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100 GENERAL

101 PURPOSE: The purpose of this rule is to provide for the review of new and modified stationary air pollution sources and to provide mechanisms, including emission offsets, by which authorities to construct such sources may be granted without interfering with the attainment or maintenance of ambient air quality standards.

102 APPLICABILITY: This rule shall apply to all new stationary sources and all modifications to existing stationary sources which, after construction, emit or may emit any affected pollutants. This rule shall not apply to prescribed burning of forest, agriculture or range land, road construction or any other non-point source common to timber harvesting or agricultural practices. Exemptions allowed in this Section 102 shall not be used to exempt any stationary source or modification, which would be subject to review under EPA regulations, from permit requirements.

103 EXEMPTION - EMERGENCY ELECTRICAL GENERATING EQUIPMENT: The Air Pollution Control Officer shall exempt an applicant from the requirements of Sections 302, and 303 of this rule, if the subject of the application is a project that would provide emergency electrical power or if the application is a project that would provide emergency water pumping for flood control and is not a major source or major modification under the EPA definition, provided:

103.1 Operation for maintenance purposes shall be limited to 100 hours per year, and such maintenance shall be scheduled in cooperation with the District so as to have no adverse air quality impact, and

103.2 Operation for other than maintenance purposes shall be limited to actual interruptions of power by the serving utility, or

103.3 Operation for other than maintenance purposes shall be limited to maintaining the safety and preserving the integrity of nuclear power generating systems.

104 EXEMPTION - NOTICING REQUIREMENTS: The requirements of Sections 404, 405, 406, and 407.2 relating to notification, publication, and public inspection of Preliminary Decisions; and notification, publication, and public inspection of Final Action shall not apply if the application is for a new or modified stationary source or emissions unit has a net emissions change less than 100 pounds per day of nitrogen oxides, sulfur oxides, and reactive organic compounds, less than 80 pounds per day of PM10, and less than 550 pounds per day of carbon monoxide.

105 EXEMPTION - REPLACEMENT EQUIPMENT: The requirements of Sections 302 and 303 shall not apply to replacement equipment.

106 EXEMPTION - RULE COMPLIANCE: The requirements of Sections 302 and 303 shall not apply to modifications necessary to comply with standards contained in Regulation 4. Section 106 shall not apply to modifications in production rate, hours of operation, or other changes or additions to existing equipment not necessary for compliance with standards contained in Regulation 4.

200 DEFINITIONS

201 ACTUAL EMISSIONS: Measured or estimated emissions which most accurately represent the emissions from an emissions unit.

202 ACTUAL EMISSIONS REDUCTIONS: Reductions of actual emissions from an emissions unit selected for on-site or off-site emissions offsets. Actual emission reductions shall be calculated pursuant to Section 411, Calculation of Emissions and meet all of the following criteria:

202.1 The emissions reductions shall be real, enforceable, quantifiable, and permanent.

202.2 The emissions reductions shall be surplus emissions reductions in excess of any emissions reduction which is:

a. required or encumbered by any laws, rules, regulations, agreements, orders, or

b. attributed to a control measure noticed for workshop in the District, or proposed or contained in a State Implementation Plan, or

c. proposed or contained as near-term measures in the District Air Quality Plan for attaining the annual reductions required by the California Clean Air Act. Temporary actual emissions reductions may be granted but shall be surrendered upon implementation of the near-term control measure.

202.3 Emissions reductions attributed to a proposed control measure may be re-eligible as a surplus actual emissions reductions for:

a. control measures identified in the District Air Quality Plan or State Implementation Plan where no rule has been adopted within two years from the scheduled adoption date, provided, however, the Air Pollution Control Officer has not extended the scheduled adoption date, or

b. control measures not identified in the District Air Quality Plan or State Implementation Plan where no rule has been adopted and two years have elapsed beyond the date of the latest public workshop notice.

c. control measures proposed in the District Air Quality Plan which are not included into the Plan adopted by the District Board shall become re-eligible upon adoption of the Plan.

202.4 Source shutdowns and curtailments may not be given emission reduction credit in the case of non-attainment pollutants (Sections 219) if they occurred prior to the date of application unless:

