Circuit on January 29, 2021, *EPA v. Sierra Club*, 985 F.3d. 1055 (D.C. Cir. 2021).
- Referencing the federal ozone nonattainment classification applicability thresholds and requirements for federal major stationary sources clarifies existing requirements under federal regulations.

It can thus be seen that the proposed amended NSR Rules 20.1, 20.3 and 20.4 are not less stringent than the prior 1998 NSR Rules. The proposed amended Title V Rule 1401 is also not less stringent since no version of the rule existed on December 30, 2002.

SB 288 also prescribes four specific NSR rule elements that cannot be revised if the result would be to exempt, relax, or reduce the obligations of a stationary source. The four elements are:

- The sources to which the NSR rules apply.
- The definitions of "modification," "major modification," "routine maintenance," and "repair and replacement."
- The calculation methodology, thresholds or other procedures of new source review.
- The definitions and requirements of NSR regulations.

Health and Safety Code Section 42504(b) precludes an air district from revising the above four elements of its NSR rules if doing so would exempt, relax, or reduce the obligations of a source with regard to the following requirements:

- (1) Any requirement to get a permit prior to construction.
- (2) Any requirement to apply Best Available Control Technology (BACT) or Lowest Achievable Emission Rates (LAER).
- (3) Any requirement to perform an air quality impact analysis.
- (4) Any requirement for monitoring, recordkeeping, and reporting if these would be less representative, enforceable, or publicly accessible.
- (5) Any requirement for regulating any air pollutant covered by the NSR rules.
- (6) Any requirement for public participation prior to permit issuance.

Health and Safety Code Section 42504(c) allows amendments to the above requirements if they make the rules more stringent.

The proposed amendments to the District's NSR Rules 20.1, 20.3 and 20.4 will not change any requirements above.

**COMPARATIVE ANALYSIS OF PROPOSED AMENDED
NEW SOURCE REVIEW RULES 20.1, 20.3, 20.4
AND TITLE V RULE 1401**

Introduction

Prior to adopting, amending, or repealing a rule or regulation, California Health and Safety Code Section 40727 requires findings of necessity, authority, clarity, consistency, non-duplication, and reference, as defined therein. Furthermore, as part of the consistency finding and to ensure proposed rule requirements do not conflict with or contradict other Air Pollution Control District (District) or federal regulations, Health and Safety Code Section 40727.2(a) requires the District to perform a written analysis identifying and comparing the air pollution control standards and other provisions of proposed amended Rules 20.1, 20.3, 20.4 and 1401 with other existing or proposed District rules and guidelines, and with existing State and federal rules, requirements, and guidelines applying to the same categories of emission sources.

Analysis

Pursuant to Health and Safety Code 40727.2(g), if the proposed amended rule "...does not impose a new emission limit or standard, make an existing limit or standard more stringent, or impose new or more stringent monitoring, recordkeeping, or recording requirements...", compliance with subdivision (a) is achieved by making a finding that the proposed amended rule falls within one of these categories.

None of the proposed amendments to Rules 20.1, 20.3, 20.4 or 1401 impose new limits or standards, make an existing limit or standard more stringent, or impose new or more stringent monitoring, recordkeeping or reporting requirements. Fixing the EPA partial disapproval and referencing all ozone non-attainment classification thresholds and requirements simply incorporate existing federal requirements into the District rules. Removing the language on inter-pollutant offset is required due to the U.S. Court of Appeals, D.C. Circuit ruling against the allowance of inter-pollutant offset trading.

Therefore, with the finding that the proposed amendments to Rules 20.1, 20.3, 20.4 and 1401 do not impose new or more stringent emission limits or standards, or monitoring, recordkeeping or reporting requirements, the comparative analysis requirement is satisfied.

**SAN DIEGO COUNTY
AIR POLLUTION CONTROL DISTRICT**

**DRAFT PROPOSED AMENDMENTS TO
RULE 20.1 – NEW SOURCE REVIEW-GENERAL PROVISIONS,
RULE 20.4 – NEW SOURCE REVIEW-PORTABLE EMISSION UNITS,
AND RULE 1401 – TITLE V-GENERAL PROVISIONS**

WORKSHOP REPORT

The San Diego County Air Pollution Control District (District) held a public webinar on February 3, 2021, to discuss and receive input on the draft proposed amendments to Rule 20.1 – New Source Review (NSR)-General Provisions, Rule 20.4 – New Source Review-Portable Emissions Units, and Rule 1401 – Title V-General Provisions. A webinar notice was mailed to each air quality permit holder and chamber of commerce in the region, as well as the U.S. Environmental Protection Agency (EPA) and California Air Resources Board (CARB). In addition, facilities likely to be impacted by the Rule 1401 change were identified and contacted individually. A webinar notice was also posted on the District’s website and distributed to interested parties including through the County of San Diego’s electronic mail service.

The workshop was attended by 45 people. A summary of the comments and District responses are provided below:

RULE 20.1 COMMENTS

1. WORKSHOP COMMENT

No comments received.

2. CARB COMMENT

CARB had no official comments at this time.

3. EPA COMMENT

Section (a) Applicability specifies that the rule applies to a permit application based on rule requirements in effect on the date that the application is determined to be complete. By specifying the rule's applicability based on the date of application completeness, this language may limit the Air Pollution Control Officer's ability to ensure a source will comply with applicable NSR program requirements at the time the permit is issued. The District should remove or clarify such language.

DISTRICT RESPONSE

The District agrees and has removed that provision from Section (a) Applicability in this proposal.

RULE 20.4 COMMENTS

4. WORKSHOP COMMENT

No comments received.

5. CARB COMMENT

CARB had no official comments at this time.

6. EPA COMMENT

EPA had no official comments at this time.

RULE 1401 COMMENT

7. WORKSHOP COMMENT

If the San Diego region had less emissions in 2020 associated with COVID-19 restrictions, why is the region being reclassified from a Serious nonattainment area to a Severe nonattainment area for national ozone standards?

DISTRICT RESPONSE

Air quality in San Diego County did temporarily improve in Spring 2020 as a result of decreased human activity associated with COVID-19 restrictions. However, ozone nonattainment designations and subsequent classification levels are based on the region's ability to meet National Air Quality Standards (NAAQS) over a consecutive three-year period. Photochemical air quality modeling conducted by CARB in 2020 determined that the region is not on track to meet either the 2008 or the 2015 national ozone standard within the specified deadlines despite short-term improvements experienced in early 2020. Consequently, reclassification to a higher nonattainment level for both national ozone standards is necessary in accordance with the federal Clean Air Act.

8. WORKSHOP COMMENT

Can the San Diego region be reclassified back to a Serious nonattainment area (or better) for either national ozone standard at a later date, and thus raise the major source thresholds for the District's New Source Review and/or Title V programs at that time?

DISTRICT RESPONSE

In accordance with federal requirements, an ozone nonattainment area cannot be reclassified back to Moderate or Serious once it has been bumped up to a Severe nonattainment classification. Nevertheless, when the San Diego region attains both existing national ozone standards in the future, it will be eligible for redesignation to an ozone attainment/maintenance area (if the EPA has not established an additional, more protective ozone standard by then) and the major source thresholds could possibly be raised at that time.

9. CARB COMMENT

CARB had no official comments at this time.

10. EPA COMMENT

The District should amend its Title V major source threshold as soon as possible to be consistent with the region's federal ozone nonattainment designation.

DISTRICT RESPONSE

The District agrees and has updated the definition of "Major Stationary Source" in Subsection (c)(26) to reference and align with the "Federal Major Stationary Source" definition in existing NSR Rule 20.1 Section (c) Definitions in this proposal.

AMF:OR:jl
03/16/21

**SAN DIEGO COUNTY
AIR POLLUTION CONTROL DISTRICT**

**DRAFT PROPOSED AMENDMENTS TO
RULE 20.1 – NEW SOURCE REVIEW GENERAL PROVISIONS,
DRAFT PROPOSED AMENDMENTS TO
RULE 20.4 – NEW SOURCE REVIEW PORTABLE EMISSION UNITS
AND DRAFT PROPOSED AMENDMENTS TO
RULE 1401 – TITLE V GENERAL PROVISIONS**

ADDENDUM TO THE WORKSHOP REPORT

On February 3, 2021, the San Diego County Air Pollution Control District (District) held a public workshop to present and receive comments on draft proposed amendments to District Rules 20.1, 20.4 and 1401. Following this workshop, the District prepared a Workshop Report summarizing the comments received and the District's responses and distributed the report to workshop participants. Subsequently, the United States Environmental Protection Agency (EPA) provided an additional comment on the District's New Source Review rules, in light of a recent court ruling prohibiting interpollutant offset trading for ozone precursors.¹ The additional EPA comment and District response are provided below:

RULE 20.4 COMMENT

1. EPA COMMENT

On January 29, 2021, the D.C. Circuit Court of Appeals ruled that the Clean Air Act does not allow for interpollutant trading (IPT) for ozone precursors and struck down the provisions allowing IPT in the EPA's nonattainment New Source Review (NSR) regulations. This court vacatur is now in effect: *Sierra Club v. EPA*, 985 F.3d 1055 (D.C. Cir. 2021). EPA will soon promulgate a rulemaking removing this provision, consistent with the court's decision. EPA advises the removal of any IPT provisions from any of the District's NSR rules, prior to making a NSR State Implementation Plan submittal for the 2015 Ozone National Ambient Air Quality Standards.

DISTRICT RESPONSE

The District recognizes that the EPA is no longer able to approve New Source Review rules that allow for IPT for ozone precursors and therefore has amended its proposal to remove Subsection (d)(5)(iii), Interpollutant Offsets, in its entirety from Rule 20.3 – New Source Review (NSR)-Major Stationary Sources and Prevention of Significant Deterioration (PSD) Stationary Sources and Subsection (d)(5)(iv), Interpollutant Offsets, in its entirety from Rule 20.4 – New Source Review (NSR)-Portable Emission Units.

Draft proposed amendments are available on the District's website at https://www.sandiegocounty.gov/content/sdc/apcd/en/Rule_Development/Workshops.html.

¹ Under an inter-pollutant trading program for ozone-precursor emissions, new or modified major sources can offset their increases in volatile organic compound (VOC) emissions with reductions in nitrogen oxide (NOx) emissions, and vice versa.

Workshop Report Addendum
Draft Proposed Amendments to Rules 20.1, 20.4 & 1401

Those unable to access the document may contact Janet McCue (858-586-2712, Janet.McCue@sdcountry.ca.gov).

Please contact Omar Rana (Omar.Rana@sdcountry.ca.gov) or Angela M. Fisch (858-229-0256, Angela.Fisch@sdcountry.ca.gov) with any questions.

RR:AMF:jl
06/15/21

RULE 20.1
NEW SOURCE REVIEW - GENERAL PROVISIONS
~~(ADOPTED AND EFFECTIVE 5/17/94)~~
~~(REV. ADOPTED AND EFFECTIVE 5/15/96)~~
~~(REV. ADOPTED AND EFFECTIVE 12/17/97)~~
~~(REV. ADOPTED 11/4/98; EFFECTIVE 12/17/98)~~
~~(REV. ADOPTED 4/27/16; EFFECTIVE 11/5/18)~~
~~(REV. ADOPTED 6/26/19; EFFECTIVE 10/16/20)⁺~~
(Rev. Adopted & Effective (date of adoption))

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(a) APPLICABILITY	1
(b) EXEMPTIONS	1
(c) DEFINITIONS	2
Table 20.1-1: Air Quality Increments (Class I Areas).....	4
Table 20.1-2: Air Quality Increments (Class II Areas)	5
Table 20.1-3: Class I Areas	8
Table 20.1-4: BACT Cost Modifier	9
Table 20.1-5a: Federal Major Modification	12
Table 20.1-5b: Federal Major Stationary Source	14
Table 20.1-6a: Major Modification	16
Table 20.1-6b: Major Stationary Source	16
Table 20.1-7: RESERVED.....	18
Table 20.1-8: Non-Criteria Pollutant Emissions Significance Levels.....	19
Table 20.1-9: Precursor Air Contaminants.....	21
Table 20.1-10: PSD Modification	21
Table 20.1-11: PSD Stationary Sources and Trigger Levels.....	22
Table 20.1-12: Stationary Sources Impacting Any Class I Area.....	24
Table 20.1-13: Stationary Sources Impacting Any Class II Area	24
(d) EMISSION CALCULATIONS	25
(1) Potential to Emit.....	25
(i) Calculation of Pre-Project and Post-Project Potential to Emit	25
(ii) Calculation of Aggregate Potential to Emit - Stationary Source	28

⁺ Partial approval/disapproval per Federal Register 85 FR 57727.

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(2) Actual Emissions.....	29
(i) Calculation of Actual Emissions for Purposes of Determining Potential to Emit.....	29
(ii) Calculation of Actual Emissions for Purposes of Quantifying Emission Reductions.....	30
(iii) Adjustments for Violations	30
(iv) Adjustments for Currently Applicable Federally Enforceable Requirements ..30	
(3) Emission Increase.....	31
(i) New Emission Units.....	31
(ii) Modified Emission Units	31
(iii) Relocated Emission Units	31
(iv) Replacement Emission Units	31
(v) Portable Emission Units.....	31
(vi) Projects.....	31
(vii) Determining Emissions Increases for Federal Major Modifications and Federal Major Stationary Sources.....	31
(4) Emission Reduction - Potential to Emit, Actual Emission Reduction, Emission Reduction Credits.....	32
(i) Reduction in the Potential to Emit	32
(ii) Actual Emission Reduction.....	33
(iii) Adjustments for Determining Actual Emission Reductions.....	34
(iv) Emission Reduction Credits.....	34
(5) Emission Offsets	35
(e) OTHER PROVISIONS.....	36
(1) Continuity of Existing Permits.....	36

RULE 20.1. NEW SOURCE REVIEW - GENERAL PROVISIONS

~~(Adopted & Effective 5/17/94)
(Rev. Adopted & Effective 5/15/96)
(Rev. Adopted & Effective 12/17/97)
(Rev. Adopted 11/4/98; Effective 12/17/98)
(Rev. Adopted 4/27/16; Effective 11/5/18)
(Rev. Adopted 6/26/19; Effective 10/16/20)
Rev. Adopted and Effective (*date of adoption*)~~

(a) APPLICABILITY

Except as provided in Rule 11 – Exemptions from Rule 10 Permit Requirements, Section (b) Exemptions of this ~~Rule~~, or Subsections (d)(1)(ii)(B) or (d)(4)(iii)(C) of this rule, this rule applies to any new or modified emission unit, any replacement emission unit, any relocated emission unit or any portable emission unit for which an Authority to Construct or Permit to Operate is required pursuant to Rule 10 – Permits Required, or for which a Determination of Compliance is required pursuant to Rule 20.5 – Power Plants. This rule does not apply to identical or like-kind replacement emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. Except as specified herein, the provisions and requirements of this rule shall be applied on an air contaminant-specific basis. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these Rules and Regulations, or state and federal law. ~~The requirements of this rule in effect on the date the application is determined to be complete by the Air Pollution Control Officer shall apply to such application.~~[†]

(b) EXEMPTIONS

Except as provided below, the provisions of Rules 20.1 – New Source Review (NSR)-General Provisions, Rule 20.2 – New Source Review (NSR)-Non-Major Stationary Sources, Rule 20.3 – New Source Review (NSR)-Major Stationary Sources and Prevention of Significant Deterioration (PSD) Stationary Sources and Rule 20.4 – New Source Review (NSR)-Portable Emission Units shall not apply to:

(1) Any emission unit for which a permit is required solely due to a change in Rule 11, provided the unit was operated in San Diego County at any time within one year prior to the date of adoption of the applicable Rule 11 – Exemptions from Rule 10 Permit Requirements change and provided a District permit application for the unit is submitted within one year after the date upon which permit requirements became applicable to the unit. An emission unit to which this subsection applies shall be included in the calculation of a stationary source's aggregate potential to emit, as provided in Subsection (d)(1)(ii).

(2) The following changes, provided such changes are not contrary to any permit condition, and the change does not result in an increase in the potential to emit of any air contaminant not previously emitted:

[†] ~~This sentence has not been approved by EPA and is not enforceable. Partial approval/disapproval per Federal Register 85 FR 57727.~~

- (i) Repair or routine maintenance of an existing emission unit.
- (ii) A change of ownership.
- (iii) An increase in the hours of operation.
- (iv) Use of alternate fuel or raw material.

(3) Portable and stationary abrasive blasting equipment which comply with the requirements of 17 CCR Section 92000 et. seq. This exemption shall not apply if the abrasive blasting equipment would be, by itself, a major stationary source, nor to any equipment used in conjunction with the abrasive blasting equipment the use of which may cause the issuance of air contaminants.

(4) Piston engines used at airplane runways at military bases and which engines are used exclusively for purposes of hoisting cable to assist in the capture of errant aircraft during landings. This exemption shall not apply to any new, modified, relocated or replacement piston engine emission unit, or project consisting of one or more such units, that results in an emissions increase which, by itself, constitutes a new federal major stationary source or a federal major modification.

(5) Air compressors used exclusively to pressurize nuclear reactor containment domes, provided the compressors are not operated more than 50 hours over any two-year period, and that the compressors satisfy the Air Quality Impact Analysis (AQIA) provisions of Subsections (d)(2) of Rules 20.2 and 20.3, as applicable.

