

VENTURA COUNTY AIR POLLUTION CONTROL DISTRICT

RULE 26.1 - NEW SOURCE REVIEW - DEFINITIONS

(Adopted 10/22/91, Revised 2/13/96, 1/13/98, 5/14/02)

For the purposes of this rule the following definitions shall apply:

1. "Ambient Air Quality Standards": The federal and state ambient air quality standards. For the purposes of submittal of Rule 26 to the U.S. Environmental Protection Agency for inclusion in the state implementation plan, all references to ambient air quality standards shall be interpreted as federal ambient air quality standards.
2. "Banking": The process of determining the eligibility of emission reductions, and the certification and registration of eligible emission reductions as emission reduction credits.
3. "Best Available Control Technology (BACT)": The most stringent emission limitation or control technology for an emissions unit which:
 - a. Has been achieved in practice for such emissions unit category, or
 - b. Is contained in any implementation plan approved by the Environmental Protection Agency for such emissions unit category. A specific limitation or control shall not apply if the owner or operator of such emissions unit demonstrates to the satisfaction of the Air Pollution Control Officer (APCO) that such limitation or control technology is not presently achievable, or
 - c. Is contained in any applicable New Source Performance Standard or National Emission Standard for Hazardous Air Pollutants set forth in 40 CFR Parts 60 and 61, or
 - d. Any other emission limitation or control technology, including, but not limited to, replacement of such emissions unit with a lower emitting emissions unit, application of control equipment or process modifications, determined by the APCO to be technologically feasible for such emissions unit and cost effective as compared to the BACT cost effectiveness threshold adopted by the Ventura County Air Pollution Control Board.

In defining emissions unit categories, the APCO may take into account the function of the emissions unit, the capacity of the emissions unit, the annual throughput of the emissions unit and the location of the emissions unit with respect to electricity or fuels needed to achieve an emission limitation or control technology.

4. "Community Bank": A bank which contains community emission reduction credits which are to be used as:

- a. Offsets for emission increases from new, replacement, modified, and relocated emissions units located at essential public services, and
 - b. Mitigation for emission increases from new, replacement, modified, and relocated emissions units located at sources that are not subject to the requirement to provide offsets.
5. "Effective Date": The date by which compliance must be achieved with a requirement in a rule.
 6. "Emission Increase": A change in emissions with a value greater than zero, as calculated pursuant to Rule 26.6.D.
 7. "Emission Reduction": A change in emissions with a value greater than zero, as calculated pursuant to Rule 26.6.E.
 8. "Emission Reduction Credit (ERC)": The banked emission reductions available for use as an offset for emission increases from new, replacement, modified or relocated emissions units.
 9. "Emissions Unit": Any operation, article, machine, equipment or contrivance which may emit or reduce the emission of any air contaminant or pollutant.
 10. "Enforceable Emission Reduction": An emission reduction which is assured by changes to a Permit to Operate that reflect a reduced potential to emit, or assured by the surrender or revocation of a Permit to Operate.
 11. "Essential Public Service": Essential public services are the following; publicly owned sewage treatment plants, jails, police or fire fighting facilities, schools, hospitals, ambulance services, landfill gas control or processing equipment, and publicly owned or nonprofit water delivery operations.
 12. "Existing Emission Reduction Credit": Existing emission reduction credits are:
 - a. Emission reduction credits certified pursuant to Rule 26.4 as it existed prior to October 22, 1991, which are not currently being used as offsets on October 22, 1991. Notwithstanding the previous sentence any emission reduction credits certified pursuant to Rule 26.4 as it existed prior to October 22, 1991, which are temporarily transferred to a stationary source on October 22, 1991 shall be considered existing emission reduction credits, or
 - b. Emission reductions for which an application to bank emission reduction credits was deemed complete before October 22, 1991, which have not been used as offsets, or

- c. Reductions in emissions at a stationary source certified pursuant to the procedures in Rule 26.1 as it existed prior to October 22, 1991, or in the process of certification on October 22, 1991, minus any increases from new, modified, or replacement emissions units at that stationary since June 19, 1979.
- 13. "Further Study Measure": A potential control measure which is identified as a further study measure in the Ventura County Air Quality Management Plan (AQMP) approved by the District Board or by the California Air Resources Board, whichever plan is approved most recently.
- 14. "Implementation Plan": A plan adopted by a state or local agency to meet the requirements of Sections 110 and/or 172 of the Clean Air Act.
- 15. "Major Source": A stationary source which emits or has the potential to emit 25 tons per year or more of nitrogen oxides (NOx) or reactive organic compounds (ROC).

