

# **Rule 2010**

## **Permits Required**

**Presented By**  
**Mark Schonhoff**



- District Rule 2010 (Permits Required)
  - Specifies the types of actions that require Authorities to Construct (ATCs) or Permits to Operate (PTO)



# Definitions

- Authority To Construct Permit:
  - A conditional document authorizing the construction or modification of emission units
    - An ATC is not an operating permit
- Permit To Operate:
  - A conditional document authorizing the operation of emission units



- Unless the action is specifically exempt per District rule 2020, the following require PTO or ATCs:
  - Construction of a device that may emit air contaminants
  - Alteration of an existing device that may emit air contaminants
  - Replacement of a device that may emit air contaminants
  - Operation of an existing device that may emit air contaminants



- Authorities To Construct Are Issued In The Following Cases:

- New, non-exempt equipment

- Modifications to existing, non-exempt equipment

- **New Source Review Applies**



- Permits to Operate are issued in the following cases:
  - New or modified equipment after it is shown the unit(s) will operate in compliance with all ATC conditions and all applicable prohibitory rules
  - Equipment that was originally installed while it was exempt, providing it will operate in compliance with all applicable prohibitory rules
    - **In this case the equipment is exempt from New Source Review**



# **Rule 2020 Exemptions**

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# Rule 2020 Exemptions

- **Outline**
  - **Purpose**
  - **Applicability**
  - **Exemptions**
  - **Recordkeeping**
  - **Compliance Schedule**





# Rule 2020 Exemptions

## Purpose

- Specifies emission units that are not required to have Authorities to Construct or Permits to Operate
- Specifies the records needed to verify that an exemption continues to be valid
- Specifies the compliance schedule for emission units that lose their exemption following installation



# Rule 2020 Exemptions

## Applicability

- Applies to any source that emits or may emit air contaminants



# Rule 2020 Exemptions

## Exemption Types

### Precluded Source Categories

- Categories of emission units for which the District is prohibited from requiring Permits

### District Exempt Source Categories

- Categories of emission units that do not require permits because the District has determined they are insignificant sources of emissions

### District Exempt Activities



# Rule 2020 Exemptions

## Precluded Source Categories

- One example of items included in the Precluded Source Category:
  - Motor Vehicles as defined by the Vehicle Code of the State of California
    - does not include emissions units mounted on motor vehicles if those units would otherwise require Permits to Operate



# Rule 2020 Exemptions

## District Permit Exemptions

- Items listed as exempt in either the District Exempt Source Category or in the District Exempt Activities section of Rule 2020 require permits if one or more of the following is true:
  - the source is a NSPS source
  - the source is a HAP source
  - the APCO determines that a permit shall be required because the source may not operate in accordance with District rules and regulations
  - the owner specifically requests a permit



# Rule 2020 Exemptions

## District Exempt Source Categories

- Permits not required unless the unit is in one of the categories listed on the previous slide (partial list):
  - Some small indirect fired natural gas fired or LPG fired heat transfer systems
  - Piston Type IC engines rated at 50 bhp or less
  - Some coating operations
  - Some graphic arts equipment
  - Some organic storage equipment
  - Brazing, soldering and welding equipment



# Rule 2020 Exemptions

## District Exempt Activities

- ATCs and PTO's are not required for the following activities (partial list)
  - routine replacement of some emission units
  - repairs or maintenance, not involving structural changes, to permitted units
  - Some explosives detonation operations
  - Some remediation pilot tests



# Rule 2020 Exemptions

- Low Emitting Units are exempt from permits unless they belong to the District Exempt Source Category or the District Exempt Activities Category of Rule 2020
  - Low Emitting Unit
    - Potential emissions less than 2.0 lb/day and if greater than 2.0 lb/day, less than 75 lb/yr and
    - Will not be a significant health hazard





# Rule 2020 Exemptions

## Recordkeeping

- The records necessary to show ongoing qualification for a permit exemption are required if the exemption is based on a throughput or emission limitation
- The records must be retained for at least two years and must be provided to the District upon request.