- a. The shutdown or curtailment was claimed by the affected facility as a credit within 60 days of the surrender of the permit(s). Shutdown or curtailment credits not claimed within 60 days shall fund the Community Bank as provided in Section 413, and
 - b. The proposed new source or modification is a replacement, and the shutdown or curtailment occurred after August 7, 1977, or
 - c. The proposed new source or modification does not meet the EPA definition of a major source or major modification, the shutdown or curtailment occurred after August 7, 1977, the emission reduction credit is used at the same stationary source.
- 203 ACTUAL INTERRUPTIONS OF POWER: When electrical service is interrupted by an unforeseeable event.
- 204 ACTUAL OPERATING DAYS: Any day of operation which results in the emission of an affected pollutant from the emissions unit.
- 205 AFFECTED POLLUTANTS: Reactive organic compounds (ROC), nitrogen oxides (NOx), sulfur oxides (SOx), PM10, carbon monoxide (CO), lead, asbestos, beryllium, mercury, vinyl chloride, fluorides, sulfuric acid mist, hydrogen sulfide, total reduced sulfur, and reduced sulfur compounds.
- 206 AMBIENT AIR QUALITY STANDARDS: State and federal ambient air quality standards. For the purposes of submittal to the US Environmental Protection Agency for the inclusion in the California State Implementation Plan all references in this rule to Ambient Air Quality Standards shall be interpreted as National Ambient Air Quality Standards.
- 207 BEST AVAILABLE CONTROL TECHNOLOGY (BACT): For any emissions unit the most stringent of:
- 207.1 The most effective emission control device, emission limit, or technique, singly or in combination, which has been required or used for the type of equipment comprising such an emissions unit unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such limitations required on other sources have not been demonstrated to be achievable.
 - 207.2 Any alternative basic equipment, fuel, process, emission control device or technique, singly or in combination, determined to be technologically feasible and cost-effective by the Air Pollution Control Officer.
 - 207.3 For replacement equipment only, the emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of source.

Under no circumstances shall BACT be determined to be less stringent than the emission control required by an applicable provision of district, state or federal laws or regulations unless the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that

such limitations are not achievable.

- 208 CARGO CARRIERS: Cargo carriers are trains dedicated to a specific source.
- 209 COMMUNITY BANK: A depository for preserving emission reduction credits for use as offsets in accordance with Sections 302, 303, and 413.
- 210 COMPLETE APPLICATION: Completeness of an application for authority to construct a new or modified emission unit shall be evaluated on the basis of a list of required information which has been adopted by the District pursuant to Article 3, Sections 65940 through 65944 of Chapter 4.5 of Division 1 of Title 7 of the California Government Code as they exist on the date on which the application is received.
- 211 CONTIGUOUS PROPERTY: Two or more parcels of land with a common boundary or separated solely by a public roadway or other public right-of-way.
- 212 COST-EFFECTIVE: A cost per unit of emissions reduction which is lower than or equivalent to the maximum unit costs of the same emission reduction through the use of Best Available Control Technology, calculated in current year dollars, in accordance with methodology and criteria specified in guidelines developed by the District. This section shall not apply to stationary sources meeting the EPA definition of major stationary source or major modification.
- 213 DAILY EMISSIONS LIMITATION: One or a combination of permit conditions specific to an emissions unit which restricts its maximum daily emissions, in pounds per day, at or below the emissions associated with the maximum design capacity. A daily emissions limitation must be:
- 213.1 Contained in the latest authority to construct and contained in or enforceable by the latest permit to operate for the emission unit, and
 - 213.2 Enforceable on a daily basis, and
 - 213.3 Established pursuant to a permitting action occurring after January 1, 1977 and used in the calculation of net emissions changes.
- 214 EMISSIONS UNIT: An identifiable operation or piece of process equipment such as an article, machine, or other contrivance which controls, emits, may emit, or results in the emissions of any affected pollutant directly or as fugitive emissions.
- 215 FLUORIDES: Elemental fluorine and all fluoride compounds.
- 216 FUGITIVE EMISSIONS: Those emissions which could not reasonably pass through a stack, chimney, vent or other functionally equivalent opening.
- 217 HALOGENATED HYDROCARBONS: For the purposes of this rule, halogenated hydrocarbons are 1,1,1-trichloroethane, methylene chloride, trichlorofluoromethane (CFC-11), dichlorodifluoromethane (CFC-12), chlorodifluoromethane (CFC-22), trifluoromethane (CFC-23), trichlorotrifluoroethane (CFC-113), dichlorotetrafluoroethane (CFC-114), chloropentafluoroethane (CFC-115), dichlorotrifluoroethane (HCFC-123), tetrafluoroethane

(HFC-134a), dichlorofluoroethane (HCFC-141b), and chlorodifluoroethane (HCFC-142b).

218 MODIFICATION: Any physical change, change in method of operation of (including change in fuel characteristics), addition to, or any change in hours of operation, or change in production rate of, which:

218.1 For an emissions unit:

- a. would necessitate a change in permit conditions.
- b. is not specifically limited by a permit condition.
- c. results in an increase in emissions not subject to a daily emissions limitation.

218.2 For a stationary source: is a modification of its emissions unit, or addition of any new emissions unit.

218.3 The following shall not be considered a modification:

- a. A change in ownership.
- b. Routine maintenance and repair.
- c. A reconstructed stationary source or emissions unit which shall be treated as a new stationary source or emissions unit, not as a modification.

219 NONATTAINMENT POLLUTANT: Any pollutant as well as any precursors of such pollutants which has been designated "nonattainment" by the US Environmental Protection Agency in the Federal Register, or which has been designated nonattainment by the California Air Resources Board pursuant to Section 39607 of the Health and Safety Code.