(6) Applications for modified Authority to Construct or modified Permit to Operate which are for the sole purpose of reducing an emission unit's potential to emit and which will not result in a modified emission unit, a modified stationary source or an actual emission reduction calculated pursuant to Rule 20.1(d)(4)(ii) shall be exempt from the Best Available Control Technology (BACT), Lowest Achievable Emission Rate (LAER), AQIA and Emission Offset provisions of Rules 20.1, 20.2, 20.3 and 20.4.

(c) **DEFINITIONS**

For purposes of Rules 20.1, 20.2, 20.3, 20.4 and 20.5, the following definitions shall apply. For terms not defined herein, the definitions in Rule 2 – Definitions shall apply.

(1) "**Actual Emissions**" means the emissions of an emission unit calculated pursuant to Subsection (d)(2) of this rule.

(2) "**Actual Emission Reductions**" means emission reductions which are real, surplus, enforceable, quantifiable and permanent. Actual emission reductions shall be calculated pursuant to Subsection (d)(4) of this rule.

(3) "**Aggregate Potential to Emit**" means the sum of the potential to emit of all emission units at the stationary source, calculated pursuant to Section (d) Standards of this rule.

(4) **"Air Contaminant Emission Control Project"** means any activity or project undertaken at an existing emission unit which, as its primary purpose, reduces emissions of air contaminants from such unit in order to comply with a District, California Air Resources Board (CARB) or federal Environmental Protection Agency (EPA) emission control requirement.

(i) Such activities or projects do not include:

(A) the replacement of an existing emission unit with a newer or different unit;

(B) a modification or replacement of an existing emission unit to the extent that such replacement or modification results in an increase in capacity of the emissions unit;

(C) any air contaminant emission control project for a new or modified emission unit which project is proposed to meet these New Source Review Rules 20.1, 20.2, 20.3 or 20.4; or,

(D) any air contaminant emission control project for an existing emission unit proposed to create an actual emission reduction or emission reduction credit in order to meet a requirement of these New Source Review Rules 20.1-20.4.

(ii) Air contaminant emission control projects include, but are not limited to, any of the following:

(A) The installation of conventional or advanced flue gas desulfurization, or sorbent injection for emissions of oxides of sulfur;

(B) Electrostatic precipitators, baghouses, high efficiency multiclones, or scrubbers for emissions of particulate matter or other pollutants;

(C) Flue gas recirculation, low-NOx burners, selective non-catalytic reduction or selective catalytic reduction for emissions of oxides of nitrogen;

(D) Regenerative thermal oxidizers, catalytic oxidizers, condensers, thermal incinerators, flares, absorption equipment or carbon adsorbers for volatile organic compounds or hazardous air pollutants;

(E) Activities or projects undertaken to accommodate switching to an inherently less polluting fuel, including but not limited to, natural gas firing, or the cofiring of natural gas and other inherently less polluting fuels, for the purpose of controlling emissions. The air contaminant emission control project shall include any activity that is necessary to accommodate switching to an inherently less polluting fuel; and

(F) Activities or projects undertaken to replace or reduce the use and emissions of stratospheric ozone depleting compounds subject to regulation by the federal EPA.

(5) "**Air Quality Impact Analysis (AQIA)**" means an analysis of the air quality impacts of the air contaminant emissions from an emission unit, a project, or a stationary source, as applicable, conducted by means of modeling as defined herein and as approved by the Air Pollution Control Officer. Methods other than modeling may be used, as the Air Pollution Control Officer and the federal EPA may approve. An AQIA shall be based on the emission exhaust system design and discharge characteristics but not on an exhaust stack height greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(6) "**Air Quality Increment**" means any of the following maximum allowable cumulative increases in air contaminant concentration over the minor source baseline concentration from all increment consuming and increment expanding sources (see Tables 20.1-1 and 20.1-2).

TABLE 20.1 - 1
Air Quality Increments
(Class I Areas)

<u>Air Contaminant</u>	<u>Increment</u>
<u>Nitrogen Dioxide (NO₂)</u>	
Annual arithmetic mean	2.5 µg/m ³
<u>Sulfur Dioxide (SO₂)</u>	
Annual arithmetic mean	2.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
3-hr. maximum	25.0 µg/m ³
<u>Particulate Matter</u>	
PM ₁₀ Annual arithmetic mean	4.0 µg/m ³
PM ₁₀ 24-hr. maximum	8.0 µg/m ³
PM _{2.5} Annual arithmetic mean	1.0 µg/m ³
PM _{2.5} 24-hr. maximum	2.0 µg/m ³

TABLE 20.1 - 2
Air Quality Increments
(Class II Areas)

<u>Air Contaminant</u>	<u>Increment</u>
<u>Nitrogen Dioxide (NO₂)</u>	
Annual arithmetic mean	25.0 µg/m ³
<u>Sulfur Dioxide (SO₂)</u>	
Annual arithmetic mean	20.0 µg/m ³
24-hr. maximum	91.0 µg/m ³
3-hr. maximum	512.0 µg/m ³
<u>Particulate Matter</u>	
PM ₁₀ Annual arithmetic mean	17.0 µg/m ³
PM ₁₀ 24-hr. maximum	30.0 µg/m ³
PM _{2.5} Annual arithmetic mean	4.0 µg/m ³
PM _{2.5} 24-hr. maximum	9.0 µg/m ³

(7) **"Area Fugitive Emissions of PM₁₀"** means fugitive emissions of PM₁₀ which occur as a result of earth moving operations such as drilling, blasting, quarrying, stockpiling, and front end loader operations, and on-site vehicular travel on haul roads used to move materials to, from or within a stationary source.

(8) **"Attainment"** means designated as attainment of the National Ambient Air Quality Standards (NAAQS) pursuant to Section 107(d) of the federal Clean Air Act or of the State Ambient Air Quality Standards (SAAQS) pursuant to Section 39608 of the California Health and Safety Code, as applicable. For the purposes of these Rules 20.1, 20.2, 20.3 and 20.4, attainment of a NAAQS means also designated as attainment or unclassifiable by EPA in 40 CFR Section 81.305.

(9) **"Baseline Concentration"** means the ambient concentration of an air contaminant for which there is an air quality increment, which existed in an impact area on the major and minor source baseline dates. The baseline concentration includes the impact of actual emissions from any stationary source in existence on the baseline date and the impacts from the potential to emit of Prevention of Significant Deterioration (PSD) stationary sources which commenced construction but were not in operation by the baseline date. The baseline concentration excludes impacts of actual emission increases and decreases at any stationary source occurring after the baseline date and actual emissions from any PSD stationary source which commenced construction after January 6, 1975. There are two baseline concentrations for any given impact area, a baseline concentration as of the major source baseline date and a baseline concentration as of the minor source baseline date.

(10) **"Baseline Date"** means either the major source baseline date or source baseline date, as applicable.

(11) **“Begin Actual Construction”** means initiation of physical on-site construction activities on an emission unit which are of a permanent nature. Such activities include, but are not limited to, installation of building supports and foundations, laying of underground pipework, and construction of permanent storage structures. With respect to a modified emission unit resulting from an operational change, begin actual construction means those on-site activities, other than preparatory activities, which mark the initiation of the change.

(12) **"Best Available Control Technology (BACT)"** means and is applied as follows:

(i) The lowest emitting of any of the following:

(A) the most stringent emission limitation, or the most effective emission control device or control technique, or combination thereof, which has been proven in field application and which is cost-effective for such class or category of emission unit unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation, device, control technique or combination thereof is not technologically feasible; or

(B) any emission control device, emission limitation or control technique, or combination thereof, which has been demonstrated but not necessarily proven in field application and which is cost-effective for such class or category of emission unit as determined by the Air Pollution Control Officer, unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation, device, control technique or combination thereof is not technologically feasible; or

(C) any emission control device, emission limitation or control technique, process modifications, changes in raw material including alternate fuels, and substitution of equipment or processes with any equipment or processes, or any combination of these, determined by the Air Pollution Control Officer on a case-by-case basis to be technologically feasible and cost-effective, including transfers of technology from another category of source; or

(D) the most stringent emission limitation, or the most effective emission control device or control technique, or combination thereof, contained in any State Implementation Plan (SIP) approved by the federal EPA for such class or category of emission unit unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitation or technique has not been proven in field application, that it is not technologically feasible or that it is not cost-effective for such class or category of emission unit.

(ii) In determining BACT, the Air Pollution Control Officer may also consider lower-emitting alternatives to a proposed new emission unit or process.

(iii) For modified emission units, not including any relocated or replacement emission units, the entire emission unit's post-project potential to emit shall be subject to BACT, except that BACT shall apply to the emissions increase associated with the modification and not the emission unit's entire potential to emit if:

(A) control technology, an emission limit or other emission controls meeting BACT was previously applied to the unit; and

(B) the emissions increase associated with the modification is less than 25 percent of the emission unit's pre-project potential to emit; and

(C) the project's emission increase is less than the major modification thresholds of Table 20.1-6a.

(iv) In no event shall application of BACT result in the emission of any air contaminant which would exceed the emissions allowed by any District rule or regulation, or by any applicable standard under 40 CFR Part 60 (New Source Performance Standards) or 40 CFR Part 61 or Part 63 (National Emission Standards for Hazardous Pollutants).

(v) Whenever feasible, the Air Pollution Control Officer may stipulate an emission limit as BACT instead of specifying control equipment.

(vi) In making a BACT determination, the Air Pollution Control Officer shall take into account those environmental and energy impacts identified by the applicant.

(vii) In the case of a project consisting of multiple new, modified, relocated or replacement emission units subject to BACT under these Rules 20.1-20.4, BACT shall be determined for each such emission unit. The Air Pollution Control Officer may also require BACT be evaluated for combinations of such emission units. The Air Pollution Control Officer may determine that BACT for the project is the lowest emitting, technologically feasible combination of emission limitations, control devices, control techniques, or process modifications applied to individual emission units and/or combinations of such emission units. BACT applied to a combination of emission units shall not result in less stringent BACT for any emission unit in the combination than BACT determined for that emission unit individually.

(13) "**Class I Area**" means any area designated as Class I under Title I, Part C of the federal Clean Air Act. As of April 27, 2016, the Agua Tibia National Wilderness Area was the only area so designated within San Diego County. As of April 27, 2016, the following were the only designated Class I areas within 100 km of San Diego County (see Table 20.1-3):

**TABLE 20.1 - 3
Class I Areas**

<u>Class I Area</u>	<u>Approximate Location</u>
Agua Tibia Wilderness Area	San Diego County
Cucamonga Wilderness Area	San Bernardino County
Joshua Tree Wilderness Area	Riverside County
San Gabriel Wilderness Area	Los Angeles County
San Gorgonio Wilderness Area	San Bernardino County
San Jacinto Wilderness Area	Riverside County

(14) "**Class II Area**" means any area not designated as a Class I area.

(15) "**Commenced Construction**" means that the owner or operator of a stationary source has an Authority to Construct or a Determination of Compliance issued pursuant to these rules and regulations and either has:

(i) Begun, or caused to begin, a continuous program of actual on-site construction of the source to be completed within a reasonable time, or

(ii) Entered into binding agreements or contractual obligations, which cannot be canceled or modified without substantial loss to the owner or operator, to undertake a program of actual construction of the source to be completed within a reasonable time.

(16) "**Construction**" means any physical change or change in the method of operation, including fabrication, erection, installation, demolition or modification of an emission unit, which would result in a change in emissions.

(17) "**Contemporaneous Net Emissions Increase**" means the sum of emission increases from new, modified, relocated or replacement emission units occurring at a stationary source within a five-year contemporaneous period consisting of the calendar year in which the subject emission unit(s) is expected to commence operation and the four calendar years preceding that calendar year, including all other emission units with complete applications under District review and which are expected to commence operation within such calendar years. The sum of emission increases may be reduced by the following:

(i) Actual emission reductions occurring at the stationary source within the five-year contemporaneous period and which have not been used to create an emission reduction credit or to offset an emission increase under these rules, and

(ii) Enforceable reductions in the potential to emit of a new, modified, relocated or replacement unit, which unit resulted in a contemporaneous net emissions increase within the five-year contemporaneous period at the stationary source. In no case shall the reduction in the potential to emit exceed the emission increases from such unit that occurred within the five-year contemporaneous period.

When an emissions increase from a new, modified, relocated or replacement emission unit or project has been determined to be subject to, and approved as in compliance with, the emission offset requirements of Rules 20.1 and 20.3 or Rule 20.4, the contemporaneous net emissions increase for the subject air contaminant or precursor shall thereafter not include the emission increase from such emission unit or project.

(18) **"Cost-Effective"** means that the annualized cost in dollars per pound of emissions of an air contaminant reduced does not exceed \$6.00 per pound for NO_x, \$6.00 per pound for VOC, \$3.33 per pound for PM₁₀, and \$6.00 per pound for SO_x, multiplied by the applicable BACT Cost Multiplier specified in Table 20.1 – 4 below. For all other air contaminants subject to BACT requirements by Rules 20.1-20.4, cost-effective means that the annualized cost in dollars per pound of emissions of an air contaminant reduced does not exceed the highest cost per pound of emissions reduced by other control measures required to meet stationary source emission standards contained in these rules and regulations, for the specific air contaminant(s) under consideration, multiplied by the BACT Cost Multiplier specified in Table 20.1 – 4. When determining the highest cost per pound of emissions reduced by other control measures, the cost of measures used to comply with the requirements of New Source Review shall be excluded.

**TABLE 20.1 - 4
BACT Cost Multiplier**

Stationary Source's Post-Project Aggregate Potential to Emit	BACT Cost Multiplier
Potential < 15 tons/year	1.1
Potential ≥ 15 tons/year	1.5

(19) **"Emergency Equipment"** means an emission unit used exclusively to drive an electrical generator, an air compressor or a pump in emergency situations, except for operations up to 52 hours per calendar year for non-emergency purposes. Emission units used for supplying power for distribution to an electrical grid shall not be considered emergency equipment.

(20) **"Emergency Situation"** means an unforeseen electrical power failure from the serving utility or of on-site electrical transmission equipment such as a transformer, an unforeseen flood or fire, or a life-threatening situation. In addition, operation of emergency generators at Federal Aviation Administration licensed airports for the purpose of providing power in anticipation of a power failure due to severe storm activity shall be considered an emergency situation. Emergency situations do not include operation for purposes of supplying power for distribution to an electrical grid, operation for training purposes, or other foreseeable event.

(21) **"Emission Increase"** means an increase in the potential to emit, calculated pursuant to Subsection (d)(3).

(22) **"Emission Offsets"** means actual emission reductions used to mitigate emission increases and which meet the applicable requirements of Rules 20.1, 20.3 and 20.4 of these Rules and Regulations.

(23) **“Emission Reduction Credit (ERC)”** means a credit for an actual emission reduction which has been approved by the Air Pollution Control Officer upon determining that such credit and emission reduction meet the applicable requirements of these Rules and Regulations in effect at the time that such credit is approved.

(24) **"Emission Unit"** means any 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.

(25) **"Enforceable"** means capable of being enforced by the District, including but not limited to, through either the SIP or legally and practicably enforceable limits, including limits contained in conditions of an Authority to Construct, Permit to Operate, Determination of Compliance or Emission Reduction Credit (ERC) Certificate.

(26) **“Existing”** means the configuration of an emission unit, aggregation of emission units or a stationary source prior to, and without consideration of, the project under review.

(27) **"Federal Land Manager"** means the National Park Service's Western Regional Director, the U.S. Forest Service's Pacific Southwest Regional Air Program Manager and the U.S. Fish and Wildlife Service.

(28) **"Federally Enforceable Requirement"** means all of the following as they apply to emission units at a stationary source, including requirements that have been promulgated or approved by the federal EPA through rulemaking but which have future effective compliance dates:

(i) Any standard, emission reduction measure or other requirement provided for in the State Implementation Plan (SIP).

(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) rule or regulation which has been approved or promulgated by the federal EPA into the SIP.

(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 combustion 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 Title VI 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.

(xii) Requirements capable of being enforced by the federal EPA including through either the SIP, terms and conditions of a Permit to Operate, an Authority to Construct, a Determination of Compliance, or an ERC that are for purposes of creating, approving and/or using creditable actual emission reductions to meet federal emission offset requirements and that are necessary to ensure the validity of the emission reductions and compliance with those portions of these Rules and Regulations approved into the SIP.

This subsection shall not preclude enforcement of federally-enforceable requirements by the Air Pollution Control Officer.

(29) **"Federal Major Modification"** means a physical or operational change at an existing federal major stationary source which results, or may result, for an air contaminant for which the stationary source is a federal major stationary source, in either:

(i) an emissions increase, including fugitive emission increases, equal to or greater than any of the significant emissions increase rates listed below in Table 20.1 – 5a; and a contemporaneous net emissions increase, including fugitive emission increases, equal to or greater than any of the significant emissions increase rates listed below in Table 20.1 – 5a; or

(ii) an emissions increase, including fugitive emission increases, equal to or greater than any of the significant emissions increase rates listed below in Table 20.1 – 5a for Oxides of Nitrogen or Volatile Organic Compounds, if the District is designated to be in extreme ozone nonattainment by the U.S. Environmental Protection Agency pursuant to 40 CFR 81.305.