# Rule 2020 Exemptions

## Compliance Schedule

- The owner or operator of an emission unit that was exempt from a permit at the time of installation but loses its exemption due to changes to Rule 2020 is required to apply for a Permit to Operate within six months after the date of adoption of the version of this rule that caused the loss of exemption.
- Such emission units are not be subject to Rule 2201 (New and Modified Stationary Source Review) until they are modified



# **Rule 2201**

# **New and Modified Stationary Source Review**

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# Topics

- New Source Review Rule Applicability
- Purpose
- Definitions
- Best Available Control Technology (BACT)
- Offsets
- Public Noticing
- Timelines



# Purpose

- To provide a regulatory mechanism for allowing continued industrial growth while minimizing the amount of emission increases due to this growth



# Applicability

- Applies to all new stationary sources and all modifications to existing stationary sources that are subject to District permit requirements and may emit one or more affected pollutant (unless exempt)



# Definitions

- Affected Pollutant
- Modification
- Stationary Source
- Routine Replacement



# Definitions

## Affected Pollutant:

- Pollutants, and their precursors, for which an ambient air quality standard has been established by the Environmental Protection Agency (EPA) or the California Air Resources Board (CARB)
- Pollutants regulated by the EPA under the Federal Clean Air Act or by CARB under the CH&SC including the pollutants listed in District Rule 2201
- Pollutants which the EPA, CARB or the District, determine may have a significant adverse effect on the environment, public health, or the public welfare





# Definitions

## Modification:

- Changes in operating hours, production rates, or methods of operation if permit condition changes would be required
- Structural changes or additions to existing emission units that would necessitate permit condition changes
- Increases in emissions from an emission unit due to a modification of a stationary source when the emission unit is not subject to a daily emission limit
- Addition of new emission units that are subject to District permitting requirements
- Changes to permitted emission units or additions of new emission units



# Definitions

## Stationary Source

- Emission units that are under common ownership or operation, or are owned or operated by entities that are under common control and;
- Belong to the same industrial grouping or are part of a common industrial process and;



# Definitions

## Stationary Source (Continued)

- Located on 1 or more contiguous or adjacent properties or;
- Located on 1 or more properties wholly within either the Western Kern, Central Kern or Fresno County Oil Fields and used for the production of light oil, heavy oil or gas.
  - Light oil, heavy oil and gas production facilities are separate stationary sources



# Definitions

- **Routine Replacement**

- Routine replacement of a unit with a valid District Permit to Operate provided that all of the following conditions are met:
  - No increase in permitted emissions from the stationary source



# Definitions

- Routine Replacement – Continued
  - No increase in design capacity unless the old part is no longer available
    - up to a 10% increase in design capacity may be allowed if the original part is no longer available (ATC required).
  - Replacement unit must perform the same function as the unit being replaced
  - Replacement cannot constitute a reconstructed source as defined in District Rule 2201



# Definitions

- Routine Replacement – Continued
  - emissions shall have been addressed by a BARCT rule or
  - unit shall be equipped with a control device capable of at least 85% emission control



# Key Elements Of The NSR Rule

- ✓ **BACT**
- ✓ **Offsets**
- ✓ **Public Notice**



# BACT

- Definition Of BACT
- BACT Triggers
- BACT Exemptions





# Definition

## Best Available Control Technology (BACT)

- Most stringent control technique or limitation that has been achieved in practice for the same class of source, is contained in an approved implementation plan, or is both technologically feasible and cost effective



# BACT Triggers

- BACT is triggered for:
  - New and relocated units with PE greater than 2.0 pounds per day
    - For CO, the SSPE2 of CO must also be greater than 200,000 lb/yr
  - Modified units with an adjusted increase in permitted emissions (AIPE) greater than 2.0 pounds per day
    - For CO, the SSPE2 of CO must also be greater than 200,000 lb/yr
  - Major Modifications (District Policy APR 1125)



# AIPE Calculation

AIPE = PE2 - HAPE, Where:

PE2: Post modification PE

HAPE: Historical Adjusted Potential to Emit

HAPE = PE1(EF2/EF1) Where:

PE1: Potential To Emit Prior to Modification

EF1: Premodification Emission Factor

EF2: Post modification Emission Factor

**Note:** If  $EF2 > EF1$  then  $EF2/EF1 = 1$



# BACT Exemptions:

- CO emissions from units at a stationary source w/ SSPE2 < 200,000 lb/yr
- Cargo Carriers as defined in District Rule 2201
- For existing facilities, the installation or modification of an emission control technique solely for the purpose of compliance with District, State or Federal air pollution control laws provided certain requirements are met



# BACT Exemptions

- New emission units or the modification of existing emission units for voluntary reductions in emissions for the sole purpose of generating emission reduction credits
  - Applies only to the pollutant for which emission reduction credits are obtained
- Temporary Replacement Emission Units
- Routine Replacements
- Transfer of location of emission units within the same stationary source



# Offsets

- **Definition Of Offsets**
- **Offset Exemptions**
- **Offset Triggers**



# Definition

- Offsets
  - Actual Emission Reductions (as defined in District Rule 2201) that can be used to mitigate increases from the equipment being considered