220 PM10: Particulate matter with an aerodynamic diameter smaller than or equal to a nominal 10 microns as measured by an applicable reference test method or methods found in Article 2, Subchapter 6, Title 17, California Code of Regulations (commencing with Section 94100). Total suspended particulate matter emissions from a stationary source occurring after January 1, 1977 shall be recalculated as PM10, except as provided in Section 302.7.

221 PRECURSOR: A pollutant that, when emitted into the atmosphere, may undergo either a chemical or physical change which then produces another pollutant for which an ambient air quality standard has been adopted, or whose presence in the atmosphere will contribute to the violation of one or more ambient air quality standards. The following precursor-secondary air contaminant relationships shall be used for the purposes of this rule:

Precursor	Secondary Air Contaminant
Reactive Organic Compound	a. Photochemical oxidants (Ozone) b. Organic fraction of PM10
Nitrogen Oxides	a. Nitrogen dioxide b. Nitrate fraction of PM10 c. Photochemical oxidants (Ozone)

- Sulfur Oxides
 - a. Sulfur dioxide
 - b. Sulfates
 - c. The sulfate fraction of PM10

- 222 REACTIVE ORGANIC COMPOUND: Any compound containing carbon except: methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonates, and halogenated hydrocarbons.
- 223 REASONABLY AVAILABLE CONTROL TECHNOLOGY (RACT): The lowest emission limitation that a particular source is capable of meeting by the application of emission control technology that is reasonably available considering technical and economic feasibility. The criteria for RACT specified in the "California Clean Air Act Guidance for the Determination of Reasonably Available Control Technology and Best Available Retrofit Control Technology", California Air Resources Board, April 1990 shall be used.
- 224 RECONSTRUCTED SOURCE: Any stationary source or emissions unit undergoing physical modification where the fixed capital cost of the new components exceeds 50% of the fixed capital cost of a comparable entirely new stationary source or emissions unit. Fixed capital cost means that capital needed to provide all the depreciable components. A reconstructed source shall be treated as a new stationary source or emissions unit.
- 225 REDUCED SULFUR COMPOUNDS: The sulfur compounds hydrogen sulfide, carbon disulfide and carbonyl sulfide.
- 226 REPLACEMENT EQUIPMENT: A replacement of a piece of equipment with an identical piece of equipment with emissions less than or equal to those from the original piece of equipment.
- 227 SEASONAL SOURCE: Any stationary source with more than 90% of its annual emissions within a consecutive 120-day period.
- 228 STATIONARY SOURCE: Any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission.
- 228.1 "Building, structure, facility, or emissions unit includes all pollutant emitting activities which:
- a. belong to the same industrial grouping, and
 - b. are located on one property or two or more contiguous properties, 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.
- 228.2 Pollutant emitting activities shall be considered as part of the same industrial grouping if:
- a. they belong to the same two-digit standard industrial classification code, or
 - b. they are part of a common production process. (Common production process includes industrial processes, manufacturing processes and any connected processes involving a common material.)
- 228.3 The emissions within District boundaries of cargo

carriers associated with the stationary source shall be considered emissions from the stationary source to the extent provided in Section 411.5.

229 TOTAL REDUCED SULFUR COMPOUNDS: The sulfur compounds hydrogen sulfide, methyl mercaptan, dimethyl sulfide and dimethyl disulfide.

300 STANDARDS

301 BEST AVAILABLE CONTROL TECHNOLOGY: An applicant shall apply Best Available Control Technology to a new emissions unit or modification of an existing emissions unit, except cargo carriers, for each emissions change of an affected pollutant, in excess of the levels specified in Section 301.1:

301.1

Pollutant	lb/day
Reactive organic compounds	0
Nitrogen Oxides	0
Sulfur oxides	0
PM10	0
Carbon monoxide	550
Lead	3.3
Asbestos	0.04
Beryllium	0.0022
Mercury	0.55
Vinyl Chloride	5.5
Fluorides	16
Sulfuric acid mist	38
Hydrogen sulfide	55
Total reduced sulfur compounds	55
Reduced sulfur compounds	55

302 OFFSET REQUIREMENTS, GENERAL: Except as provided in Section 302.2, an applicant shall provide offsets which are actual emission reductions for new and modified stationary sources, sufficient to offset all net emission changes of any affected pollutant or its precursors, except as provided in Sections 302.3, 302.6, and 302.7, as calculated according to Section 411 of this rule exceeding the levels specified in Section 302.1.