**TABLE 20.1 – 5a
Federal Major Modification**

<u>Air Contaminant</u>	<u>Significant Emissions Increase (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	10
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NO _x)*	
marginal or moderate	40
serious or severe	25
extreme	0
Volatile Organic Compounds (VOC)*	
marginal or moderate	40
serious or severe	25
extreme	0
Oxides of Sulfur (SO _x)	40
Carbon Monoxide (CO)	100
Lead (Pb)	0.6

* based on EPA's ozone nonattainment designation for the San Diego Air Basin in 40 CFR 81.305

(30) **"Federal Major Stationary Source"** means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified Permit to Operate, an aggregate potential to emit one or more air contaminants in amounts equal to or greater than any of the emission rates listed below in Table 20.1 – 5b. Fugitive emissions shall not be included in determining the aggregate potential to emit for purposes of applying this definition unless the emission unit, project or stationary source, as applicable, belongs to one of the following source categories:

- (i) Coal cleaning plants (with thermal dryers);
- (ii) Kraft pulp mills;
- (iii) Portland cement plants;
- (iv) Primary zinc smelters;
- (v) Iron and steel mills;
- (vi) Primary aluminum ore reduction plants;
- (vii) Primary copper smelters;
- (viii) Municipal incinerators capable of charging more than 250 tons of refuse per day;
- (ix) Hydrofluoric, sulfuric or nitric acid plants;
- (x) Petroleum refineries;

- (xi) Lime plants;
- (xii) Phosphate rock processing plants;
- (xiii) Coke oven batteries;
- (xiv) Sulfur recovery plants;
- (xv) Carbon black plants (furnace process);
- (xvi) Primary lead smelters;
- (xvii) Fuel conversion plants;
- (xviii) Sintering plants;
- (xix) Secondary metal production plants;
- (xx) Chemical process plants, but not including ethanol production facilities that produce ethanol by natural fermentation included in included in NAICS codes 325193 or 312140;
- (xxi) Fossil-fuel boilers, or combination thereof, totaling more than 250 million British thermal units per hour heat input;
- (xxii) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;
- (xxiii) Taconite ore processing plants;
- (xxiv) Glass fiber processing plants;
- (xxv) Charcoal production plants;
- (xxvi) Fossil fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input;
- (xxvii) Any other stationary source category which, as of August 7, 1980, is being regulated under Sections 111 or 112 of the federal Clean Air Act.

**TABLE 20.1 – 5b
Federal Major Stationary Source**

<u>Air Contaminant</u>	<u>Emission Rate (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	100
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)*	
marginal or moderate	100
serious	50
severe	25
extreme	10
Volatile Organic Compounds (VOC)*	
marginal or moderate	100
serious	50
severe	25
extreme	10
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100
Lead (Pb)	100

* based on EPA's ozone nonattainment designation for the San Diego Air Basin in 40 CFR 81.305

(31) **"Federally-mandated New Source Review (NSR)"** means those portions of these Rules and Regulations applicable to the permitting of new and modified stationary sources and which are contained in the San Diego Air Basin portion of the approved State Implementation Plan.

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

(33) **"Good Engineering Practice Stack Height"** means the same term as defined in 40 CFR §51.100.

(34) **"Impact Area"** means the circular area with the emission unit as the center and having a radius extending to the furthest point where a significant impact is expected to occur, not to exceed 50 kilometers.

(35) **"Increment Consuming"** means emission increases which consume an air quality increment. Emission increases which consume increment are those not accounted for in the baseline concentration, including:

(i) Actual emission increases occurring at any major stationary source after the major source baseline date, and

(ii) Actual emission increases from any non-major stationary source, area source, or mobile source occurring after the minor source baseline date.

(36) **"Increment Expanding"** means actual emission reductions which increase an available air quality increment. Actual emission reductions which increase available increment include:

(i) Actual emission reductions occurring at any major stationary source after the major source baseline date, and

(ii) Actual emission reductions from any non-major stationary source, area source, or mobile source occurring after the minor source baseline date.

(37) **"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.

(38) **"Lowest Achievable Emission Rate (LAER)"** means and is applied as follows:

(i) The lowest emitting of any of the following:

(A) the most stringent emission limitation, or most effective emission control device or control technique, or combination thereof, contained in any SIP approved by the federal EPA for such class or category of emission unit, unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such emission limitation, device or technique is not achievable, or

(B) the most stringent emission limitation which is achieved in practice by such class or category of emission unit, or

(C) Best Available Control Technology (BACT).

(ii) For modified emission units subject to the LAER requirements of these rules, the entire emission unit's post-project potential to emit shall be subject to LAER.

(iii) In no event shall application of LAER result in the emission of any air contaminant which would exceed the emissions allowed by any District Rule or Regulation, or by any applicable standard under 40 CFR Part 60 (New Source Performance Standards) or 40 CFR Parts 61 and 63 (National Emission Standards for Hazardous Air Pollutants).

(39) "**Major Modification**" means a physical or operational change which results, or may result, in a contemporaneous net emissions increase at an existing major stationary source which source is major for the air contaminant for which there is a contemporaneous net emissions increase, equal to or greater than any of the emission rates listed in Table 20.1 – 6a.

**TABLE 20.1 – 6a
Major Modification**

<u>Air Contaminant:</u>	<u>Emission Rate (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	10
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NO _x)	25
Volatile Organic Compounds (VOC)	25
Oxides of Sulfur (SO _x)	40
Carbon Monoxide (CO)	100
Lead (Pb)	0.6

(40) "**Major Source Baseline Date**" means, for all of San Diego County, January 6, 1975 for sulfur dioxide (SO₂) and particulate matter (PM₁₀), February 8, 1988 for nitrogen dioxide (NO₂), and October 20, 2010 for PM_{2.5}.

(41) "**Major Stationary Source**" means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified Permit to Operate an aggregate potential to emit one or more air contaminants, including fugitive emissions, in amounts equal to or greater than any of the emission rates listed in Table 20.1 – 6b.

**TABLE 20.1 – 6b
Major Stationary Source**

<u>Air Contaminant:</u>	<u>Emission Rate (Ton/yr)</u>
Fine Particulate Matter (PM _{2.5})	100
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)	50
Volatile Organic Compounds (VOC)	50
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100
Lead (Pb)	100

(42) "**Minor Source Baseline Date**" means for all of San Diego County, December 8, 1983 for sulfur dioxide (SO₂), October 1, 1999 for particulate matter (PM₁₀) and nitrogen dioxide (NO₂), and June 14, 2012 for fine particulates (PM_{2.5}).

(43) "**Modeling**" means the use of an applicable federal EPA-approved air quality model to estimate ambient concentrations of air contaminants or to evaluate other air quality related data. Applicable federal guidelines, including those contained in 40 CFR

Part 51, Appendix W - Guideline on Air Quality Models, shall be followed when performing modeling to determine air quality impacts relative to the national ambient air quality standards, a significant impact, or an air quality increment. Where an air quality model specified in Appendix W is inappropriate, the model may be modified or another model substituted. Such a modification or substitution of a model may be made on a case-by-case basis or, where appropriate, on a generic basis for purposes of these Rules and Regulations. Written approval of the federal EPA Region 9 Administrator shall be obtained for any such modification or substitution. The use of a modified or substitute model shall be identified in the applicable public notice and opportunity for public comment required in Subsections (d)(4) of Rules 20.2-20.4, unless use on a generic basis has been previously subject to an equivalent public and government agency notice and comment period.

(44) **"Modified Emission Unit"** means any physical or operational change, including but not limited to a permit condition change, which results or may result in an increase in an existing emission unit's potential to emit, including those air contaminants not previously emitted. The following shall not be considered a modified emission unit, provided such a change is not contrary to any permit condition, and the change does not result in an increase in the potential to emit of any air contaminant:

- (i) The movement of a portable emission unit from one stationary source to another.
- (ii) Repair or routine maintenance of an existing emission unit.
- (iii) An increase in the hours of operation or in the production rate.
- (iv) Use of alternate fuel or raw material.

(45) **"Modified Stationary Source"** means an existing stationary source where a new, modified, relocated or replacement emission unit is, or will be, located or where a change in the aggregation of emission units occurs, including, but not limited to, the movement of a relocated emission unit to or from a stationary source or where a modification of an existing unit occurs. The following shall not be considered a modification of a stationary source:

- (i) The replacement of an emission unit, provided there is no increase in the unit's potential to emit or in the potential to emit of any other unit at the stationary source.
- (ii) The movement to or from the stationary source of any portable emission unit, provided there is no increase in the potential to emit of any other unit at the stationary source.

(46) **"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.

TABLE 20.1 – 7 (RESERVED)

(47) **"New Emission Unit"** means any of the following:

(i) Any emission unit not constructed or installed in San Diego County as of April 27, 2016.

(ii) Except as provided in Subsection (b)(1) of this rule, any emission unit which was constructed, installed or operated at its current location without a valid Authority to Construct or Permit to Operate from the District.

(iii) Any emission unit which was inactive for a one-year period or more and which did not hold a valid Permit to Operate during that period.

(iv) A new emission unit shall no longer be considered a new emission unit, and shall be considered an existing emission unit, on and after the earlier of: (a) two years after the date that such unit first operated; or (b) the date when the Air Pollution Control Officer has

(A) determined that construction is complete;

(B) determined that any required initial emissions and performance testing has been completed and the results reported and approved;

(C) determined that the operation of the unit is in compliance with all conditions of the Authority to Construct relevant to the construction and operation of the unit; and,

(D) issued a temporary or final Permit to Operate.

(48) **"New Federal Major Stationary Source"** means a new emission unit, new project or new stationary source which will be a federal major stationary source, or a modification of an existing stationary source which modification itself constitutes a federal major stationary source. On and after November 5, 2018, if an existing previously permitted stationary source will become a federal major stationary source solely due to a relaxation of a permit limitation on the capacity of the stationary source to emit an air contaminant, such as a limit on emissions, hours of operation, process rates or fuel use, the stationary source shall be considered a new federal major stationary source and the requirements of these Rules 20.1, 20.2, 20.3 and 20.4 shall apply as if construction of the stationary source had not yet commenced.

(49) **"New Major Stationary Source"** means a new emission unit, new project or new stationary source which will be a major stationary source, or a modification of an existing stationary source which modification itself constitutes a major stationary source.

(50) **"New Stationary Source"** means a stationary source which, prior to the project under review, did not contain any permitted equipment, excluding portable emission units.

(51) **"Nonattainment"** means designated as not in attainment of a National Ambient Air Quality Standard (NAAQS) pursuant to Section 107(d) of the federal Clean Air Act or of a State Ambient Air Quality Standard (SAAQS) pursuant to Section 39608 of the California Health and Safety Code, as applicable. For the purposes of these Rules 20.1, 20.2, 20.3 and 20.4, nonattainment of a NAAQS means also designated as nonattainment by EPA in 40 CFR Section 81.305.

(52) **"Non-Criteria Pollutant Emissions Significance Level"** means a contemporaneous net emissions increase occurring at any new or modified PSD stationary source, equal to or greater than the amounts listed in Table 20.1 - 8.

TABLE 20.1 - 8
Non-Criteria Pollutant Emissions Significance Levels

<u>Air contaminant:</u>	Emission Rate (Ton/yr)
Fluorides	3
Hydrogen Sulfide (H ₂ S)	10
Mercury	0.1
Reduced Sulfur Compounds	10
Sulfuric Acid Mist	7

(53) **"Non-Major Stationary Source"** means any emission unit, project or stationary source which has, or will have after issuance of an Authority to Construct or modified Permit to Operate, an aggregate potential to emit, including fugitive emissions, of each air contaminant listed in Table 20.1-6b less than the applicable emission rates specified in Table 20.1-6b.

(54) **"Offset Ratio"** means the required proportion of emission offsets to emission increases, as specified in Rules 20.3 or 20.4.

(55) **"Permanent"** means enforceable and which will exist for an unlimited period of time.

(56) **"Permit Limitation on Potential to Emit"** means an enforceable permit condition that restricts, or will restrict, the maximum potential emissions from an emission unit or aggregation of emission units and that does not violate any District, state or federal law, rule, regulation, order, or permit condition.

(57) **"Portable Emission Unit"** means an emission unit that is subject to the permit requirements of Rule 10 of these Rules and Regulations, and is designed to be and capable of being carried or moved from one location to another. Indicia of portability include, but are not limited to, wheels, skids, carrying handles, dolly, trailer or platform. For the

purposes of this regulation, dredge engines on a boat or barge are considered portable. An emission unit is not portable if any of the following apply:

(i) The unit, or its replacement, is attached to a foundation or, if not so attached, will reside at the same location for more than 12 consecutive months. Any portable emission unit such as a backup or standby unit that replaces a portable emission unit at a location and is intended to perform the same function as the unit being replaced will be included in calculating the consecutive time period. In that case, the cumulative time of all units, including the time between the removal of the original unit(s) and installation of the replacement unit(s), will be counted toward the consecutive time period; or

(ii) The emission unit remains or will reside at a location for less than 12 consecutive months if the unit is located at a seasonal source and operates during the full annual operating period of the seasonal source. A seasonal source is a stationary source that remains in a single location on a permanent basis (i.e., at least two years) and operates at that single location at least three months each year; or

(iii) The emission unit is moved from one location to another in an attempt to circumvent the portable emission unit residence time requirements.

Days when portable emission units are stored in a designated holding or storage area shall not be counted towards the above time limits, provided the emission unit was not operated on that calendar day except for maintenance and was in the designated holding or storage area the entire calendar day.

The Air Pollution Control Officer may determine, on a case-by-case basis, that emission units which exceed the above time limits will be considered as relocated equipment and will be subject to the applicable requirements for relocated emission units contained in Rules 20.1, 20.2 and 20.3.

(58) **"Post-Project Potential to Emit"** means an emission unit's potential to emit after issuance of an Authority to Construct for the proposed project, calculated pursuant to Section (d).

(59) **"Potential to Emit"** means the maximum quantity of air contaminant emissions, including fugitive emissions, that an emission unit is capable of emitting or permitted to emit, calculated pursuant to Section (d).

(60) **"Precursor Air Contaminants"** means any air contaminant which forms or contributes to the formation of a secondary air contaminant for which an ambient air quality standard exists. For purposes of this rule, the precursor relationships are listed in Table 20.1 - 9.

**TABLE 20.1 - 9
Precursor Air Contaminants**

<u>Precursor Air Contaminant</u>	<u>Secondary Air Contaminant</u>
NOx	NO ₂
	PM ₁₀
	PM _{2.5}
	Ozone
VOC	PM ₁₀
	Ozone
SOx	SO ₂
	PM ₁₀
	PM _{2.5}

(61) **"Pre-Project Actual Emissions"** means an emission unit's actual emissions prior to issuance of an Authority to Construct for the proposed project, calculated pursuant to Section (d).

(62) **"Pre-Project Potential to Emit"** means an emission unit's potential to emit prior to issuance of an Authority to Construct for a proposed project, calculated pursuant to Section (d).

(63) **"Project"** means an emission unit or aggregation of emission units for which an application or combination of applications for one or more Authorities to Construct or modified Permits to Operate is under District review.

(64) **"Proven in Field Application"** means demonstrated in field application to be reliable, in continuous compliance and maintaining a stated emission level for a period of at least one year, as determined by the Air Pollution Control Officer.

(65) **"PSD Modification"** means a contemporaneous net emissions increase occurring at a modified PSD stationary source equal to or greater than the amounts listed in Table 20.1 - 10 or any non-criteria pollutant emissions significance level listed in Table 20.1-8.

**TABLE 20.1 - 10
PSD Modification**

<u>Air contaminant:</u>	<u>Emission Rate (Ton/yr)</u>
Particulate Matter (PM ₁₀)	15
Oxides of Nitrogen (NOx)	40
Volatile Organic Compounds (VOC)	40
Oxides of Sulfur (SOx)	40
Carbon Monoxide (CO)	100
Lead and Lead Compounds (Pb)	0.6

(66) "PSD Stationary Source or Prevention of Significant Deterioration Stationary Source" means any stationary source, as specified in Table 20.1 - 11, which has, or will have after issuance of a permit, an aggregate potential to emit one or more air contaminants in amounts equal to or greater than any of the emission rates listed in Table 20.1 - 11.

**TABLE 20.1 - 11
PSD Stationary Sources and Trigger Levels**

<u>For stationary sources consisting of:</u>	
1. Fossil fuel fired steam electrical plants of more than 250 MM Btu/hr heat input	
2. Fossil fuel boilers or combinations thereof totaling more than 250 MM Btu/hr of heat input	
3. Municipal incinerators capable of charging more than 250 tons of refuse per day	
4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels	
5. Charcoal production plants	17. Phosphate rock processing plants
6. Chemical process plants	18. Petroleum refineries
7. Coal cleaning plants with thermal dryers	19. Primary aluminum ore reduction plants
8. Coke oven batteries	20. Primary copper smelters
9. Fuel conversion plants	21. Primary lead smelters
10. Furnace process carbon black plants	22. Primary zinc smelters
11. Glass fiber processing plants	23. Portland cement plants
12. Hydrofluoric acid plants	24. Secondary metal production plants
13. Iron and steel mill plants	25. Sintering plants
14. Kraft pulp mills	26. Sulfuric acid plants
15. Lime plants	27. Sulfur recovery plants
16. Nitric acid plants	28. Taconite ore processing plants
<u>The following emission rates:</u>	
<u>Air Contaminant</u>	<u>(Ton/yr)</u>
Particulate Matter (PM ₁₀)	100
Oxides of Nitrogen (NO _x)	100
Volatile Organic Compounds (VOC)	100
Oxides of Sulfur (SO _x)	100
Carbon Monoxide (CO)	100
<u>For all other stationary sources:</u>	
<u>Air Contaminant</u>	<u>(Ton/yr)</u>
Particulate Matter (PM ₁₀)	250
Oxides of Nitrogen (NO _x)	250
Volatile Organic Compounds (VOC)	250
Oxides of Sulfur (SO _x)	250
Carbon Monoxide (CO)	250

(67) "**Quantifiable**" means that a reliable basis to estimate emission reductions in terms of both their amount and characteristics can be established, as determined by the Air Pollution Control Officer. Quantification may be based upon emission factors, stack tests, monitored values, operating rates and averaging times, process or production inputs, mass balances or other reasonable measurement or estimating practices.

