Re: Permits with Specific Limiting Conditions: Calculating SSPE1, SSPE2, BE and Quantity of Offsets Required; and other SLC concerns

Section 3.36 of Rule 2201 (New and Modified Stationary Source Review, December 15, 2005) provides for limiting emissions from two or more emissions units through the use of Specific Limiting Conditions (SLCs). SLCs may cover a group, or all, of the emissions units within a facility. SLCs are useful in granting facilities the often-needed flexibility to vary production rate among a number of emissions units as long as the total emissions from the units covered by the SLCs remains below a certain level.

The purpose of this memorandum is to clarify the procedures for calculating the Pre-project Stationary Source Potential to Emit (SSPE1), the Post-project Stationary Source Potential to Emit (SSPE2), the Baseline Emissions (BE), and the quantity of offsets required, when permits contain SLCs. Section 3.7 defines BE and provides specific definition for emissions units located at a Major Source. Section 4.5 states that SSPE2 shall be used to determine if offset requirements are triggered. Sections 4.9 and 4.10 state that SLCs must be used in determining SSPE1 and SSPE2.

When a group of post-baseline emission units are covered by SLCs, the maximum contribution to the BE, SSPE1 and SSPE2 for those units shall be the maximum combined emissions allowed for those units under the SLC (as defined by section 3.7), and not the sum of the maximum individual potentials to emit for each unit. Similarly, when calculating the quantity of offsets required, the sum of PE for a group of post-baseline units covered by SLCs must reflect the total emissions allowed under the SLC.

With the current version of Rule 2201, daily SLC limits (from a group of emissions units) are not used in ascertaining any requirements. Only annual limits are used in calculations for stationary source emissions changes: SSPE1, SSPE2, SSIPE, BE, PE1, PE2, etc. Therefore, for units with daily SLC limits, the limits should be converted to equivalent annual SLC limits before performing Rule 2201 calculations.

On the other hand, when examining the change in emissions from each of the emissions units within an SLC when determining BACT applicability, the maximum daily emissions that each unit can emit under the SLC must be used.

An important consideration to the SLC is that the SLC emissions must be practically enforceable. This will often require record keeping and other provisions to allow for practical enforcement of the limits.