302.1

Pollutant	lb/day
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Reactive organic compounds	150
Nitrogen oxides	150
Sulfur oxides	150
PM10	80
Carbon Monoxide	550

- 302.2 An applicant for a seasonal source whose operations occur solely during a period which includes November, December, January, or February shall provide offsets which are actual emissions reductions for new and modified stationary sources, sufficient to offset all net emission changes of reactive organic compounds and nitrogen oxides, as calculated according to Section 411, exceeding 250 lbs/day.
- 302.3 Offsets for increases in carbon monoxide shall not be required if the applicant, using an air quality model performed pursuant to Section 403, demonstrates to the satisfaction of the Air Pollution Control Officer that the ambient air quality standards will not be violated in the areas to be affected, and will not cause or contribute to a violation of the ambient air quality standard.
- 302.4 In no case shall halogenated hydrocarbons be used as offsets for reactive organic compounds.
- 302.5 A stationary source constructed after February 26, 1991 or whose application is deemed complete after February 26, 1991 which has exceeded the levels specified in Section 302.1 for any pollutant and the applicant has provided emissions reductions to fully offset the emissions from the stationary source to zero, the applicant shall provide offsets for all subsequent net emissions changes in the pollutant from the stationary source.
- 302.6 The applicant shall provide offsets for all subsequent positive emissions changes from existing stationary sources constructed prior to February 26, 1991 or whose application is deemed complete after February 26, 1991 from any new or modified emissions unit at the stationary source.
- 302.7 If the applicant has provided full offsets for total suspended particulate matter emissions occurring since January 1, 1977, but before February 26, 1991, those total suspended particulate matter emissions need not be recalculated as PM10. However, all subsequent increases in PM10 emissions must be offset.
- 302.8 Portable equipment which is periodically relocated and is not used in more than 180 days at any one location in the District within a 12 month period shall be evaluated for offsets at the initial location only. In the event such portable equipment is shutdown, emission reduction credits shall be granted based on the initially permitted location.

303 LOCATION OF OFFSETS AND OFFSET RATIOS:

- 303.1 An applicant shall provide offsets for emissions

from a proposed stationary source subject to the requirements of Section 302 according to the following ratios:

Location of Offset	Offset Ratio	
	Non-Attainment	Other Affected
	Pollutants	Pollutants
Same Source	1.1 to 1.0	1.1 to 1.0
Within 15-Mile Radius	1.3 to 1.0	1.2 to 1.0
Greater than 15-Mile but within 50-Mile Radius	2.1 to 1.0	1.3 to 1.0
More than 50-Mile Radius or Outside Air Basin	2.1 to 1.0	1.3 to 1.0

- 303.2 Offsets which are obtained pursuant to Sections 302 and 303 in a district other than that in which the proposed source is located may be used only if the Air Pollution Control Officer has reviewed the permit conditions issued by the other district in which the proposed offsets are obtained and certifies that such offsets meet the requirements of District Rules and Regulations.
- 304 SEASONAL SOURCE OFFSETS: Emissions offset ratios stated in Section 303 shall be required for new or modified seasonal sources provided that the offsets occur within the same period of seasonal operation during which the seasonal source operates. Offsets obtained in a season other than that in which the proposed source will be operating may be used only if approved by the Air Pollution Control Officer.
- 305 INTERPOLLUTANT OFFSETS: The Air Pollution Control Officer may approve interpollutant offsets for precursor pollutants on a case by case basis, provided that the applicant demonstrates through the use of an air quality model that the emission increases from the new or modified source will not cause or contribute to a violation of an ambient air quality standard. In such cases, the Air Pollution Control Officer shall impose, based on an air quality analysis, offset ratios greater than the requirements of Section 303. Interpollutant offsets between PM10 and PM10 precursors may be allowed. PM10 emissions shall not be allowed to offset nitrogen oxides or reactive organic compound emissions in ozone nonattainment areas, nor be allowed to offset sulfur oxide emissions in sulfate nonattainment areas.
- 306 TRANSPORTATION OFFSETS: Emission offsets under this section may be allowed only on a case-by-case basis subject to the approval of the Air Pollution Control Officer. Emissions offsets under this section may be allowed on a case-by-case basis for major stationary

- sources or major modifications under the EPA definition subject to the approval of the EPA and the Air Pollution Control Officer.
- 306.1 Transportation related actual emission reductions are eligible for emission offsets provided the emission reductions are enforceable by conditions on the permit to operate and contractual agreement between the source of the credits and the source utilizing the credits enforceable by the Sacramento Metropolitan Air Quality Management District.
- 306.2 An applicant applying for an emission offset shall present to the Air Pollution Control Officer a Transportation Control Plan which describes in complete detail the method by which the transportation related reductions are to be achieved. The Transportation Control Plan must contain the data the Air Pollution Control Officer deems necessary for evaluation including, but not limited to, any of the following:
- a. Ridership/commuter surveys to determine normal (baseline) busing/driving habits; and/or
 - b. Fleet surveys to determine emissions, areas of operation, and daily/yearly mileage; and/or
 - c. Area surveys to determine number of shopping, work-home, cold starts, hot soaks, etc. in the area affected by the Transportation Control Plan; and
 - d. Projections of the emissions effects of the Transportation Control Plan; and
 - e. Description of the log or accounting system to be used to measure the effects of the Transportation Control Plan; and
 - f. Any other information the Air Pollution Control Officer deems necessary.
- 306.3 The Air Pollution Control Officer shall not make a final determination of the amount of reductions achieved under a Transportation Control Plan until the plan has been implemented 180 days. Within 45 days after the required implementation period the Air Pollution Control Officer shall issue a conditional approval or denial based on the actual emission reductions achieved during the required implementation period, and not those predicted by the Transportation Control Plan.
- 306.4 For the purpose of this rule permanent emission reductions achieved through implementation of a Transportation Control Plan means emission reductions achieved during the specified period the plan is in effect, provided that the applicant:
- a. certifies in writing to the Air Pollution Control Officer the length of time the Transportation Control Plan will be maintained; and
 - b. provides inspection and enforcement agreements necessary for the Air Pollution Control Officer to determine the Transportation Control Plan is being followed.
- 306.5 Emission reduction calculations for the emission offset from application of a Transportation Control Plan shall be based only upon the reductions affecting the Sacramento Metropolitan Air Quality Management District as determined by