(68) "**Real**" means actually occurring and which will not be replaced, displaced or transferred to another emission unit at the same or other stationary source within San Diego County, as determined by the Air Pollution Control Officer.

(69) "**Reasonably Available Control Technology**" or "**RACT**" means the lowest emission limit that a particular source is capable of meeting by the application of control technology that is reasonably available, as determined by the Air Pollution Control Officer pursuant to the federal Clean Air Act, considering technological and economic feasibility.

(70) "**Relocated Emission Unit**" means a currently permitted emission unit or grouping of such units which is to be moved within San Diego County from one stationary source to another stationary source. The moving of a portable emission unit shall not be considered a relocated emission unit.

(71) "**Replacement Emission Unit**" means an emission unit which supplants another emission unit where the replacement emission unit serves the same function and purpose as the emission unit being replaced, as determined by the Air Pollution Control Officer.

(72) "**Secondary Emissions**" means emissions which would occur as a result of the construction, operation or modification of a PSD stationary source, but which are not directly emitted from any emission unit at the stationary source. Except as provided below, secondary emissions exclude emissions which come directly from mobile sources, such as emissions from the tailpipe of a motor vehicle. Secondary emissions include, but are not limited to:

(i) Emissions from ships or trains coming to or from the stationary source, unless such emissions are regulated by Title II of the federal Clean Air Act, and

(ii) Emission increases from any emission unit at a support facility not located at the stationary source, but which would not otherwise be constructed or increase emissions, and

(iii) Emissions from any emission unit mounted on a ship, boat, barge, train, truck or trailer, where the operation of the emission unit is dependent upon, or affects the process or operation (including duration of operation) of any emission unit located on the stationary source.

(73) "**Significant Impact**" means an increase in ambient air concentration, resulting from emission increases at a new or modified stationary source, equal to or greater than any of the levels listed in Tables 20.1 - 12 and 20.1 - 13.

TABLE 20.1 - 12
Stationary Sources Impacting Any Class I Area

<u>Air Contaminant</u>	<u>Significant Impact (24-hour Maximum)</u>
Particulate Matter (PM ₁₀)	1.0 µg/m ³
Nitrogen Dioxide (NO ₂)	1.0 µg/m ³
Sulfur Dioxide (SO ₂)	1.0 µg/m ³
Carbon Monoxide (CO)	1.0 µg/m ³

TABLE 20.1 - 13
Stationary Sources Impacting Any Class II Area

<u>Air Contaminant</u>	<u>Significant Impact</u>
<u>Particulate Matter (PM₁₀)</u>	
Annual arithmetic mean	1.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
<u>Nitrogen Dioxide (NO₂)</u>	
Annual arithmetic mean	1.0 µg/m ³
<u>Sulfur Dioxide (SO₂)</u>	
Annual arithmetic mean	1.0 µg/m ³
24-hr. maximum	5.0 µg/m ³
<u>Carbon Monoxide (CO)</u>	
8-hr. maximum	500.0 µg/m ³
1-hr. maximum	2000.0 µg/m ³

(74) **"State Ambient Air Quality Standards (SAAQS)"** means the maximum allowable ambient air concentrations for specified air contaminants and monitoring periods as established by the California Air Resources Board (ARB).

(75) **"Surplus"** means any emission reduction which is surplus of federal requirements, as defined herein, and is also in excess of:

(i) Any stationary source emission reduction measure contained in the San Diego Regional Air Quality Strategy, California Clean Air Act requirements, or state law, and any District rule, regulation, or order, including those which carry out such emission reduction measures. A variance issued by the Air Pollution Control District Hearing Board is not an order within the meaning of this subsection.

(76) **"Surplus of Federal Requirements"** means any emission reduction which is in excess of:

(i) Any standard, emission reduction measure or other requirement contained in the San Diego portion of the California SIP;

(ii) The most recent version of any standard, emission reduction measure or other requirement adopted by the Air Pollution Control Board and submitted for EPA approval into the SIP;

(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 stationary source emission reduction measure contained in the federal Clean Air Act or federal law, and any District or state law, rule, regulation, or order which carry out such emission reduction measures. A variance issued by the Air Pollution Control District Hearing Board is not an order within the meaning of this subsection;

(vi) Any term or condition of an Authority to Construct issued pursuant to these rules and regulations which term or condition is imposed pursuant to 40 CFR Parts 60 or 61, 40 CFR Part 63, 40 CFR Part 52.21 or 40 CFR Part 51, Subpart I; and

(vii) Emission reductions which have already been approved as ERCs or otherwise committed for air quality purposes, including but not limited to as emission offsets.

(77) "**Temporary**" means enforceable, existing and valid for a specified, limited period of time.

(78) "**Yearly**" means twelve consecutive months.

(d) EMISSION CALCULATIONS

The emission calculation provisions and requirements of this Section (d) shall be applied on an air contaminant-specific basis.

(1) POTENTIAL TO EMIT

The potential to emit of each air contaminant shall be calculated on an hourly, daily and yearly basis.

(i) Calculation of Pre-Project and Post-Project Potential to Emit

Except as provided in Subsections (d)(1)(i)(A) through (F), the pre-project and post-project potential to emit of each emission unit shall be calculated based on the maximum design capacity or other operating conditions which reflect the maximum potential emissions, including fugitive emissions.

(A) Permit Limitations on Pre-Project and Post-Project Potential to Emit Shall be Used

Except as provided in Subsections (d)(1)(i)(C) and (D), if specific enforceable permit limitations on potential to emit restrict or will restrict maximum potential emissions of an emission unit on an hourly, daily or annual basis to a lower level, these limitations shall be used to calculate the pre-project or post-project potential to emit, as applicable, on an hourly, daily and annual basis.

(B) Calculation of Pre-Project Potential to Emit for Modified Emission Units Where No Permit Limitations Exist

If there are no specific enforceable conditions limiting an emission unit's pre-project potential to emit, the pre-project potential to emit shall be limited to the emission unit's highest actual emissions calculated pursuant to Subsection (d)(2), unless limited to a lower level of emissions, as the applicant and the Air Pollution Control Officer may agree, by a permit limitation on potential to emit for the emission unit.

(C) Calculation of Pre-Project Potential to Emit for Modified Emission Units Located at Major Stationary Sources

If a modified emission unit is or will be located at an existing major stationary source, or if a modified emission unit will itself be a major stationary source, the pre-project potential to emit of the emission unit shall be calculated as follows:

(1) If the modified emission unit's pre-project actual emissions are less than 80 percent of the emission unit's potential to emit calculated pursuant to Subsections (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be the same as the unit's actual emissions.

(2) If the modified emission unit's pre-project actual emissions are equal to or greater than 80 percent of the emission unit's potential to emit calculated pursuant to Subsection (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be as calculated pursuant to Subsection (d)(1)(i)(A) and (B).

(3) Notwithstanding paragraphs (1) and (2) above, if an Authority to Construct has previously been issued for an emission unit pursuant to New Source Review rules for the District, and the previous emission increases that resulted from that emission unit were offset in accordance with the New Source Review rules in effect at that time, the emission unit's pre-project potential to emit shall be as calculated pursuant to Subsection (d)(1)(i)(A) and (B).

(D) Calculation of Pre-Project Potential to Emit for Modified Emission Units Located at Federal Major Stationary Sources

If a modified emission unit is or will be located at an existing federal major stationary source, or if a modified emission unit is part of a project that will constitute a federal major stationary source, the pre-project potential to emit of the emission unit shall be calculated as follows:

(1) For the sole purpose of calculating the emissions increase to determine if the project under review constitutes a federal major modification or a new federal major stationary source, the modified emission unit's pre-project potential to emit shall equal the unit's actual emissions.

(2) For the sole purpose of calculating the emissions increase that must be offset pursuant to Rule 20.3, Subsection (d)(5), the emission unit's pre-project potential to emit shall be calculated as follows:

(i) If the modified emission unit's pre-project actual emissions are less than 80 percent of the emission unit's potential to emit calculated pursuant to Subsections (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be the same as the unit's actual emissions.

(ii) If the modified emission unit's pre-project actual emissions are equal to or greater than 80 percent of the emission unit's potential to emit calculated pursuant to Subsection (d)(1)(i)(A) and (B), then the emission unit's pre-project potential to emit shall be as calculated pursuant to Subsection (d)(1)(i)(A) and (B).

(E) Calculation of Pre-Project Potential to Emit for New Emission Units

Notwithstanding any other provision of this rule, the pre-project potential to emit for a new emission unit shall be zero.

(F) Calculation of Post-Project and Pre-Project Potential to Emit for Projects

The post-project and pre-project potential to emit for a project shall be calculated as the sum of all the post-project or pre-project potentials to emit, as applicable, for the emission units aggregated in the project unless limited to a lower level of emissions, as the applicant and the Air Pollution Control Officer may agree, by a permit limitation on potential

to emit for the project. The aggregate pre-project and post-project potentials to emit for a project shall not affect the applicability of BACT requirements in Rules 20.2, 20.3 and 20.4 to individual emission units that are a part of the project.

(ii) **Calculation of Aggregate Potential to Emit - Stationary Source**

Except as provided for below in Subsections (d)(1)(ii)(A) through (E), the aggregate potential to emit of a stationary source shall be calculated as the sum of the post-project potential to emit of all emission units permitted for the stationary source, including emission units under District review for permit and those to which Subsection (b)(1) applies.

(A) **Permit Limitations on Post-Project Potential to Emit Shall be Used**

If specific, enforceable limiting conditions restrict, or will restrict, emissions of a stationary source, or an aggregation of emission units at a stationary source, to a lower level on an hourly, daily or annual basis, these limitations on post-project potential to emit shall be used in calculating the aggregate potential to emit of the stationary source.

(B) **Permit-Exempt Equipment**

The potential to emit of emission units exempt from permit requirements under these Rules and Regulations or state law shall not be included in the aggregate potential to emit of a stationary source except that emissions of any air contaminant from such emission units shall be included if the actual emissions of such air contaminant would be determining as to whether the stationary source is a federal major stationary source.

The applicant and the Air Pollution Control Officer may agree to place all permit-exempt emission units which would be classified under the same class or category of source under permit for purposes of creating emission reduction credits (ERCs). In such case, the potential to emit of such emission units shall be included in the stationary source's aggregate potential to emit.

(C) **Emergency Equipment**

The potential to emit from the operation of emergency equipment during emergency situations shall not be included in the calculation of a stationary source's aggregate potential to emit. The potential to emit from operation of emergency equipment during non-emergency situations shall be included in the calculation of a stationary source's aggregate potential to emit.

(D) Portable Emission Units

The potential to emit of portable emission units which are considered under the same major industrial grouping, as identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*, as the stationary source where such units are or will be operated, or which are used as part of or to supplement a primary process at the stationary source where the operation of one is dependent upon or affects the operation of the other, shall be included in such stationary source's aggregate potential to emit. All other portable emission units shall be excluded from the calculation of a stationary source's aggregate potential to emit.

(E) Military Tactical Support Equipment Engines

Emissions from portable engines, including gas turbines, used exclusively in conjunction with portable military tactical support equipment shall be excluded from the calculation of a stationary source's aggregate potential to emit.

(2) **ACTUAL EMISSIONS**

Actual emissions are used: to determine pre-project potential to emit where specified in Subsection (d)(1) of this rule; and, in procedures to quantify emission reductions as specified in Subsection (d)(4)(ii) of this rule. Actual emissions are calculated based on the actual operating history of the emission unit and shall be calculated in accordance with Subsections (d)(2)(i), (ii), (iii) and (iv) below, as applicable.

(i) **Calculation of Actual Emissions for Purposes of Determining Pre-Project Potential to Emit**

Actual emissions of an existing emission unit shall be calculated in accordance with Subsections (d)(2)(i)(A) or (B) below on an operating hour, day and year basis for purposes of determining an emission unit's pre-project potential to emit.

(A) The emission unit's pre-project actual hourly, daily and yearly emissions shall be based on the highest level of hourly, daily and yearly emissions, respectively, occurring during a twenty-four consecutive month period representative of normal operations within the five-year period preceding the receipt date of the application.

(B) The pre-project actual emissions for emission units operated for a period less than twenty-four consecutive months shall be based on the longest operating time period determined by the Air Pollution Control Officer to be most representative of actual operations.

(ii) **Calculation of Actual Emissions for Purposes of Quantifying Emission Reductions**

(A) Actual emissions of an existing emission unit shall be calculated on an operating hour, day and year basis averaged over the most representative twenty-four consecutive months within the five years preceding the receipt date of an application, as determined by the Air Pollution Control Officer.

(B) For emission units which have not been operated for a twenty-four consecutive month period which is representative of actual operations within the five years preceding the receipt date of the application, the calculation of actual emissions shall be based on the average of any two twelve consecutive month operating periods determined by the Air Pollution Control Officer to be representative within that five-year period. If two representative twelve consecutive month operating time periods do not exist, the calculation of actual emissions shall be based on the average of the total operational time period within that five-year period.

(iii) **Adjustments for Violations**

If an emission unit was operated in violation of any District, state or federal law, rule, regulation, order or permit condition during the period used to determine actual emissions, the actual emissions calculated pursuant to this Subsection (d)(2) shall be adjusted to reflect the level of emissions which would have occurred if the emission unit had not been in violation.

(iv) **Adjustments for Currently Applicable Federally Enforceable Requirements**

For an emission unit being modified, replaced or relocated, and which will be located at a federal major stationary source, the actual emissions calculated on an operating year (yearly) basis pursuant to this Subsection (d)(2) shall be further adjusted to reflect the level of emissions which would have occurred had the emission unit been required to comply with all federally enforceable requirements applicable to the emission unit at the time that a complete application to modify, replace or relocate the emission unit is submitted. This subsection (d)(2)(iv) shall only apply to air contaminants, and their precursors, for which the San Diego Air Basin is designated as nonattainment of a national ambient air quality standard. This subsection (d)(2)(iv) shall not apply to any existing electric utility steam generating unit which is intended to supply more than one-third of its potential electric output capacity and more than 25 megawatts electrical output to any utility power distribution system for sale. Any steam supplied to a steam distribution system for the purpose of providing steam to a steam-electric generator that would produce electrical energy for sale shall be included in determining the electrical energy output of the unit.

(3) **EMISSION INCREASE**

A project's or emission unit's emission increase shall be calculated as follows:

(i) **New Emission Units**

Emission increases from a new emission unit shall be equal to the post-project potential to emit for the emission unit.

(ii) **Modified Emission Units**

Emission increases from a modified emission unit shall be calculated as the emission unit's post-project potential to emit minus the emission unit's pre-project potential to emit.

(iii) **Relocated Emission Units**

Emission increases from a relocated emission unit at its new location shall be equal to the emission unit's post-project potential to emit.

(iv) **Replacement Emission Units**

Emission increases from a replacement emission unit shall be calculated as the replacement emission unit's post-project potential to emit minus the existing emission unit's pre-project potential to emit.

(v) **Portable Emission Units**

Emission increases from a portable emission unit shall be calculated as the emission unit's post-project potential to emit minus the emission unit's pre-project potential to emit.

(vi) **Projects**

Emission increases from a project shall be calculated as the project's post-project potential to emit minus the project's pre-project potential to emit.

(vii) **Determining Emissions Increases for Federal Major Modifications and Federal Major Stationary Sources**

When calculating emissions increases for the sole purpose of determining whether a project at an existing federal major stationary source constitutes a federal major modification, or whether a modification at an existing stationary source constitutes a new federal major stationary source, and thereafter applying the provisions of this Rule 20.1 and Rules 20.2, 20.3, and 20.4 of these Rules and Regulations specific to federal major modifications and federal major stationary sources, an applicant for such project or modification may choose to use the methods contained in 40 CFR 51.165 (a)(2)(ii)(B) through (F), and references therein, as they

existed on April 27, 2016. Applicants choosing to use the methods contained in 40 CFR 51.165 (a)(2)(ii)(B) through (F) shall comply with the recordkeeping and reporting requirements contained in 40 CFR 51.165 (a)(6) and (a)(7) when there is a reasonable possibility, as defined in 40 CFR 51.165 (a)(6)(vi), that a project that is not a major modification may result in a significant emissions increase of a regulated NSR pollutant. References in 40 CFR 51.165 (a)(2)(ii)(B) through (F) to major modification and to major stationary source shall be read as referring to federal major modification and federal major stationary source as defined in Section (c) of this rule. The provisions of this Section (d) for determining emissions increases, excluding this Subsection (d)(3)(vii), shall apply for all other purposes of this Rule 20.1 and Rules 20.2, 20.3 and 20.4.