# Offset Exemptions

- Increases in CO in CO attainment areas if the applicant can demonstrate to the satisfaction of the District that the increase will not cause ambient air standards to be violated
- Emergency Equipment as defined in District Rule 2201
- Portable Equipment
  - Registered in accordance w/ District Rule 2280 or
  - Registered in Statewide portable equipment registration program





# Offset Exemptions

- Onsite soil and/or groundwater decontamination projects provided the emissions of any affected pollutant do not exceed 4,000 lb/yr and:
  - Authorized health officer
  - Agricultural commissioner
  - Fire protection officer
  - Other authorized govt. officials



# Offset Exemptions

- Temporary replacement emission units
- Transfer of location of an entire Stationary source within the District, under the same owner and provided:
  - PE of any affected pollutant will not be greater at the new location than at the previous location
  - BACT is applied to all units with emissions equal to or greater than 2.0 lb/day
  - Transferred Stationary Source is not combined with an existing Stationary Source



# Offset Exemptions

- Transfer of location of an emission unit from one stationary Source to another within the District under the same owner provided:
  - PE of any affected pollutant will not be greater at the new location than at the previous location
  - Offsets that would be otherwise required for the unit at the new location have been provided for the emission unit previously



# Offset Exemptions

- For existing facilities, the installation or modification of an emission control technique solely for the purpose of compliance with District, State or Federal air pollution control laws, regulations or orders provided certain requirements are met



# Offset Triggers

- Offsets are triggered for a pollutant if the premodification stationary source potential to emit (SSPE2) of that pollutant is equal to or greater than:
  - NO<sub>x</sub>: 20,000 lb/yr
  - CO: 30,000 lb/yr (in CO non-attainment areas)
  - CO 200,000 lb/yr (in CO attainment areas)
  - VOC: 20,000 lb/yr
  - SO<sub>x</sub>: 54,750 lb/yr
  - PM<sub>10</sub>: 29,200 lb/yr



# Public Notices

- ▣ **Types Of NSR Notices**
- ▣ **NSR Notice Triggers**
- ▣ **NSR Notice Requirements**
- ▣ **NSR Notice Fees**



# Types Of NSR Notices

- New Major Source
- Major Modifications
- New units w/PE > 100 lb/day
- SSPE goes from below to above an offset threshold
- New stationary source w/ SSPE2 > offset threshold
- Permitting action w/ a Stationary Source Increase In Permitted Emissions (SSIPE) > 20,000 lb/yr of any pollutant



# New Major Source Notice Triggers

- New Sources with increases in emissions to  $\geq$  :
  - NO<sub>x</sub>: 50,000 lb/yr or;
  - CO: 200,000 lb/yr or;
  - VOC: 50,000 lb/yr or;
  - SO<sub>x</sub>: 140,000 lb/yr or;
  - PM<sub>10</sub>: 140,000 lb/yr





# Major Modification

- For an existing major source, modifications with increases in emissions, as calculated in accordance with 40 CFR Part 51.165, equal to or greater than:

NO<sub>x</sub>: 50,000 lb/yr or;

CO: 100,000 lb/yr or;

VOC: 50,000 lb/yr or;

SO<sub>x</sub>: 30,000 lb/yr or;

PM<sub>10</sub>: 30,000 lb/yr



# NSR Notice Requirements

- **Preliminary Notice**
- **Comment Period**
- **Final Notice**



# Preliminary Notice Procedure

- Publish a notice of the District's intent to issue or deny an ATC application in a newspaper of general circulation within the District
- Provide CARB, EPA (EPA - major modification only), the applicant, and any other interested parties with:
  - a copy of the District analysis of the project
  - a draft copy of the ATC
  - a copy of the public notice submitted for publication



# Comment period

- The District will accept comments from all interested parties for a period of 30 days following the publication of the preliminary notice
- The District will address all relevant comments prior to the date of final action



# Final Notice

- After the 30 day public notice period and after all relevant comments have been addressed, a final notice will be published in a newspaper of general circulation within the District
  
- The following will receive the items listed:
  - CARB & EPA (EPA - major modifications only)
    - Cover letter, copy of the final ATC, and a copy of final public notice
  - Applicant
    - Cover letter, the original ATC, and a copy of the final public notice



# Statutory Time Lines

- ATC Application Status Determination
  - 30 days
- Resubmitted Application Status Determination
  - 30 days



# Statutory Time Lines

- ▣ Preliminary Decision Notice (if required)
  - ▣ Commences within 10 days of preliminary decision
  - ▣ Completed 30 days following publication date



# Final Action

- Within 180 days after the application is deemed complete or
- Within 180 days after the lead agency has approved the project under the California Environmental Quality Act (CEQA)