the Air Pollution Control Officer.

- 306.6 Emission reductions achieved through subsidization, reimbursement, or other incentives related to public transit use are eligible for emission offsets provided:
- a. A Transportation Control Plan as required by Section 306.2 of this rule is submitted in sufficient detail to satisfy the Air Pollution Control Officer that the reductions are real, permanent, and enforceable within the meanings of this rule; and
 - b. Only reductions achieved through subsidization, reimbursement, or other incentives to public transit which result in a service or use which would not otherwise be provided, and is not already accounted for as a tactic in the district non-attainment plan, are eligible for emission offsets; and
 - c. The applicant submits as part of the Transportation Control Plan written affirmations from the normal governmental funding agencies maintaining the public transit that the governmental agencies funding levels for the public transit will not be lowered as the result of the subsidization, reimbursement, or other incentives supplied in the Transportation Control Plan; and
 - d. The emission reductions meet the requirements of District Rules and Regulations.
- 306.7 Emission reductions achieved through conversion of vehicle fuels are eligible for emission offsets provided:
- a. The fuel conversion is not otherwise required by a federal, state, or district law, rule, regulation, order or permit condition; and
 - b. The applicant submits a Transportation Control Plan as required by Section 306.2 of this rule in sufficient detail to satisfy the Air Pollution Control Officer that the reductions are real, permanent, and enforceable within the meanings of this rule; and
 - c. The provisions of Section 306.3 are complied with; and
 - d. The emission reductions meet the requirements of District Rules and Regulations.
- 306.8 Emission reductions achieved through reduction of vehicle miles travelled by employees because of a car pool, van pool, or bus pool under a Transportation Control Plan are eligible for emission offsets provided:
- a. A complete Transportation Control Plan is submitted as required by Section 306.2 of this rule; and
 - b. An accounting system or log book for determining actual reductions is provided in the Transportation Control Plan; and
 - c. The Air Pollution Control Officer shall have immediate access, when he deems it necessary, to parking facilities, log

books, or whatever information necessary to verify reductions; and

- d. The emission reduction meet the requirements of District Rules and Regulations.

307 AMBIENT AIR QUALITY STANDARDS: In no case shall emissions from the new or modified stationary source, cause or make worse the violation of an ambient air quality standard. The Air Pollution Control Officer may require the use of an air quality model to estimate the effects of a new or modified stationary source. In making this determination the Air Pollution Control Officer shall take into account the mitigation of emissions through offsets obtained pursuant to this rule.

308 DENIAL, FAILURE TO MEET STANDARDS: The Air Pollution Control Officer shall deny any authority to construct or permit to operate if the Air Pollution Control Officer finds that the subject of the application would not comply with the standards set forth in this rule.

400 ADMINISTRATIVE REQUIREMENTS:

The following administrative requirements in Sections 401-411 shall apply to any activities pursuant to this rule, except for the review of power plants over 50 megawatts. Power plants over 50 megawatts shall be subject to the review requirements of Section 412.

401 ALTERNATIVE SITING: For those sources for which an analysis of alternative sites, sizes, and production processes is required under Section 172 of the Clean Air Act, the Air Pollution Control Officer shall require the applicant to prepare an analysis functionally equivalent to the requirements of Division 13 of the Public Resources Code (California Environmental Quality Act-CEQA).

402 COMPLETE APPLICATION: The Air Pollution Control Officer shall determine whether the application is complete not later than 30 days after receipt of the application, or after such longer time as both the applicant and the Air Pollution Control Officer may agree. If the Air Pollution Control Officer determines that the application is not complete, the applicant shall be notified in writing of the decision specifying the information required. Upon receipt of any re-submittal of the application, a new 30-day period to determine completeness shall begin. Completeness of an application or re-submitted application shall be evaluated on the basis of the information requirements set forth in District regulations (adopted pursuant to Article 3, 65940 through 65944 of Chapter 4.5 of Division 1 of Title 7 of the California Government Code) as they exist on the date on which the application or re-submitted application was received. The Air Pollution Control Officer may, during the processing of the application, request an applicant to clarify, amplify, correct, or otherwise supplement the information submitted in the application.