(4) EMISSION REDUCTION - POTENTIAL TO EMIT, ACTUAL EMISSION REDUCTION, EMISSION REDUCTION CREDITS

A project's or emission unit's emission reduction shall be calculated as follows:

(i) **Reduction in the Potential to Emit**

(A) Modified Emission Units

Reduction in the potential to emit for a modified emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit.

(B) Relocated Emission Units

Reduction in the potential to emit for a relocated emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit. Notwithstanding the foregoing, the post-project potential to emit of a relocated emission unit shall be used in determining the aggregate potential to emit of, and any contemporaneous net emissions increase at, the stationary source to which it is relocated, and the emission increase of any project which the relocated emission unit is a part.

(C) Replacement Emission Units

Reduction in the potential to emit for a replacement emission unit shall be calculated as the existing emission unit's pre-project potential to emit minus the replacement emission unit's post-project potential to emit.

(D) Portable Emission Units

Reduction in the potential to emit for a portable emission unit shall be calculated as the emission unit's pre-project potential to emit minus the emission unit's post-project potential to emit.

(E) Projects

Reduction in the potential to emit for a project shall be calculated as the project's pre-project potential to emit minus the project's post-project potential to emit.

(ii) **Actual Emission Reduction**

Notwithstanding any other provision of this rule, actual emissions calculated pursuant to Subsection (d)(2)(ii), (iii) and (iv) shall be used for purposes of determining an actual emission reduction in accordance with this Subsection (d)(4)(ii) and Subsection (d)(4)(iii). An actual emission reduction must be real, surplus, enforceable, quantifiable and permanent. Actual emission reductions shall be calculated as follows:

(A) Shutdowns

Unless an emission unit is replaced, actual emission reductions from the shutdown of an emission unit shall be calculated based on the emission unit's pre-project actual emissions. Actual emission reductions from the shutdown and replacement of an emission unit shall be calculated pursuant to Subsection (d)(4)(ii)(D).

(B) Modified Emission Units

Actual emission reductions from a modified emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(C) Relocated Emission Units

Actual emission reductions from a relocated emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(D) Replacement Emission Units

Actual emission reductions from a replacement emission unit shall be calculated as the existing emission unit's pre-project actual emissions minus the replacement emission unit's post-project potential to emit.

(E) Portable Emission Units

Actual emission reductions from a portable emission unit shall be calculated as the emission unit's pre-project actual emissions minus the emission unit's post-project potential to emit.

(F) Projects

Actual emission reductions from a project shall be calculated as the sum of all the pre-project actual emissions from the emission units aggregated in the project minus the project's post-project potential to emit.

(iii) **Adjustments For Determining Actual Emission Reductions**

The following adjustments shall be made in determining actual emission reductions:

(A) Units Permitted and Operated Less Than Two Years

If an emission unit has been permitted and operated for a period less than two years, the emission unit's actual emissions (in tons per year) shall be calculated as the unit's actual emissions (in tons) that occurred during the actual operating time period multiplied by the actual operating time period in days divided by 1,460 days.

(B) Adjustments for Permitted Emission Units

Actual emission reductions from permitted emission units shall exclude emission reductions which are not surplus at the time the actual emission reduction is determined.

(C) Adjustments for Emission Units Exempt from Permit Requirements

This provision shall apply to actual emission reductions from an emission unit which is exempt from permit requirements pursuant to Rule 11. Such actual emission reductions shall be determined in accordance with Subsections (d)(2)(ii), (d)(2)(iii) and (d)(4)(ii) of this rule, but shall not be further reduced in accordance with this rule at the time the actual emission reduction is determined. However, at the time the emission reduction credits (ERCs) or actual emission reductions created from such an exempt emission unit are used to meet an emission offset requirement of these Rules 20.1 and 20.3 or 20.4, the ERCs or the actual emission reduction, as applicable, shall be further adjusted to exclude emission reductions which are not surplus at the time the ERC or actual emission reduction is so used. A condition shall be included in any ERC for such an exempt emission unit requiring such adjustment to occur at the time of use of the ERC.

(iv) **Emission Reduction Credits (ERCs)**

The following procedures shall be followed in evaluating and acting on an application for emission reduction credits:

(A) An emission reduction credit may be approved by the Air Pollution Control Officer upon determining that the actual emission reduction that is the basis of such credit meets the applicable requirements of this Rule 20.1, and of these Rules and Regulations, in effect at the time that such credit is approved.

(B) The Air Pollution Control Officer's approval of an emission reduction credit shall be in writing and shall contain conditions necessary to ensure the validity of the credit.

(C) Such approval shall be first subject to public notice in a newspaper of general circulation and on the public notice section of the Air Pollution Control District's web site, for the duration of the public comment period, and a 30-calendar day period for public, agency and applicant review and comment. A copy of the public notice shall be provided to the federal EPA, through its Region 9 office, and to the California ARB.

(D) An applicant for an emission reduction credit may appeal the denial or conditional approval of a credit to the Air Pollution Control District Hearing Board within 30 days of receipt of such denial or conditional approval.

(E) The use of an emission reduction credit to meet an emission offset requirement of these Rules 20.1, 20.3 or 20.4 shall be subject to the applicable requirements of those rules.

(5) EMISSION OFFSETS

Emission offsets are actual emission reductions which are provided to mitigate emission increases where required by these Rules and Regulations. In order to be considered an emission offset, actual emission reductions or ERCs must be valid for the life of the emission increase which they are offsetting. Emission offsets must meet the applicable criteria specified in this Rule 20.1 and Rules 20.3 and 20.4.

(i) Emission offsets shall consist of:

(A) actual emission reductions calculated in accordance with Subsections (d)(4)(ii) and (d)(4)(iii) of this rule; or,

(B) ERCs meeting the applicable requirements of Rules 20.1 through 20.4 in effect at the time such ERCs were approved; or,

(C) mobile source ERCs issued pursuant to Rule 27.1; or,

(D) emission reduction credits issued pursuant to a District rule which has been approved by the federal EPA into the District portion of the State Implementation Plan and which contains standards for the creation and approval of such credits.

(ii) In order to qualify as an emission offset, actual emission reductions shall have been evaluated and approved as an emission reduction credit by the Air Pollution Control Officer pursuant to the applicable requirements of Rules 20.1, 20.3 and 20.4 or Rule 27.1, or an applicable District emission reduction credit creation and approval rule approved by the federal EPA into the State Implementation Plan, unless the actual emission reductions are being proposed to offset emission increases occurring concurrently at the stationary source. In such a case, the Air Pollution Control Officer may choose to administratively forego the issuance of ERCs.

(iii) Emission offsets shall be in effect and enforceable at the time of startup of the emission unit, project or stationary source requiring the offsets.

(iv) Emission offsets must be federally enforceable at the time of issuance of an Authority to Construct if the source is a new federal major stationary source or a federal major modification for the pollutant for which offsets are being provided.

(v) Actual emission reductions and ERCs used to meet the emission offset requirements of Rules 20.3 applicable to a new federal major stationary source or a federal major modification shall be surplus of federal requirements at the time such emission reductions and ERCs are to be used as offsets. If the actual emission reductions, which were the basis of any such offsetting emission reductions or ERCs, resulted from the shutdown or curtailment in production and/or operating hours of an existing emission unit or existing stationary source, where such shutdown or curtailment occurred on or before the last day of the baseline year used in the Air Pollution Control District's most recent NAAQS attainment plan, such emissions must have been included in the projected emissions inventory used to develop the attainment demonstration associated with that plan.

(vi) Emission offsets shall be provided on a ton per year basis.

(vii) Emission offsets shall be located in San Diego County, except as provided pursuant to a District rule, approved by the California ARB and the federal EPA into the District portion of the State Implementation Plan, containing standards for the creation and approval of emission reduction credits in coastal waters adjacent to San Diego County.

(e) OTHER PROVISIONS

(1) CONTINUITY OF EXISTING PERMITS

All of the conditions contained in any Authority to Construct or Permit to Operate issued prior to November 5, 2018, shall remain valid and enforceable for the life of the Authority to Construct or Permit to Operate, unless specifically modified by the District.

RULE 20.3
NEW SOURCE REVIEW
MAJOR STATIONARY SOURCES AND PSD STATIONARY SOURCES
~~(ADOPTED AND EFFECTIVE 5/17/94)~~
~~(REV. ADOPTED AND EFFECTIVE 12/17/97)~~
~~(REV. ADOPTED 11/4/98; EFFECTIVE 12/17/98)~~
~~(REV. ADOPTED 4/27/16; EFFECTIVE 11/5/18)~~
~~(REV. ADOPTED 6/26/19; EFFECTIVE 10/16/20)~~
(Rev. Adopted & Effective (date of adoption))

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE No.</u>
(a) APPLICABILITY	1
(b) EXEMPTIONS	1
(c) DEFINITIONS	2
(d) STANDARDS	2
(1) Best Available Control Technology (BACT) and Lowest Achievable Emission Rate (LAER)	2
(i) New or Modified Emission Units - BACT	2
(ii) Relocated Emission Units - BACT	3
(iii) Replacement Emission Units - BACT	3
(iv) Emergency Equipment Emission Units	3
(v) Lowest Achievable Emission Rate (LAER)	3
(vi) New, Modified, Relocated or Replacement Emission Units – PSD Stationary Sources	4
(vii) Projects with Multiple Emission Units	4
(2) Air Quality Impact Analysis (AQIA)	4
(i) AQIA for New, Modified, Replacement or Relocated Emission Units and Projects	4
Table 20.3 - 1: AQIA Trigger Levels	5
(ii) AQIA for PM _{2.5} and PM ₁₀ Emission Increases	5
(iii) AQIA for Projects	6
(iv) AQIA Not Required for NO _x or VOC Impacts on Ozone	6
(v) AQIA Requirements for PM ₁₀ Impacts May be Waived	6
(vi) AQIA May be Required	7
(3) Prevention of Significant Deterioration (PSD)	8
(i) Applicability	8
(ii) Notification Requirements	9
(iii) Air Quality Impact Analysis (AQIA)	10
(iv) Air Quality Increment	10
(v) Additional Impacts Analyses	11
(vi) Protection of Class I Areas	12
(vii) Additional Requirements	12

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(4) Public Notice and Comment	13
(i) Public Comment Period	13
(ii) Applicant Response.....	13
(iii) Publication of Notice.....	14
(iv) Information to be Made Available for Public Inspection.....	14
(5) Emission Offset Requirements.....	15
(i) Determination of Applicability	15
(ii) Emission Offsets	15
Table 20.3-2: NO _x and VOC Offset Ratio	15
(iii) Interpollutant Offsets	17
(e) ADDITIONAL REQUIREMENTS–FEDERAL MAJOR STATIONARY SOURCES	17
(1) Compliance Certification	17
(2) Alternative Siting and Alternatives Analysis.....	18
(3) Analysis of Visibility Impairment in Class I Areas.....	18
(i) Required Analyses	18
(ii) Notification Requirements	18
(iii) Application Denial	19
(4) Prohibition on Issuing Federal Major Stationary Source Permits	19

NOTE: The following listed sections and subsections will not be submitted to the federal Environmental Protection Agency (EPA) for inclusion in the ~~San Diego State~~ Implementation Plan (SIP). As such, the following listed sections and subsections are not enforceable by EPA, but remain enforceable by the San Diego County Air Pollution Control District.

Subsection(d)(1)(vi); Subsections (d)(2)(i)(B), (d)(2)(v), and (d)(2)(vi)(B); and, Subsection (d)(3).

RULE 20.3. NEW SOURCE REVIEW - MAJOR STATIONARY SOURCES AND PREVENTION OF SIGNIFICANT DETERIORATION (PSD) STATIONARY SOURCES

~~(Adopted & Effective 5/17/94)~~
~~(Rev. Adopted & Effective 12/17/97)~~
~~(Rev. Adopted 11/4/98; Effective 12/17/98)~~
~~(Rev. Adopted 4/27/16; Effective 11/5/18)~~
~~(Rev. Adopted 6/26/19; Effective 10/16/20)~~
Rev. Adopted and Effective (date of adoption)

(a) APPLICABILITY

This rule applies to any new or modified major stationary source, to any new or modified federal major stationary source, to any new or modified emission unit, to any replacement emission unit, and to any relocated emission unit being moved to a stationary source if, after completion of the project, the stationary source will be a major stationary source, a federal major stationary source, or a Prevention of Significant Deterioration (PSD) Stationary Source. This rule does not apply to identical or like-kind replacement emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. This rule does not apply to any portable emission unit. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these rules and regulations, or state and federal law.

(b) EXEMPTIONS

The exemptions contained in Rule 20.1 – New Source Review (NSR)-General Provisions, Section (b) Exemptions, apply to this rule. In addition, for purposes of this rule, the following exemptions shall apply.

(1) An existing permitted emission unit which is to be temporarily relocated from one stationary source within San Diego County to another stationary source shall be exempt from the BACT requirements of Subsection (d)(1)(ii) provided that:

- (i) The emission unit is not being modified,
- (ii) There is no increase in the emission unit's potential to emit,
- (iii) The unit is not located for more than 180 days at the stationary source where it is moved to,
- (iv) The emission unit is not located at more than two stationary sources over any 365-day period, and
- (v) The emission unit at the new location does not constitute a new federal major stationary source nor a federal major modification.

(2) An existing permitted emission unit which is to be permanently relocated from one stationary source within San Diego County to another stationary source shall be exempt from the BACT requirements of Subsection (d)(1)(ii), provided that:

- (i) There is no increase in the emission unit's potential to emit,
- (ii) The relocation occurs within 10 miles of the previous stationary source,
- (iii) The relocated emission unit commences operating at the stationary source it was relocated to within one year of the emission unit ceasing operations at its previous stationary source, and
- (iv) The emission unit at the new location does not constitute a new federal major stationary source nor a federal major modification.

(3) Emission increases resulting from an air contaminant emission control project shall be exempt from the emission offset requirements of Subsection (d)(5) of this rule to the extent that the project does not include an increase in the capacity of the emission unit being controlled. Emission increases that are associated with an increase in capacity of the emission unit being controlled shall be subject to the emission offset provisions of this rule, as applicable. This exemption from offsets shall not apply to any air contaminant for which the emissions increase constitutes a new federal major stationary source, or for which the emissions increase constitutes a federal major modification unless the emissions increase is for NO_x or VOC and the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area.

(c) **DEFINITIONS**

The definitions contained in Rule 20.1, Section (c) Definitions, apply to this rule.

(d) **STANDARDS**

(1) **BEST AVAILABLE CONTROL TECHNOLOGY (BACT) AND LOWEST ACHIEVABLE EMISSION RATE (LAER)**

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

(i) **New or Modified Emission Units - BACT**

Except as provided in Subsection (d)(1)(v), any new or modified emission unit which has any increase in its potential to emit particulate matter (PM₁₀), oxides of nitrogen (NO_x), volatile organic compounds (VOC), or oxides of sulfur (SO_x) and which unit has a post-project potential to emit 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(ii) **Relocated Emission Units - BACT**

Except as provided in Subsections (b)(1), (b)(2) and (d)(1)(v), any relocated emission unit with a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(iii) **Replacement Emission Units - BACT**

Except as provided in Subsection (d)(1)(v), any replacement emission unit with a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC or SO_x shall be equipped with BACT for each such air contaminant.

(iv) **Emergency Equipment Emission Units**

For any emergency equipment emission unit subject to the BACT requirements of Subsections (d)(1)(i), (ii), (iii) or (vi) of this rule, BACT shall apply based on the unit's non-emergency operation emissions and excluding the unit's emissions while operating during emergency situations.

(v) **Lowest Achievable Emission Rate (LAER)**

(A) Except as provided for in paragraphs (d)(1)(v)(B) and (C) below, LAER shall be required for each new, modified, relocated or replacement emission unit and project which results in an emissions increase which constitutes a new major stationary source, a new federal major stationary source, major modification, or federal major modification. LAER shall be required only for those air contaminants and their precursors for which the stationary source is major and for which the District is classified as non-attainment of a national ambient air quality standard.

(B) If actual emission reductions of VOC or NO_x, as applicable, are provided from within the stationary source at a ratio of at least 1.3 to 1.0 for the emissions increases of VOC or NO_x from an emissions unit or project subject to the LAER provisions of this Subsection (d)(1)(v), such emission increases shall be exempt from the requirement for LAER and from further emission offsets under Subsection (d)(5) of this rule and shall instead be subject to BACT. This provision shall not apply if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area.

(C) A new, modified, relocated or replacement emission unit or project at an existing major stationary source or federal major stationary source which results in an emission increase of VOC or NO_x, and which increase would be otherwise subject to LAER, shall be subject to BACT instead of LAER provided the stationary source's post-project aggregate potential to emit is less than 100 tons per year of VOC or NO_x. This provision shall apply on a pollutant-specific basis. This provision shall not apply if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area.

(vi) **New, Modified, Relocated or Replacement Emission Units – PSD Stationary Sources**

Any new, modified, relocated or replacement emission unit at a PSD stationary source, which emission unit has an emission increase of one or more air contaminants which constitutes a new PSD stationary source (see Table 20.1-11) or PSD modification (see Tables 20.1-8 and 20.1-10), shall be equipped with BACT for each such air contaminant.