A major source is also any physical change at a stationary source if such a change would constitute a major source by itself.

Fugitive emissions shall be included when determining if a source is a major source if the source belongs to any of the categories listed in 40 CFR 51.165(a)(iv)(C).

- 16. "Major Modification": Any physical change or change in method of operation of a major source that would result in a federally significant contemporaneous net emissions increase.

For the purpose of this section, a "federally significant contemporaneous net emissions increase" means a contemporaneous net emissions increase equal to or exceeding any of the following thresholds:

ROC 25 tons per year
NOx 25 tons per year

For the purpose of this section a "contemporaneous net emissions increase" is the sum, during the specified evaluation period, of all emission increases calculated pursuant to Rule 26.6.D and all emission reductions calculated pursuant to Rule 26.6.E. The specified evaluation period is the five consecutive calendar years including the calendar year of the most recent application and the four previous calendar years. Emission reductions that are not surplus at the time of use shall not be included.

- 17. "Modified Emissions Unit":
 - a. Any physical change to any emissions unit, which would result in an emission increase or for which an application to bank emission reduction credits is submitted to the District, or

- b. Any change in method of operation of any emissions unit, which would result in an emission increase or for which an application to bank emission reduction credits is submitted to the District, or
- c. Any change in hours of operation or throughput, which would result in an emission increase and would necessitate a revision to a permit condition, or for which an application to bank emission reduction credits is submitted to the District.

A change in ownership, or routine maintenance or repair, shall not be considered a physical change or change in method of operation.

- 18. "New Emissions Unit": An emissions unit that is part of a new stationary source, an emissions unit that is added to an existing stationary source, or any existing emissions unit that is located at a stationary source in violation of Rule 10.
- 19. "Offset": An emission reduction credit or community emission reduction credit which is used to mitigate an emission increase from a new, replacement, modified, or relocated emissions unit.
- 20. "Outer Continental Shelf Area (OCS)": Any offshore waters for which the District has been designated the corresponding onshore area by the U.S Environmental Protection Agency, Anacapa Island, and San Nicolas Island.
- 21. "Permanent Emission Reduction": An emission reduction that can be assured for the period during which any emission reduction credits obtained from the emission reduction are available for use as offsets. This time period may be limited or unlimited.
- 22. "Potential to Emit": The potential to emit is an emission limit which specifies the maximum quantity of each air pollutant which may be emitted by an emissions unit during a 12 calendar month rolling period. This limit shall be based on any period of 12 consecutive calendar months and shall be expressed in the units of tons per year.

The potential to emit shall be calculated based on the maximum design capacity or other operating conditions which reflect the maximum potential emissions, unless specific limiting conditions on the Authority to Construct and/or Permit to Operate restrict emissions to a lower level. Other operating conditions may include, but are not limited to, production bottlenecks where other equipment may limit the throughput of an emissions unit.

- 23. "Quantifiable Emission Reduction": An emission reduction for which the District can establish a reliable basis for calculating the amount and rate of the reduction, and describing the characteristics of the reduction.
- 24. "Real Emission Reduction": An emission reduction that is calculated based on actual emissions, pursuant to Rule 26.6.E.1, 26.6.E.2, or 26.6.E.3. Notwithstanding the

previous sentence, if emission reduction credits or community emission reduction credits have been provided as offsets for the purpose of obtaining a Permit to Operate, a real emission reduction may be calculated as specified pursuant to Rule 26.6.E.4.