403 AIR QUALITY MODELS: All air quality models used for the purposes of this rule shall be consistent with the requirements provided in the most recent edition of EPA "Guidelines on Air Quality Models, OAQPS 1.2-080" unless

the Air Pollution Control Officer finds that such model is inappropriate for use. After making such finding the Air Pollution Control Officer may designate an alternate model only after allowing for public comment, and only with concurrence of the US Environmental Protection Agency. Credit shall not be given for stacks higher than that dictated by good engineering practice. All modeling costs associated with the siting of a stationary source shall be borne by the applicant.

404 PRELIMINARY DECISION: Except as provided in Section 104, following acceptance of an application as complete, the Air Pollution Control Officer shall perform the evaluations required to determine compliance with all applicable district rules and regulations and make a preliminary written decision as to whether a permit to construct should be approved, conditionally approved, or disapproved. The decision shall be supported by a succinct written analysis.

404.1 The Air Pollution Control Officer shall transmit to the California Air Resources Board and the EPA its preliminary written decision and analysis for sources subject to Sections 301, 302, 303, and 306 no later than the date of publication as required in Section 405.

405 PUBLICATION AND PUBLIC COMMENT: Except as provided in Section 104, within ten calendar days following a preliminary decision pursuant to Section 300, Standards, of this rule, the Air Pollution Control Officer shall publish in at least one newspaper of general circulation in the District a notice stating the preliminary decision of the Air Pollution Control Officer, noting how the pertinent information can be obtained, and inviting written public comment for a 30-day period following the date of publication.

406 PUBLIC INSPECTION: Except as provided in Section 104, the Air Pollution Control Officer shall make available for public inspection at the Air Pollution Control District's office the information submitted by the applicant and the Air Pollution Control Officer's analysis no later than the time notice of the preliminary decision is published, pursuant to Section 405. Information submitted which contains trade secrets shall be handled in accordance with Section 6254.7 of the California Government Code and relevant sections of the California Administrative Code. Further, all such information shall be transmitted no later than the date of publication to the California Air Resources Board and the US Environmental Protection Agency regional office, and to any party which requests such information.

407 AUTHORITY TO CONSTRUCT, FINAL ACTION:

407.1 Within 180 days after acceptance of an application as complete, the Air Pollution Control Officer shall take final action on the application after considering all written comments.

407.2 Except as provided in Section 104, the Air Pollution Control Officer shall provide written notice of the final action to the applicant, the US Environmental Protection Agency, and the California Air Resources Board, and shall publish such notice in a newspaper of general circulation and shall make the notice and all supporting documents available for public inspection at the Air Pollution Control District's office.

408 REQUIREMENTS, PERMIT TO OPERATE: As a condition for the issuance of a permit to operate, the Air Pollution Control Officer shall require that the new source or modification, and any sources which provide offsets, be operated in the manner assumed in making the analysis required to determine compliance with this rule, and as conditioned in the authority to construct. The permit to operate shall include daily emission limitations which reflect Best Available Control Technology.

The operation of any source which provides offsets shall be subject to enforceable permit conditions, containing specific emissions and operational limitations, to ensure that the emission reductions shall be provided in accordance with the provisions of this rule and shall continue for the reasonably expected life of the proposed source. Where the source of offsets is not subject to a permit, a written contract shall be required between the applicant and the owner or operator of such source, which contract, by its terms, shall be enforceable by the Air Pollution Control Officer. External offsets must be made enforceable either by revision of an offsetting source's Authority to Construct and Permit to Operate or by submittal of a SIP revision to EPA prior to the operation of the new source or modification. The SIP submittal shall be submitted to the California Air Resources Board to be forwarded to the US Environmental Protection Agency as part of the State Implementation Plan. A violation of the emission limitation provisions of any such contract shall be chargeable to the applicant.

409 ISSUANCE, PERMIT TO OPERATE: The Air Pollution Control Officer shall issue a permit to operate a stationary source subject to the requirements of this rule if it is determined that any offsets required as a condition of an authority to construct or amendment to a permit to operate will commence not later than the initial operation of the new or modified source, and that the offsets shall be maintained throughout the operation of the new or modified source which is the beneficiary of the offsets. Further, the Air Pollution Control Officer shall determine that all conditions specified in the authority to construct have been or will be likely complied with by any dates specified. Conditions which have not been met at the time the permit to operate is issued shall be incorporated into the permit to operate. Where a new or modified stationary source is, in whole or in part, a replacement for an existing stationary source on the same property, the Air Pollution Control Officer may allow a maximum of 90 days as a startup period for simultaneous operation of the existing stationary source and the new source or replacement.

