Purpose: To clarify the District's requirements concerning the selection of an applicable baseline period in evaluating banking applications.

I. Applicable Regulations:

Rule 230.1 (Emission Reduction Banking Rule) states that the baseline period shall be the same as that defined in Rule 220.1 (New and Modified Stationary Source Review).

Rule 220.1 states that the baseline period shall be either: 1) two consecutive years of operation immediately prior to the submission of the complete application; 2) another time period of at least two consecutive years within five years immediately prior to the submission of the complete application determined by the Control Officer as more representative of normal source operation; 3) a shorter period of at least one year in cases where the emissions unit has not been in operation for two years so long as this represents the full operation history of the stationary source; 4) emissions units which have been in operation for less than one year shall have no baseline period for determining actual emissions reductions.

II. Appropriate Baseline Period:

Based on the above referenced regulations, the baseline period shall be selected as follows:

A. Reductions not requiring an Authority to Construct (e.g., shutdowns, exempt sources):

The baseline emissions shall be selected from a period as prescribed in Rule 220.1 immediately preceding the banking application.
B. **Reductions authorized by a previous Authority to Construct (e.g., retrofit with control equipment or a more efficient process or material):**

The baseline emissions shall be selected from a period as prescribed in Rule 220.1 immediately preceding the Authority to Construct application.

C. **Reductions authorized by a previous Authority to Construct which has been renewed:**

The baseline emissions shall be selected from a period as prescribed in Rule 220.1 immediately preceding the application for renewal.

III. **Applicable Calculations Procedure:**

In all cases the calculations shall be performed in accordance with calculations procedure in the New Source Review Rule in effect at the time the banking application is deemed complete. The emission factors shall be those verified after a retrofit is made and based on source testing (if applicable).