(vii) **Projects with Multiple Emission Units**

Where a project at a stationary source consists of more than one new, modified, relocated or replacement emission unit required by this Subsection (d)(1) to be equipped with BACT or LAER, BACT or LAER, as applicable, shall be evaluated for each such emission unit. The Air Pollution Control Officer may require that BACT or LAER, as applicable, be also evaluated for combinations of such emission units. Where technologically feasible, lowest emitting and, for BACT, cost-effective, the Air Pollution Control Officer may require that BACT or LAER be applied to a combination of such emission units. In such case, BACT or LAER applied to such combinations shall not result in greater emissions for the project nor for each emission unit that is part of the project than were BACT or LAER, as applicable, applied to each emission unit.

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit or project subject to this rule unless the following requirements are satisfied.

The demonstrations required by this Subsection (d)(2) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) **AQIA for New, Modified, Replacement or Relocated Emission Units and Projects**

(A) For each new, modified, replacement or relocated emission unit and project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.3 – 1 below, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer through an AQIA, as defined in Rule 20.1, that such emissions increase will not:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, nor

(3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard, nor

(4) by itself, result in an increase in ambient concentrations of any air contaminant, for which San Diego County is in attainment of the applicable national ambient air quality standards, greater than the applicable air quality increment above the baseline concentration for that air contaminant in any Class I or Class II area. This provision shall only apply if the emissions increase constitutes a new federal major stationary source or federal major modification.

(B) For each new, modified, replacement or relocated emission unit and project which results in an emissions increase equal to or greater than any of the amounts listed in Table 20.3 – 1 below, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, that such emissions increase will not:

(1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(v), nor

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

TABLE 20.3 - 1
AQIA Trigger Levels

<u>Air Contaminant</u>	<u>Emission Rate</u>		
	<u>(lb/hr)</u>	<u>(lb/day)</u>	<u>(tons/yr)</u>
Particulate Matter (PM ₁₀)	---	100	15
Fine Particulate Matter (PM _{2.5})	---	67	10
Oxides of Nitrogen (NO _x)	25	250	40
Oxides of Sulfur (SO _x)	25	250	40
Carbon Monoxide (CO)	100	550	100
Lead and Lead Compounds	---	3.2	0.6

(ii) **AQIA for PM_{2.5} and PM₁₀ Emission Increases**

In determining if a PM_{2.5} or PM₁₀ AQIA is required under this Subsection (d)(2), the emissions increases shall include both directly emitted PM_{2.5} and PM₁₀, and PM_{2.5} and PM₁₀ which would condense after discharge to the atmosphere. If a PM_{2.5} or PM₁₀ AQIA is required, the AQIA shall include both directly emitted PM_{2.5} or PM₁₀, and PM_{2.5} or PM₁₀ which would condense after discharge to the atmosphere. Any permit terms or conditions limiting emissions of PM_{2.5} or PM₁₀ as a result of the requirements of this Subsection (d)(2) shall apply to the combination of both directly emitted and condensable PM_{2.5} or PM₁₀. The provisions of this Subsection (d)(2)(ii) shall apply separately to PM_{2.5} and PM₁₀.

(iii) **AQIA for Projects**

Where a project consists of multiple new, modified, replacement or relocated emission units, the determination of whether an air quality impact analysis is required under this Subsection (d)(2) shall be based on the aggregate total of emissions increases occurring from those project emission units for which emissions are increasing, excluding any concurrent actual emission reductions occurring from other emission units at the same stationary source. If an air quality impact analysis is required, the air quality impacts of the project shall be based on the aggregate of the air quality impacts of each unit's emission increases at each off-site location analyzed. The air quality impact reduction at any off-site location analyzed that results from any concurrent, enforceable actual emission reductions occurring from other emission units, at the same stationary source, may be included to determine the net air quality impacts of a project at such off-site location.

(iv) **AQIA Not Required for NO_x or VOC Impacts on Ozone**

Notwithstanding the requirements of this Subsection (d)(2) a demonstration shall not be required for determining the impacts from an emission unit's or project's NO_x or VOC emissions on an ambient air quality standard for ozone, unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of NO_x or VOC emissions from such emission unit or project on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board (CARB) with regard to state ambient air quality standards and the federal Environmental Protection Agency (EPA) with regard to national ambient air quality standards.

(v) **AQIA Requirements for PM₁₀ Impacts May be Waived**

Notwithstanding the requirements of Subsection (d)(2)(i), the Air Pollution Control Officer may waive the AQIA requirements for PM₁₀ impacts on the state ambient air quality standards, as follows:

(A) If the project will result in a maximum PM₁₀ air quality impact of less than 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis), all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at a ratio of 1.5 to 1.

(B) If the project will result in a maximum PM₁₀ air quality impact equal to or greater than 5 µg/m³ but less than 10 µg/m³ (24-hour average basis) or equal to or greater than 3 µg/m³ but less than 6 µg/m³ (annual geometric mean basis):

(1) the project must be equipped with BACT for PM₁₀ emissions without consideration for cost-effectiveness,

(2) all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at an overall ratio of 1.5 to 1,

(3) sufficient emission offsets must be provided within the project's impact area to offset all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, at a ratio of at least 1 to 1,

(4) emission offsets in an amount and location which are demonstrated to have a modeled off-stationary source air quality impact at least equal to the project's PM₁₀ ambient air quality impact minus 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis) must be provided, and

(5) all reasonable efforts to reduce the air quality impacts of the project are made.

(C) In no case shall the project result in a maximum PM₁₀ air quality impact equal to or greater than 10 µg/m³ (24-hour average basis) or equal to or greater than 6 µg/m³ (annual geometric mean basis).

(vi) **AQIA May be Required**

(A) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any new or modified stationary source, any emission unit or any project if the stationary source, emission unit or project may be expected to:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, or

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, or

(3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard, or

(4) by itself, result in an increase in ambient concentrations of any air contaminant, for which San Diego County is in attainment of the applicable national ambient air quality standards, greater than the applicable air quality increment above the baseline concentration for that air contaminant in any Class I or Class II area. This provision shall only apply if the emissions increase constitutes a new federal major stationary source or federal major modification.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any stationary source, emission unit or project for which an AQIA is required pursuant to this Subsection (d)(2)(vi)(A) unless the applicant demonstrates to the satisfaction of the Air

Pollution Control Officer that the emission increases from such source, unit or project will not result in any of the impacts to the national ambient air quality standards or an air quality increment specified above in (1), (2), (3) and (4) of this Subsection (d)(2)(vi)(A).

(B) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any new or modified stationary source, any emission unit or any project if the stationary source, emission unit or project may be expected to:

(1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, or

(2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(v), or

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any stationary source, emission unit or project for which an AQIA is required pursuant to this Subsection (d)(2)(vi)(B) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emissions increases from such source, unit or project will not result in any of the impacts to state ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(vi)(B).

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any project subject to this Subsection (d)(3) unless the applicant demonstrates that the following requirements are satisfied. The demonstrations required by this Subsection (d)(3) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) **Applicability**

(A) **PSD Stationary Sources**

(1) The provisions of Subsections (d)(3)(ii) through (vii) below shall apply to any new PSD stationary source and to any PSD modification, for those air contaminants for which the District is classified as attainment or unclassified with respect to a national ambient air quality standard.

(2) The provisions of Subsections (d)(3)(ii), (iii), (v) and (vii) below shall apply to any emission increase of a non-criteria air contaminant at a PSD stationary source with a potential to emit equal to or greater than a non-criteria pollutant emissions significance level (see Table 20.1-8) for the air contaminant.

(B) Major Stationary Sources – Projects Causing a Significant Impact

The provisions of Subsections (d)(3)(ii) through (vii) shall apply to any project at a new or modified major stationary source, which project is expected to have, as determined by an AQIA required pursuant to Subsection (d)(2):

(1) a significant impact on any Class I area, regardless of the Class I area's national attainment or nonattainment classification, or

(2) a significant impact on any Class II area where the Class II area is classified as attainment of the national ambient air quality standard for that air contaminant for which there is a significant impact.

(ii) **Notification Requirements**

(A) Notification of Federal Land Manager - Before Application Submittal

The applicant shall provide written notification to the Federal Land Manager of the applicant's intent to file an application for an Authority to Construct, Permit to Operate, or a Determination of Compliance pursuant to Rule 20.5 – Power Plants, not less than 30 days prior to application submittal. The applicant's notification to the Federal Land Manager shall include copies of all of the analyses required by this Subsection (d)(3). Concurrently, the applicant shall notify the federal EPA and the District, and provide copies of the written notification given to the Federal Land Manager.

(B) Notification of Federal Land Manager - After Application Submittal

If a project is modified prior to issuance of an Authority to Construct such that it becomes subject to Subsection (d)(3), the Air Pollution Control Officer shall provide the notification required by Subsection (d)(3)(ii)(A) no later than 15 days after it is determined that the provisions of Subsection (d)(3) apply.

(C) Failure to Notify

If the applicant has failed to provide the notification required by Subsection (d)(3)(ii)(A) within the time periods described in that subsection, the applicant shall provide the notification required by that subsection no later than 15 days after the Air Pollution Control Officer informs the applicant that the provisions of Subsection (d)(3) apply.

(iii) **Air Quality Impact Analysis (AQIA)**

Notwithstanding the emission threshold requirements of Subsection (d)(2), the applicant shall perform an AQIA as prescribed in Subsection (d)(2) for those pollutants for which, pursuant to Subsection (d)(3)(i), Subsection (d)(3) applies. In conducting the AQIA, projected growth calculated pursuant to (d)(3)(v)(A) shall be taken into account. The Air Pollution Control Officer shall comply with the public comment and notice provisions of Subsection (d)(4) and with the following:

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

Notify the Federal Land Manager and EPA. This notification shall include all of the analyses required by Subsection (d)(3), the location of the project, the project's approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1, Table 20.1 - 3), and the results of the AQIA, at least 60 days prior to the public comment period required by Subsection (d)(4).

(B) **CARB, SCAQMD and Imperial County APCD Notification**

Notify and submit to the ~~California~~ CARB, the South Coast Air Quality Management District (SCAQMD) and the Imperial County Air Pollution Control District (ICAPCD) all of the information required by Subsection (d)(4)(iv).

(iv) **Air Quality Increment**

If the stationary source is located in an area designated as attainment or unclassified for the SO₂, NO₂, PM_{2.5} or PM₁₀ national ambient air quality standards pursuant to Section 107(d)(1)(D) or (E) of the federal Clean Air Act, the following shall be satisfied:

(A) The applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, using procedures approved by the Air Pollution Control Officer, that the applicable air quality increments are not exceeded within the project's impact area.

(B) The demonstration required by Subsection (d)(3)(iv)(A) shall include the following:

(1) a description of the federal attainment area where a significant impact occurs and the attainment area's corresponding minor source baseline date, and

(2) an analysis of the air quality impacts of all increment consuming and increment expanding emissions within the impact area, and

(3) an analysis of the air quality impacts of increment consuming and increment expanding emissions outside the impact area that may have a significant impact within the impact area.

(v) **Additional Impacts Analyses**

The analyses required by Subsections (d)(3)(v)(A) through (C) shall include the impacts of total emissions which exceed a non-criteria emissions significance level.

(A) **Growth Analysis**

The applicant shall prepare a growth analysis containing all of the following:

- (1) an assessment of the availability of residential, commercial, and industrial services in the area surrounding the stationary source,
- (2) a projection of the growth in residential, industrial and commercial sources, construction related activities, and permanent and temporary mobile sources which will result from the construction of the new major stationary source or major modification, including any secondary emissions associated with the construction,
- (3) an estimate of the emission of all pollutants from the projected growth, and
- (4) a determination of the air quality impacts occurring due to the combined emissions from the projected growth and the stationary source's emissions increase.

(B) **Soils and Vegetation Analysis**

The applicant shall perform an analysis of the impacts from air contaminants on soils and vegetation containing all of the following:

- (1) the analysis shall be based on an inventory of the soils and vegetation types found in the impact area, including all vegetation with any commercial or recreational value, and
- (2) the analysis shall consider the impacts of the combined emissions from projected growth as determined above, pursuant to Subsection (d)(3)(v)(A) and the stationary source's emissions increase.

(C) **Visibility Impairment Analysis**

The applicant shall perform a visibility impairment analysis. The analysis shall focus on the effects of the emission increases from the new PSD stationary source or PSD modification and their impacts on visibility within

the impact area. The analysis shall include a catalog of scenic vistas, airports, or other areas which could be affected by a loss of visibility within the impact area, a determination of the visual quality of the impact area, and an initial screening of emission sources to assess the possibility of visibility impairment. If the screening analysis indicates that a visibility impairment will occur, as determined by the Air Pollution Control Officer, a more in-depth visibility analysis shall be prepared.

(vi) **Protection of Class I Areas**

(A) **Requirements**

(1) An AQIA shall be prepared as prescribed in Subsection (d)(2) for all emission increases attributable to the new or modified stationary source, notwithstanding the emission threshold requirements of Subsection (d)(2). The AQIA shall include a demonstration that the new or modified stationary source will not cause or contribute to a violation of any national ambient air quality standard nor interfere with the attainment or maintenance of those standards.

(2) The analyses contained in Subsections (d)(3)(iii) through (v) shall be prepared for all emission increases which will result in a significant impact.

(B) **Application Denial - Federal Land Manager/Air Pollution Control Officer Concurrence**

The Air Pollution Control Officer shall deny an Authority to Construct for a new or modified stationary source subject to this Subsection (d)(3)(vi), if the Federal Land Manager demonstrates, and the Air Pollution Control Officer concurs, that granting the Authority to Construct would result in an adverse impact on visibility, soils, vegetation or air quality related values of a Class I area. The Air Pollution Control Officer shall take into consideration mitigation measures identified by the Federal Land Manager in making the determination.

(vii) **Additional Requirements**

(A) **Tracking of Air Quality Increment Consumption Sources**

The Air Pollution Control Officer shall track air quality increment consumption, consistent with current requirements established by the federal EPA.

(B) **Preconstruction Monitoring Requirement**

The applicant shall submit at least one year of continuous monitoring data, unless the Air Pollution Control Officer determines that a complete and adequate analysis can be accomplished with monitoring data gathered over a

shorter period. Such shorter period shall not be less than four consecutive months. The requirement for monitoring may be waived by the Air Pollution Control Officer if representative monitoring data is already available.

(C) Cancellation of Authority to Construct

Any Authority to Construct or modified Permit to Operate issued to a PSD stationary source subject to the provisions of Subsection (d)(3) of this rule, shall become invalid if construction or modification is not commenced within 18 months after its issuance or if construction or modification is discontinued for a period of 18 months or more after its issuance. The 18-month period may be extended by the Air Pollution Control Officer for good cause.

(4) **PUBLIC NOTICE AND COMMENT**

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any emission unit or project subject to the AQIA or notification requirements of Subsections (d)(2) or (d)(3) above, nor for any emission unit or project which results in an emissions increase of VOC equal to or greater than 250 pounds per day or 40 tons per year, nor for any emission unit or project that would otherwise constitute a new major stationary source, a new federal major stationary source, a major modification or a federal major modification, unless the following requirements are satisfied.

(i) **Public Comment Period**

At least 40 days before taking final action on an application, the Air Pollution Control Officer shall:

(A) provide the public with notice of the proposed action in the manner prescribed in Subsection (d)(4)(iii), and

(B) provide the ~~California~~ CARB, federal EPA, and any tribal air pollution control agencies having jurisdiction in the San Diego Air Basin with notice of the proposed action and all of the information specified in Subsection (d)(4)(iv), and

(C) make available for public inspection all information relevant to the proposed action as specified in Subsection (d)(4)(iv), and

(D) provide at least a 30-day period within which comments may be submitted.

The Air Pollution Control Officer shall consider all comments submitted.

(ii) **Applicant Response**

Except as agreed to by the applicant and the Air Pollution Control Officer, no later than 10 days after close of the public comment period, the applicant may

submit written responses to any comment received during the public comment period. Responses submitted by the applicant shall be considered prior to the Air Pollution Control Officer taking final action. The applicant's responses shall be made available in the public record of the permit action.

(iii) **Publication of Notice**

The Air Pollution Control Officer shall publish a notice of the proposed action and a copy of the draft Authority to Construct or modified Permit to Operate on the public notice section of the San Diego County Air Pollution Control District's web site for the duration of the public comment period. In addition, the notice shall also be published in at least one newspaper of general circulation in San Diego County. The notice shall:

- (A) include the name and address of the of the applicant, and
- (B) describe the proposed District action, including the preliminary decision to approve, conditionally approve, or deny the application, and
- (C) describe the proposed action and emission changes, including the use of any modified or substitute air quality impact model as allowed under 40 CFR Part 51, Appendix W, and
- (D) identify the location(s) where the public may inspect the information relevant to the proposed action, and
- (E) indicate the date by which all comments must be received by the District for consideration prior to taking final action, and the duration of the public comment period, and
- (F) describe procedures for providing public comment, and
- (G) include the time and place of any hearing, if already scheduled, or the procedures for petitioning for a hearing.

(iv) **Information to be Made Available for Public Inspection**

The relevant information to be made available for public inspection shall include, but not be limited to:

- (A) the application and all analyses and documentation used to support the proposed action, the District's evaluation of the project, a copy of the draft Authority to Construct or modified Permit to Operate and any information submitted by the applicant not previously labeled Trade Secret pursuant to Regulation IX, and
- (B) the proposed District action on the application, including the preliminary decision to approve, conditionally approve or deny the application and the reasons therefor.