410 REGULATIONS IN FORCE GOVERN: An authority to construct shall be granted or denied based on Best Available Control Technology and offset requirements of Sections 301 and 302.1 in force on the date the application is deemed complete. In addition, the Air Pollution Control Officer shall deny an authority to construct for any new stationary source or modification, or any portion thereof, unless:

410.1 The new source or modification, or applicable portion thereof, complies with the provisions of this rule and all other applicable district rules and regulations; and

410.2 The owner or operator of the proposed new or modified source has demonstrated that all major stationary sources (meeting the EPA definition) owned or operated by such person (or by an entity controlling, controlled by, or under common control with such person) in California which are subject to emission limitations are in compliance, or on a schedule for compliance, with all applicable emission limitations and standards.

411 CALCULATION OF EMISSIONS: The following calculation procedure shall be used to determine; the emissions change for an emissions unit, the net emissions change for the stationary source, and the actual emissions reductions. The five major steps in the calculation procedure are outlined in Sections 411.1, 411.2, 411.3, 411.4, and 411.5. All steps must be performed.

202-2

February 26, 1991

SACRAMENTO METROPOLITAN AQMD

RULES AND REGULATIONS

411.1 Current Emissions: The current emissions for new emissions units are zero. The current emissions for modified emissions units for a nonseasonal source shall be determined for each calendar quarter. The current emissions for a modified emissions unit for a seasonal source shall be determined for the operating season.

The current emissions for modified emissions units shall be determined using either the emissions represented by the daily emissions limitation or the actual emissions.

a. Use the daily emissions limitation to determine the current emissions when the latest authority to construct was issued after January 1, 1977. In addition, the daily emissions limitation must be contained in or enforceable by the latest authority to construct and contained in or enforceable by the latest permit to operate.

b. Use the actual daily emissions to determine the current emissions when the latest authority to construct was issued before January 1, 1977. If a violation of law, rule, regulation, permit condition, order of the district, the Air Resources Board, or the Environmental Protection Agency occurred during the period used to determine the emissions, then adjustments shall be made to reflect the emissions which the existing emissions unit would have caused without such violation. Actual daily emissions shall be calculated for nonseasonal sources using Subsection 411.1.b.1 and for seasonal sources using Subsection 411.1.b.2.

1. Nonseasonal sources: The actual daily emissions for each calendar quarter are averaged for the three year period immediately preceding the date of application. If the last three years are unrepresentative of normal source operations then three consecutive years of the last five years may be used. The actual daily emissions for each calendar quarter is calculated by averaging the actual daily emissions for the same calendar quarter of the three years. Calculate the actual emissions for each

calendar quarter, in pounds per day, by dividing the total emissions for the calendar quarter, in pounds, by the number of permitted or actual operating days for that calendar quarter.

2. Seasonal sources: The actual emissions for each operating season are averaged for the three year period immediately preceding the date of application. If the last three years are unrepresentative of normal source operations then three consecutive years of the last five years may be used.

Calculate the actual emissions for each operating season, in pounds per day, by dividing the total emissions for the operating season, in pounds, by the number of actual operating days for that operating season. An actual operating day is any day which results in the emissions of an affected pollutant from the emissions unit.

- 411.2 Proposed Emissions: The proposed emissions from an emissions unit for a nonseasonal source shall be calculated for each calendar quarter. The proposed emissions from an emissions unit for a seasonal source shall be calculated for the operating season.

Proposed emissions shall represent a daily emissions limitation(s) for the new or modified emissions unit. The daily emissions limitation(s) shall be established as conditions of both the Authority to Construct and Permit to Operate for the emissions unit. For nonseasonal sources a different daily emissions limitation may be established for each calendar quarter.

- 411.3 Actual Emission Reductions: Actual emissions shall be used to determine actual emissions reductions for offsets, and interpollutant offsets. Actual emissions reductions shall be adjusted to at least reflect emission rates achievable with RACT not to exceed 50% of emission reductions or 250 lbs/day, whichever is lower. Adjustments for RACT shall provide funding for the Community Bank pursuant to Section 413. Actual Emissions Reductions shall be calculated according to methods specified in Subsections 411.3.a and 411.3.b.

- a. Nonseasonal sources: The actual emissions reductions shall be calculated for each calendar quarter, in pounds per day, by dividing the total emissions for the calendar quarter, in pounds, by the number of actual operating days for that calendar quarter.

- b. Seasonal sources: The actual emissions reductions for a seasonal source providing reductions for another seasonal source shall be calculated for each operating season, in pounds per day, by dividing the total emissions for the operating season, in pounds, by the number of actual operating days for that operating season.