25. "Relocated Emissions Unit": An emissions unit which is moved from a location in Ventura County to another location in Ventura County. The moving of an emissions unit from a location at a stationary source to another location at the same stationary source shall not be considered a relocation. The moving of an emissions unit specifically noted on the Permit to Operate as being portable shall not be considered a relocation.
26. "Replacement Emissions Unit": An emissions unit which supplants another emissions unit where the replacement emissions unit serves the identical function as the emission unit being replaced.
27. "Stationary Source": Any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission.

"Building, structure, facility, or installation" means all pollutant emitting activities, including activities located in California coastal waters adjacent to the District boundaries, which:

- a. belong to the same industrial grouping, and
- b. are located on one or more contiguous or adjacent properties (except for activities located in coastal waters), and
- c. are under the same or common ownership, operation, or control or which are owned or operated by entities which are under common control.

Pollutant emitting activities shall be considered as part of the same industrial grouping if they belong to the same two-digit Standard Industrial Classification code, or if they are part of a common production process. (Common production process includes industrial processes, manufacturing processes, extractive processes, and any connected processes involving a common raw material or product.)

"California Coastal Waters" means that area between the California coastline and a line starting at the California-Oregon border at the Pacific Ocean

thence to 42.0 north, 125.5 west
thence to 41.0 north, 125.5 west
thence to 40.0 north, 125.5 west
thence to 39.0 north, 125.0 west
thence to 38.0 north, 124.5 west
thence to 37.0 north, 123.5 west
thence to 36.0 north, 122.5 west

thence to 35.0 north, 121.5 west
thence to 34.0 north, 120.5 west
thence to 33.0 north, 119.5 west
thence to 32.5 north, 118.5 west

and ending at the California-Mexico border at the Pacific Ocean.

"Cargo Carriers" includes trains dedicated to a specific source, and marine vessels. The emissions from all marine vessels which load or unload at the source shall be considered as emissions from the stationary source while such vessels are operating in District waters and in California coastal waters adjacent to the District. The emissions from vessels shall include reactive organic compound vapors that are displaced into the atmosphere; fugitive emissions; combustion emissions in District waters; and emissions from the loading and unloading of cargo. The emissions from all trains dedicated to a specified stationary source, while operating in the District, including directly emitted and fugitive emissions, shall be considered as emissions from the stationary source.

"Common operations" includes operations which are related through dependent processes, storage, or transportation of the same or similar products or raw material. The emissions within District boundaries and California coastal waters from cargo carriers associated with the stationary source shall be considered emissions from the stationary source.

"Contiguous Property" means two or more parcels of land with a common boundary or separated solely by a private roadway or other public right-of-way.

"Fugitive emissions" means those emissions which could not reasonably pass through a stack, chimney, vent or other functionally equivalent opening.

28. "Surplus Emission Reduction":

- a. An emission reduction that is not required by any federal, state, or district law, rule, order, permit or regulation other than by Rule 26.2.A for modified, replacement, or relocated emissions units that are not part of a major modification. A new emissions unit that is subject to Rule 26.2.A cannot have an associated emission reduction.
- b. Solely for the purpose of determining the amount of an emission reduction that is surplus at the time an Authority to Construct is issued pursuant to Rule 26.11.B.2, surplus emission reduction shall be defined as an emission reduction as specified in subsection 28.a plus that portion of such emission reduction required by state or district laws, rules, orders, permits and regulations that exceeds the emission reduction otherwise required by the federal Clean Air Act (United States Code, Title 42, section 7401 et seq.).

29. "Tactic": A control measure, excluding further study measures, contained in the Ventura County Air Quality Management Plan (AQMP) approved by the District Board or by the California Air Resources Board, whichever plan is approved most recently.
30. "Throughput": A production rate, raw material use rate, or fuel use rate.
31. "Ventura County": The geographic area of jurisdiction of the Ventura County Air Pollution Control District, Anacapa Island, San Nicolas Island, and all waters for which the District is designated the corresponding onshore area.