(5) EMISSION OFFSET REQUIREMENTS

Except as provided for in Subsection (b)(3), the Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any new or modified stationary source, new or modified emission unit, replacement or relocated emission unit or project which results in an emissions increase that constitutes a new major stationary source, a new federal major source, a major modification, or a federal major modification for NO_x or VOC, or for any air contaminant, or its precursor air contaminants, for which the San Diego Air Basin has been designated by EPA as nonattainment for the NAAQS for such air contaminant, unless emission offsets are provided, on a pollutant-specific basis, for such emission increases as specified below. ~~Interpollutant offsets may be used, provided such offsets meet the requirements of Subsection (d)(5)(iii).~~

(i) Determination of Applicability

The determination that a new emission unit, project or new stationary source is a new major stationary source or a new federal major stationary source shall be based on the emission unit's post-project potential to emit, or the project's or stationary source's aggregate post-project potential to emit, respectively. The determination that a new, modified, replacement or relocated emission unit or project at an existing major stationary source or federal major stationary source is a major modification or federal major modification shall be based on the stationary source's contemporaneous net emissions increase, unless the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area where for NO_x and VOC emissions it shall be based on the emission unit's or the project's emissions increase. These determinations shall be made on a pollutant-specific basis.

The applicant for a new major stationary source, a new federal major stationary source or a new, modified, replacement or relocated emission unit or project at an existing major stationary source or an existing federal major stationary source shall submit, with each application for such emission unit, project or source, sufficient information to determine the emissions increases for the unit, project or source, and the contemporaneous net emissions increases if located at an existing major stationary source.

(ii) Emission Offsets

(A) If the NO_x or VOC emissions increase from the project under review constitutes a new federal major stationary source or a federal major modification, an emissions increase calculated pursuant to Rule 20.1, Subsections (d)(1) through (3), where the pre-project potential to emit for modified units within the project is calculated in accordance with Rule 20.1, Subsection (d)(1)(i)(D)(2), shall be offset at the ratio listed below in Table 20.3 – 2, based on the ozone nonattainment designation by EPA in 40 CFR 81.305 for the San Diego Air Basin.

TABLE 20.3 – 2
NO_x and VOC Offset Ratio

<u>Ozone nonattainment designation</u>	<u>Offset Ratio</u>
Marginal, moderate or serious	1.2 to 1.0
Severe	1.3 to 1.0
Extreme	1.5 to 1.0

(B) The requirements of Subsection (d)(5)(ii)(A) of this rule shall not apply to a federal major modification for NO_x or VOC if the San Diego Air Basin is designated by EPA in 40 CFR 81.305 as an extreme ozone nonattainment area and the emissions increase is offset by emission reductions occurring within the stationary source at a ratio of 1.3 to 1.0.

(C) The requirements of Subsections (d)(5)(ii)(A) and (d)(5)(ii)(B) of this rule shall not apply if the District demonstrates to the satisfaction of EPA that all federal major stationary sources of NO_x and VOC in the District are equipped with federal BACT, as defined in CAA Section 169(3). After EPA approval of such a demonstration, if the NO_x or VOC emissions increase from the project under review constitutes a new federal major stationary source or a federal major modification, such emissions increase shall be offset at a ratio of 1.2 to 1.0.

(D) If the NO_x or VOC emissions increase from the project under review constitutes a new major stationary source or a major modification, such emissions increase shall be offset at a ratio of 1.2 to 1.0.

(E) For any other EPA designated nonattainment air contaminant or its precursor for which the emissions increase from the project under review constitutes a new major stationary source, a new federal major stationary source, a major modification, or a federal major modification, an emissions increase calculated pursuant to Rule 20.1, Subsections (d)(1) through (3), where the pre-project potential to emit for modified units within the project is calculated in accordance with Rule 20.1, Subsection (d)(1)(i)(C) or (D)(2), as applicable, shall be offset at a ratio of 1.0 to 1.0.

~~(F) Interpollutant offsets may be used provided they meet the requirements of Subsection (d)(5)(iii) of this rule.~~

~~(G-F)~~ When an emissions increase from a new, modified, replacement or relocated emission unit or project has been determined to be subject to, and approved as in compliance with, the emission offset requirements of this rule, the contemporaneous net emissions increase for the subject air contaminant shall thereafter not include the amount of such offset emissions increase from the new or modified emission unit or project, on a pollutant-specific basis.

~~(H-G)~~ When the emissions offset requirements of this Subsection (d)(5) are being applied to a new federal major stationary source or federal major modification, the amount of creditable emission reductions from any emission reduction credits to be provided shall be adjusted as specified in Rule 20.1,

Subsection (d)(5)(v). Such adjustments shall be made at the time that an Authority to Construct is issued, for credits provided by the applicant on or before such issuance, and at the time that a credit is surrendered, for credits provided by the applicant after issuance of the Authority to Construct.

(iii) **Interpollutant Offsets**

~~For any EPA-designated nonattainment air contaminant having precursor air contaminant relationships specified in Table 20.1-9 of Rule 20.1, the Air Pollution Control Officer may allow the use of interpollutant offsets of such precursor air contaminants in addition to or in lieu of providing offsets of the nonattainment air contaminant only if done pursuant to a project specific interpollutant offset protocol approved by the Air Pollution Control Officer and the federal EPA (unless EPA approval is not required). The following information shall be included in the applicant's proposed project specific interpollutant offset protocol:~~

~~(A) a description of the air quality models that were used to propose the interpollutant offset ratio(s);~~

~~(B) the proposed ratio(s) for the precursor substitution and the accompanying calculations, and~~

~~(C) a modeling demonstration showing that such ratio(s) as applied to the proposed project and credit source will provide an equivalent or greater air quality benefit with respect to the ground level concentrations in the air contaminant(s) nonattainment area than an offset of the emitted precursor(s) would achieve.~~

~~Interpollutant offsets may only be allowed if the applicant demonstrates, to the satisfaction of the Air Pollution Control Officer, that the AQIA requirements of Subsection (d)(2), as applicable, are satisfied for the emissions increases. The interpollutant ratios shall be multiplied by the emission offset ratios required by this rule to determine the final offset ratio.~~

(e) **ADDITIONAL REQUIREMENTS – FEDERAL MAJOR STATIONARY SOURCES**

(1) **COMPLIANCE CERTIFICATION**

Prior to receiving an Authority to Construct or modified Permit to Operate pursuant to this rule, an applicant for any new federal major stationary source or federal major modification shall certify that all major stationary sources owned or operated by such person, or by any entity controlling, controlled by or under common control with such a person, in the state are in compliance, or on an approved schedule for compliance, with all applicable emission limitations and standards under the federal Clean Air Act.

(2) **ALTERNATIVE SITING AND ALTERNATIVES ANALYSIS**

The applicant for any new federal major stationary source or federal major modification shall conduct an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source or modification which demonstrates that the benefits of the proposed source or modification outweigh the environmental and social costs imposed as a result of its location or construction. Analyses conducted in conjunction with state or federal statutory requirements may be used.

(3) **ANALYSIS OF VISIBILITY IMPAIRMENT IN CLASS I AREAS**

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any emission unit or project which constitutes a new federal major stationary source or federal major modification and which may have an impact on visibility in a Class I area unless the applicant demonstrates that the following requirements are satisfied. The demonstrations required by this Subsection (e)(3) shall be based on the emission unit or project emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

(i) **Required Analyses**

At the time of application submittal, the applicant shall provide an initial screening analysis of the impairment to visibility, including any integral vista, in each affected Class I area as a result of the emissions increases from the new federal major stationary source or federal major modification, and any general commercial, residential, industrial and other growth associated with the new source or modification. If a screening analysis indicates that a visibility impairment will occur, as determined by the Air Pollution Control Officer, a more in-depth visibility impairment analysis shall be prepared. All analyses of impairment to visibility shall be conducted using applicable methods and procedures promulgated or approved by the federal EPA.

(ii) **Notification Requirements**

The Air Pollution Control Officer shall notify the Federal Land Manager and EPA not later than 30 days after receipt of an application for a new federal major source or a federal major modification subject to the requirements of this Subsection (e)(3). The notification shall include a copy of the application submittal, the location of the project, the project's approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1, Table 20.1 - 3), the results of any AQIA, and the results of any screening analysis and any more in-depth analysis of the impacts of the project on visibility in any Class I area.

(iii) **Application Denial**

The Air Pollution Control Officer shall deny an Authority to Construct or Permit to Operate for any new federal major stationary source or federal major modification if the Air Pollution Control Officer finds, after consideration of comments and any analysis from the Federal Land Manager, that the emissions increases from such new source or modification would have an adverse impact on visibility in a Class I area. As defined in 40 CFR 52.21(b)(29), an adverse impact on visibility means visibility impairment which interferes with the management, protection, preservation or enjoyment of the visitor's visual experience of the Class I area.

(4) **PROHIBITION ON ISSUING FEDERAL MAJOR SOURCE PERMITS**

The Air Pollution Control Officer shall not issue a permit to construct or operate a new federal major stationary source or a federal major modification if the EPA Administrator has determined that applicable implementation plan for the nonattainment area is not being adequately implemented.

RULE 20.4
NEW SOURCE REVIEW
PORTABLE EMISSION UNITS
~~(ADOPTED AND EFFECTIVE 5/17/94)~~
~~(REV. ADOPTED AND EFFECTIVE 12/17/97)~~
~~(REV. ADOPTED 11/4/98 AND EFFECTIVE 12/17/98)~~
~~(REV. ADOPTED AND EFFECTIVE 4/27/16)~~
~~(REV. ADOPTED 6/26/19 AND EFFECTIVE 10/16/20)~~
(Rev. Adopted & Effective (date of adoption))

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(a) APPLICABILITY	1
(b) EXEMPTIONS	1
(c) DEFINITIONS	1
(d) STANDARDS	2
(1) BACT and LAER for New, Modified or Replacement Portable Emission Units.....	2
(i) Portable Emission Units - BACT	2
(ii) Portable Emission Units - LAER	2
(iii) Portable Emission Units - PSD Stationary Sources	3
(2) Air Quality Impact Analysis (AQIA).....	3
(i) AQIA for Portable Emission Units	3
Table 20.4 - 1: AQIA Trigger Levels.....	4
(ii) AQIA for PM2.5 and PM10 Emission Increases	4
(iii) AQIA Not Required for NOx or VOC Impacts on Ozone.....	4
(iv) AQIA Requirements for PM10 Impacts May be Waived	5
(v) AQIA May be Required	6
(3) Significant Impact in Class I Areas.....	7
(i) Federal Land Manager and Federal EPA Notification.....	7
(ii) <u>C</u> ARB, SCAQMD and Imperial APCD Notification	7
(4) Public Notice and Comment	7
(i) Public Comment Period	8
(ii) Applicant Response.....	8
(iii) Publication of Notice.....	8
(iv) Information to be Made Available for Public Inspection.....	9

Table of Contents

<u>SECTION TITLE</u>	<u>PAGE NO.</u>
(5) Emission Offsets	9
(i) Emission Offsets - Portable Emission Units	9
(ii) Permanent and Temporary Emission Offsets.....	10
(iii) RESERVED	10
(iv) Interpollutant Offsets	10
Table 20.4—2: Interpollutant Ratios	11

NOTE: The following listed sections and subsections will not be submitted to the federal Environmental Protection Agency (EPA) for inclusion in the ~~San Diego~~ State Implementation Plan (SIP). As such, the following listed sections and subsections are not enforceable by EPA, but remain enforceable by the San Diego County Air Pollution Control District.

Subsections (b)(2) and (b)(3); Subsection (d)(1)(iii); Subsections (d)(2)(i)(B), (d)(2)(iv), and (d)(2)(v)(B); and Subsections (d)(3) and (d)(5).

RULE 20.4. NEW SOURCE REVIEW - PORTABLE EMISSION UNITS

~~(Adopted & Effective 5/17/94)~~
~~(Rev. Adopted & Effective 12/17/97)~~
~~(Rev. Adopted 11/4/98; Effective 12/17/98)~~
~~(Rev. Adopted & Effective 4/27/16)~~
~~(Rev. Adopted 6/26/19 & Effective 10/16/20)~~
(Rev. Adopted & Effective (date of adoption))

(a) APPLICABILITY

This rule applies to any new, modified or replacement portable emission unit. Subsection (d)(2)(v) of this rule also applies to any stationary source where one or more portable emission units will be located. This rule does not apply to identical or like-kind replacement portable emission units exempt from Authority to Construct and modified Permit to Operate requirements pursuant to these Rules and Regulations. Compliance with this rule does not relieve a person from having to comply with other applicable requirements in these rules and regulations, or state and federal law.

(b) EXEMPTIONS

The exemptions contained in Rule 20.1 – a New Source Review (NSR)-General Provisions, Section (b) Exemptions, apply to this rule. In addition, for purposes of this rule, the following exemptions shall apply.

(1) Except as provided in Subsection (d)(2)(v) of this rule, the provisions of this rule shall not apply to any previously permitted portable emission unit, unless such unit is modified or replaced.

(2) Emission increases resulting from an air contaminant emission control project to reduce emissions from a portable emission unit shall be exempt from the emission offset requirements of Subsection (d)(5) of this rule to the extent that the project does not include an increase in the capacity of the emission unit being controlled. Emission increases that are associated with an increase in capacity of the emission unit being controlled shall be subject to the emission offset provisions of this rule, as applicable. This exemption from offsets shall not apply to any air contaminant for which the emissions increase constitutes a new federal major stationary source or a federal major modification.

(3) The emission offset requirements of Subsection (d)(5) of this rule shall not apply to a portable emission unit operating at a stationary source if the operation of such unit is not related to the primary activities of the stationary source, as defined herein.

(c) DEFINITIONS

The definitions contained in Rule 20.1 – New Source Review (NSR)-General Provisions, Section (c) Definitions shall apply to this rule. In addition, for purposes of this rule, the following definition shall apply.

(1) "**Related to the Primary Activities of the Stationary Source**" means with regard to the operation of a portable emission unit, that the unit is considered under the same major industrial grouping, as identified by the first two digits of the applicable code in *The Standard Industrial Classification Manual*, as the stationary source where such unit will be operated, or is used as part of or supplements a primary process at the stationary source where the operation of one is dependent upon or affects the operations of the other. This includes industrial processes, manufacturing processes and any connected processes involving a common material, service or product.

(d) **STANDARDS**

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit unless the applicant demonstrates that the following requirements will be satisfied. These requirements shall be applied on an air contaminant-specific basis.

(i) **Portable Emission Units - BACT**

Unless a portable emission unit is equipped to comply with Lowest Achievable Emission Rate (LAER), as provided in Subsection (d)(1)(ii) of this rule, for the following air contaminants otherwise subject to BACT, any new or modified portable emission unit which has any increase in its potential to emit particulate matter (PM₁₀), oxides of nitrogen (NO_x), volatile organic compounds (VOC), or oxides of sulfur (SO_x), and which unit has a post-project potential to emit of 10 pounds per day or more of PM₁₀, NO_x, VOC, or SO_x, respectively, and any replacement portable emission unit which has such a post-project potential to emit, shall be equipped with Best Available Control Technology (BACT) for each such air contaminant.

(ii) **Portable Emission Units - LAER**

Any new, modified or replacement portable emission unit which has any emissions increase of an air contaminant or its precursors for which the District is designated as non-attainment with respect to a national ambient air quality standard, and which may be expected to operate at a stationary source that is a major stationary source or a federal major stationary source of such air contaminant or precursor, shall be equipped to comply with LAER for each such air contaminant or precursor except as provided in (A) or (B) below. For each air contaminant for which LAER is not required by the following, BACT shall apply:

(A) LAER shall not apply if the applicant demonstrates, to the satisfaction of the Air Pollution Control Officer, and agrees to federally enforceable permit conditions to ensure that, the emissions increase of such nonattainment air contaminant or precursor from such unit will not

constitute a new major stationary source, a new federal major stationary source, or a major modification or federal major modification at any stationary source at which it is to be located and which is major for such non-attainment air contaminant or precursor.

(B) LAER shall not apply if operation of the portable emission unit is not related to the primary activities of the major stationary source or federal major stationary source at which it is to be located, provided the portable emission unit, or aggregation of such portable emission units co-located at the same stationary source, does not constitute a new federal major stationary source.

(iii) **Portable Emission Units - PSD Stationary Sources**

Any new, modified or replacement portable emission unit which may be located at a Prevention of Significant Deterioration (PSD) stationary source, and which emission unit has an emission increase of one or more air contaminants which constitutes a new PSD stationary source (see Table 20.1-11) or PSD modification (see Tables 20.1-8 and 20.1-10) shall be equipped with BACT for each such air contaminant.

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

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit unless the following requirements are satisfied. Modeling shall be used to conduct any Air Quality Impact Analysis (AQIA). The AQIA shall be performed using maximum expected ambient air contaminant concentrations within San Diego County, based on existing data, unless the applicant agrees to enforceable permit conditions that require a new AQIA whenever the equipment is to be located at a stationary source for which the initial AQIA was not representative.

The demonstrations required by this Subsection (d)(2) shall be based on the emission unit emission exhaust system design and discharge characteristics but not to an extent greater than good engineering practice stack height. This provision shall not be applied to limit actual stack height.

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

(A) For each new, modified or replacement portable emission unit which results in an emissions increase equal to or greater than the amounts listed in Table 20.4 - 1, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, as defined in Rule 20.1 – New Source Review (NSR)-General Provisions, that the new, modified or replacement portable emission unit will not:

(1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, nor

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

(B) For each new, modified or replacement portable emission unit which results in an emissions increase equal to or greater than the amounts listed in Table 20.4 - 1, the applicant shall demonstrate to the satisfaction of the Air Pollution Control Officer, through an AQIA, that the new, modified or replacement portable emission unit will not:

(1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, nor

(2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection(d)(2)(iv), nor

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

TABLE 20.4 - 1
AQIA Trigger Levels

<u>Air Contaminant</u>	<u>Emission Rate</u>		
	<u>(lb/hr)</u>	<u>(lb/day)</u>	<u>(tons/yr)</u>
Particulate Matter (PM ₁₀)	---	100	15
Fine Particulate Matter (PM _{2.5})	---	67	10
Oxides of Nitrogen (NO _x)	25	250	40
Oxides of Sulfur (SO _x)	25	250	40
Carbon Monoxide (CO)	100	550	100
Lead and Lead Compounds	---	3.2	0.6

(ii) **AQIA for PM_{2.5} and PM₁₀ Emission Increases**

In determining if a PM_{2.5} or PM₁₀ AQIA is required under this Subsection (d)(2), the emissions increases shall include both directly emitted PM_{2.5} and PM₁₀, and PM_{2.5} and PM₁₀ which would condense after discharge to the atmosphere. If a PM_{2.5} or PM₁₀ AQIA is required, the AQIA shall include both directly emitted PM_{2.5} or PM₁₀, and PM_{2.5} or PM₁₀ which would condense after discharge to the atmosphere. Any permit terms or conditions limiting emissions of PM_{2.5} or PM₁₀ as a result of the requirements of this Subsection (d)(2) shall apply to the combination of both directly emitted and condensable PM_{2.5} or PM₁₀. The provisions of this Subsection (d)(2)(ii) shall apply separately to PM_{2.5} and PM₁₀.

(iii) **AQIA Not Required for NO_x or VOC Impacts on Ozone**

Notwithstanding any other provision of this rule, a demonstration shall not be required for determining the impacts from a portable emission unit's NO_x or VOC

emissions on an ambient air quality standards for ozone, unless the Air Pollution Control Officer determines that adequate procedures exist for determining the impacts of NO_x or VOC emissions from such portable emission units on ozone ambient air quality standards and that such procedures are acceptable to the California Air Resources Board (CARB) with regard to state ambient air quality standards and the federal Environmental Protection Agency (EPA) with regard to national ambient air quality standards.

(iv) **AQIA Requirements for PM₁₀ Impacts May be Waived**

Notwithstanding the requirements of Subsection (d)(2)(i) above, the Air Pollution Control Officer may waive the AQIA requirements for PM₁₀ impacts on the state ambient air quality standards, as follows:

(A) If the emission unit, individually or in combination with any other portable emission units proposed to be co-located, will result in a maximum particulate matter air quality impact of less than 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis), all of the emission unit's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at a ratio of 1.5 to 1.

(B) If the emission unit, individually or in combination with any other portable emission units proposed to be co-located, will result in a maximum PM₁₀ air quality impact equal to or greater than 5 µg/m³ but less than 10 µg/m³ (24-hour average basis) or equal to or greater than 3 µg/m³ but less than 6 µg/m³ (annual geometric mean basis):

(1) the emission unit must be equipped with BACT for PM₁₀ without consideration for cost-effectiveness,

(2) all of the emission unit's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, must be offset at an overall ratio of 1.5 to 1,

(3) sufficient emission offsets must be provided within the emission unit's impact area to offset all of the project's PM₁₀ emission increases, including area fugitive emissions of PM₁₀, at a ratio of at least 1 to 1,

(4) emission offsets in an amount and location which are demonstrated to have a modeled off-stationary source air quality impact at least equal to the emission unit's PM₁₀ ambient air quality impact minus 5 µg/m³ (24-hour average basis) and 3 µg/m³ (annual geometric mean basis) must be provided, and

(5) all reasonable efforts to reduce the air quality impacts of the project are made.

(C) In no case shall the emission unit, individually or in combination with any other portable emission units proposed to be co-located, result in a maximum PM₁₀ air quality impact equal to or greater than 10 µg/m³ (24-hour average basis) or equal to or greater than 6 µg/m³ (annual geometric mean basis).

(v) **AQIA May be Required**

(A) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any portable emission unit, or aggregation of portable emission units, if it may be expected to:

- (1) cause a violation of a national ambient air quality standard anywhere that does not already exceed such standard, or
- (2) cause additional violations of a national ambient air quality standard anywhere the standard is already being exceeded, or
- (3) prevent or interfere with the attainment or maintenance of any national ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit or aggregation of portable emission units for which an AQIA is required pursuant to this Subsection (d)(2)(v)(A) unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the emission increases from such unit or aggregation of units will not result in any of the impacts to the national ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(v)(A).

(B) Notwithstanding any other provision of this rule, the Air Pollution Control Officer may require an AQIA for any portable emission unit, or aggregation of portable emission units, if it may be expected to:

- (1) cause a violation of a state ambient air quality standard anywhere that does not already exceed such standard, or
- (2) cause additional violations of a state ambient air quality standard anywhere the standard is already being exceeded, except as provided for in Subsection (d)(2)(iv), or
- (3) prevent or interfere with the attainment or maintenance of any state ambient air quality standard.

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit or aggregation of portable emission units for which an AQIA is required pursuant to this Subsection (d)(2)(v)(B) unless the applicant demonstrates to the satisfaction

of the Air Pollution Control Officer that the emission increases from such unit or aggregation of units will not result in any of the impacts to state ambient air quality standards specified above in (1), (2) and (3) of this Subsection (d)(2)(v)(B).

(C) If the Air Pollution Control Officer determines that concurrent operations of more than one portable emission unit at the same stationary source may be expected to cause any of the air quality impacts specified in this Subsection (d)(2)(v) to occur, the Air Pollution Control Officer may require the owner or operator of the units, or of the stationary source, to apply for and obtain a Permit to Operate for the operations and to demonstrate that the operations will not cause any such air quality impacts to occur.

This Subsection (d)(2)(v) may be invoked notwithstanding the equipment being previously permitted.

(3) **SIGNIFICANT IMPACT IN CLASS I AREAS**

The Air Pollution Control Officer shall deny an Authority to Construct or modified Permit to Operate for any portable emission unit which is expected to have a significant impact on any Class I area, as determined by an AQIA required pursuant to Subsection (d)(2), unless the following requirements are satisfied. The Air Pollution Control Officer shall:

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

Notify the Federal Land Manager and the federal EPA in writing. This notification shall include all of the information specified by Subsection (d)(4)(iv), the location(s) where operation of the portable emission unit may cause a significant impact on any Class I area, the approximate distance from all Class I areas within 100 km of San Diego County (as specified in Rule 20.1 – New Source Review (NSR)-General Provisions, Table 20.1-3 Class I Areas) and the results of the AQIA, and

(ii) **CARB, SCAQMD and Imperial County APCD Notification**

Notify and submit to the ~~California~~-CARB, the South Coast Air Quality Management District (SCAQMD) and the Imperial County Air Pollution Control District (ICAPCD) the information specified in Subsection (d)(4)(iv).

(4) **PUBLIC NOTICE AND COMMENT**

The Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any portable emission unit subject to the AQIA or notification requirements of Subsections (d)(2) or (d)(3), nor for any emission unit or project which results in an emissions increase of VOCs equal to or greater than 250 pounds per day or 40 tons per year, unless the following requirements are satisfied.

(i) **Public Comment Period**

At least 40 days before taking final action on an application subject to the requirements of Subsections (d)(2) or (d)(3), the Air Pollution Control Officer shall:

(A) provide the public with notice of the proposed action in the manner prescribed in Subsection (d)(4)(iii), and

(B) provide a copy of the public notice to the federal EPA Administrator, through its Region 9 office, to the ~~California~~ CARB, and to any tribal air pollution control agencies having jurisdiction in the San Diego Air Basin, and

(C) make available for public inspection all information relevant to the proposed action as specified in Subsection (d)(4)(iv), and

(D) provide at least a 30-day period within which comments may be submitted.

The Air Pollution Control Officer shall consider all comments submitted.

(ii) **Applicant Response**

Except as agreed to by the applicant and the Air Pollution Control Officer, no later than 10 days after close of the public comment period, the applicant may submit written responses to any comment received during the public comment period. Responses submitted by the applicant shall be considered prior to the Air Pollution Control Officer taking final action. The applicant's responses shall be made available in the public record of the permit action.

(iii) **Publication of Notice**

The Air Pollution Control Officer shall publish a notice of the proposed action and a copy of the draft Authority to Construct or modified Permit to Operate on the public notice section of the Air Pollution Control District's web site for the duration of the public comment period. In addition, the notice shall be published in at least one newspaper of general circulation in San Diego County. The notice shall:

(A) include the name and address of the applicant, and

(B) describe the proposed District action, including the preliminary decision to approve, conditionally approve, or deny the application, and

(C) describe the proposed action and emission changes, including the use of any modified or substitute air quality impact model as allowed under 40 CFR Part 51, Appendix W, and

(D) identify the location(s) where the public may inspect the information relevant to the proposed action, and

(E) indicate the date by which all comments must be received by the District for consideration prior to taking final action, and the duration of the public comment period, and

(F) describe procedures for providing public comment, and

(G) include the time and place of any hearing, if already scheduled, or the procedures for petitioning for a hearing.

(iv) **Information to be Made Available for Public Inspection**

The relevant information to be made available for public inspection shall include, but is not limited to:

(A) the application and all analyses and documentation used to support the proposed action, the District's compliance evaluation, a copy of the draft Authority to Construct or Permit to Operate and any information submitted by the applicant not previously labeled Trade Secret pursuant to Regulation IX, and

(B) the proposed District action on the application, including the preliminary decision to approve, conditionally approve or deny the application and the reasons therefore.

(5) **EMISSION OFFSETS**

Except as provided in Subsections (b)(3) and (b)(4) of this rule, the Air Pollution Control Officer shall not issue an Authority to Construct or modified Permit to Operate for any new, modified or replacement portable emission unit or project which has any emissions increase of VOC or NO_x and which may be located at a major stationary source of such air contaminant unless emission offsets are provided for such emission increases. Emission offsets shall be required on an air contaminant-specific basis and shall meet the requirements specified below and in Subsection (d)(5) of Rule 20.1 – New Source Review (NSR)-General Provisions of these Rules and Regulations. ~~Interpollutant offsets may be used, provided such offsets meet the requirements of Subsection (d)(5)(iv) below.~~

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

Emission offsets shall be required for emission increases of VOC and NO_x emissions from portable emission units which may be operated at a major stationary source of VOC or NO_x emissions, respectively. If the VOC and NO_x emission increases of the portable emission unit have been previously fully offset by permanent, enforceable emission reductions or the permanent surrender of emission reduction credits pursuant to these Rules and Regulations, no further offsets shall be required unless the unit is subsequently modified resulting in an emissions increase.

If the NOx and VOC emissions of the unit have not previously been fully and permanently offset, the owner or operator of such unit shall first apply for and obtain a modified Permit to Operate for operation at the major stationary source and shall provide emission offsets, on a pollutant-specific basis, for all VOC and NOx emissions from the portable emission unit. Emission offsets shall be provided at a ratio of 1.2 to 1.0 if the portable emission unit is equipped to comply with LAER for VOC or NOx emissions, as applicable, or at a ratio of 1.3 to 1.0 if the portable emission unit is equipped to comply with BACT for VOC or NOx emissions, as applicable.

If a portable emission unit is brought onto a major stationary source of VOC or NOx to remedy an immediately occurring emergency situation, the application for a modified Permit to Operate the portable emission unit shall be submitted within 24 hours from the time the portable emission unit is first located at the affected stationary source.

(ii) **Permanent and Temporary Emission Offsets**

Emission offsets required by this Subsection (d)(5) shall be provided as specified in paragraphs (A) or (B) below.

(A) Permanent Emission Offsets

The owner or operator of a portable emission unit may satisfy the offset requirements of this Subsection (d)(5) by permanently surrendering to the Air Pollution Control Officer sufficient emission reduction credits or providing sufficient permanent actual emission reductions prior to the first date such new, modified or replacement portable emission unit commences operating at a major stationary source of VOC or NOx emissions, as applicable, in San Diego County. Thereafter, further emission offsets shall not be required for the applicable air contaminant unless such unit is modified resulting in an emissions increase.

(B) Temporary Emission Offsets

The owner or operator of a portable emission unit may satisfy the emission offset requirements of this Subsection (d)(5) by temporarily surrendering to the Air Pollution Control Officer sufficient emission reduction credits or temporarily providing concurrent, enforceable actual emission reductions for the entire period of time that the portable emission unit is located at the stationary source where emission offsets are required.

(iii) **RESERVED**

~~(iv)~~ **Interpollutant Offsets**

~~The Air Pollution Control Officer may allow the use of interpollutant emission offsets at the ratios specified in Table 20.4-2 to satisfy the offset requirements of this Subsection (d)(5), provided the applicant demonstrates to the~~

satisfaction of the Air Pollution Control Officer that the AQIA requirements of Subsection (d)(2), as applicable, are satisfied for the emission increase. The interpollutant ratios shall be multiplied by the applicable emission offset ratios required by Subsection (d)(5)(i) of this rule to determine the final offset ratio.

TABLE 20.4-2
Interpollutant Ratios

Emission Increase	Decrease	Interpollutant Ratio
Oxides of Nitrogen (NO _x)	NO _x	1.0
	VOC	2.0
Volatile Organic Compounds (VOC)	VOC	1.0
	NO _x	1.0

~~For any EPA designated nonattainment air contaminant having precursor air contaminant relationships specified in Table 20.1-9 Precursor Air Contaminants of Rule 20.1—New Source Review (NSR) General Provisions, the Air Pollution Control Officer may allow the use of interpollutant offsets of such precursor air contaminants in addition to or in lieu of providing offsets of the nonattainment air contaminant only if done pursuant to a project specific interpollutant offset protocol approved by the Air Pollution Control Officer and the federal EPA (unless EPA approval is not required). The following information shall be included in the applicant's proposed project specific interpollutant offset protocol:~~

~~(A) a description of the air quality models that were used to propose the interpollutant offset ratio(s);~~

~~(B) the proposed ratio(s) for the precursor substitution and the accompanying calculations, and~~

~~(C) a modeling demonstration showing that such ratio(s) as applied to the proposed project and credit source will provide an equivalent or greater air quality benefit with respect to the ground level concentrations in the air contaminant(s) nonattainment area than an offset of the emitted precursor(s) would achieve.~~

~~Interpollutant offsets may only be allowed if the applicant demonstrates, to the satisfaction of the Air Pollution Control Officer, that the AQIA requirements of Subsection (d)(2), as applicable, are satisfied for the emissions increases. The interpollutant ratios shall be multiplied by the emission offset ratios required by this rule to determine the final offset ratio.~~

REGULATION XIV. TITLE V OPERATING PERMITS

RULE 1401. GENERAL PROVISIONS (~~Adopted 1/18/94; Revised 3/7/95~~)
 (~~Rev. 5/23/01; Eff. 12/31/01~~)(~~Rev. 8/13/03; Eff. 2/27/04~~)(Rev. Adopted and Effective (date of adoption))

(a) APPLICABILITY

Notwithstanding the provisions of Rule 11 – Exemptions from Rule 10 Permit Requirements, 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 – Exemption from Permit to Operate for Insignificant Units provided that such unit or units are not subject to any applicable requirement other than District Rules 50 – Visible Emissions and Rule 51 – Nuisance. 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**

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 – Permits Required, Section (i) Administrative Permit Amendments.]

(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 – Permits Required, Section (a) Application Shield.

(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 – Applications, Section (f) Complete Application, or an application deemed to be complete pursuant to Rule ~~1414(i)~~–1418 – Action on Applications, Section (a) Completeness Determination.

(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-adjointing 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 – Exemption from Permit to Operate for Insignificant Units and listed in Appendix A – Insignificant Units of this regulation. An insignificant unit shall not include any unit subject to an applicable requirement other than District Rules 50 – Visible Emissions and Rule 51 – Nuisance.

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

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

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

(iii) emission rates of a "Federal Major Stationary Source" as defined in Rule 20.1 – New Source Review (NSR)-General Provisions, Section (c) Definitions.

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

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|--|--|
| 1. All other stationary source categories regulated by a standard promulgated under Section 112 of the federal Clean Air Act, but only with respect to those air pollutants that have been regulated for that category. | |
| 2. Fossil fuel boilers (or combination thereof) totaling more than 250 million British thermal units (Btu) per hour heat input | |
| 3. Fossil fuel fired steam electric plants of more than 250 million British thermal units (Btu) per hour heat input | |
| 4. Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels | |
| 5. Municipal incinerators capable of charging more than 250 tons of refuse per day | |
| 6. Coal cleaning plants (with thermal dryers) | 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 – Permits Required 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—Permits Required, Section (o) Reopening of a Permit to Operate.

(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 – Permits Required of these Rules and Regulations to obtain an authority to construct.

RULE 1402 THROUGH 1409 RESERVED