- 411.4 Emissions Change - Emissions Unit: The largest quarterly or operating season emissions change for an emissions unit shall be used to determine the applicability of best available control technology. The emissions change for an emissions unit shall be calculated as follows:

- a. The emissions change for a new emissions unit shall be equal to the proposed emissions.
 - b. The emissions change for a modified emissions unit shall be equal to the proposed emissions minus current emissions.
- 411.5 Net Emissions Change - Stationary Source: The net emissions change for the stationary source shall be equal to the sum of all the emissions changes for all emissions units within the stationary source since January 1, 1977. Except as provided in Section 228 the net emissions change for the stationary source shall not include cargo carrier emissions unless emissions reductions from cargo carriers are proposed as offsets. The net emissions change for a stationary source shall be adjusted by:
- a. Emissions reductions required to comply with federal, state, or district laws, rules, regulations, agreements, orders, or identified in the adopted nonattainment plan.
 - b. Any negative emissions change for a new or modified emissions unit occurring after February 26, 1991 after multiplied by a factor of 0.9.
 - c. Any actual emissions reductions associated with the voluntary surrender of a permit to operate issued before January 1, 1977 or after January 1, 1977 if the permit does not contain a daily emissions limitation after multiplying by a factor of 0.9.
 - d. Daily emissions limitation associated with the voluntary surrender of a permit to operate issued after January 1, 1977 after multiplying by a factor of 0.9.
 - e. Any emissions change associated with an authority to construct which has expired prior to issuance of the permit to operate.
 - f. Differences between the daily emissions limitation on the authority to construct and the permit to operate.
 - g. Any actual emission reductions committed to interpollutant offsets, or offsite mitigation.
 - h. Any actual emissions reductions received from interpollutant offsets, or offsite mitigation.

412 POWER PLANTS: This section shall apply to all power plants proposed to be constructed in the District and for which a Notice of Intention (NOI) or Application for Certification (AFC) has been accepted by the California Energy Commission.

- 412.1 Within 14 days of receipt of a Notice of Intention, the Air Pollution Control Officer shall notify the Air Resources Board and the California Energy Commission of the District's intent to participate in the Notice of Intention proceeding. If the District chooses to participate in the Notice of Intention proceeding, the Air Pollution Control Officer shall prepare and submit a report to the California Air Resources Board and the California Energy Commission prior to the conclusion of the nonadjudicatory hearing specified in Section 25509.5 of the California Public Resources Code. That report shall include, at a minimum:
- a. a preliminary specific definition of Best

Available Control Technology for the proposed facility;

- b. a preliminary discussion of whether there is substantial likelihood that the requirements of this rule and all other District regulations can be satisfied by the proposed facility;
- c. a preliminary list of conditions which the proposed facility must meet in order to comply with this rule or any other applicable district regulation.

The preliminary determinations contained in the report shall be as specific as possible within the constraints of the information contained in the Notice of Intention.

412.2 Upon receipt of an Application for Certification for a power plant, the Air Pollution Control Officer shall conduct a determination of compliance review. This determination shall consist of a review identical to that which would be performed if an application for a permit to construct had been received for the power plant. If the information contained in the Application for Certification does not meet the requirements of this rule, the Air Pollution Control Officer shall, within 20 calendar days of receipt of the Application for Certification, so inform the California Energy Commission, and the Application for Certification shall be considered incomplete and returned to the applicant for resubmittal.

412.3 The Air Pollution Control Officer shall consider the Application for Certification to be equivalent to an application for a permit to construct during the determination of compliance review, and shall apply all provisions of this rule which apply to applications for a permit to construct.

412.4 The Air Pollution Control Officer may request from the applicant any information necessary for the completion of the determination of compliance review. If the Air Pollution Control Officer is unable to obtain the information, the Air Pollution Control Officer may petition the presiding Commissioner of the California Energy Commission for an order directing the applicant to supply such information.

412.5 Within 180 days of accepting an Application for Certification as complete, the Air Pollution Control Officer shall make a preliminary decision on:

- a. whether the proposed power plant meets the requirements of this rule and all other applicable district regulations; and
- b. in the event of compliance, what permit conditions will be required including the specific Best Available Control Technology requirements and a description of required mitigation measures.

The preliminary written decision under Section 412.5 shall be treated as a preliminary decision under Section 404 of this rule, and shall be finalized by the Air Pollution Control Officer only after being subject to the public notice and comment requirements of Sections 404 and 405. The Air Pollution Control Officer shall not issue a determination of compliance unless all requirements of this rule are met.

- 412.6 Within 240 days of the filing date, the Air Pollution Control Officer shall issue and submit to the California Energy Commission a determination of compliance or, if such a determination cannot be issued, shall so inform the California Energy Commission. A determination of compliance shall confer the same rights and privileges as an authority to construct only when and if the California Energy Commission approves the Application for Certification, and the California Energy Commission certificate includes all conditions of the determination of compliance.
- 412.7 Any applicant receiving a certificate from the California Energy Commission pursuant to this section and in compliance with all conditions of the certificate shall be issued a permit to operate by the Air Pollution Control Officer.

413 COMMUNITY BANK: A Community Bank is established for the purposes of allowing qualifying sources to comply with the offset provisions of Section 302 and 303 of this rule. The Community Bank offset credits shall be available for use by sources after January 1, 1992, but only to the extent that the Community Bank is funded with onsite reductions and offset credits. Procedures for distribution of the credits shall be developed by the Air Pollution Control Officer. A registry of Community Bank offset credits shall be maintained by the District and shall be made available for public inspection. The Community Bank is funded by:

- 413.1 Preserving 10% of all onsite reductions in accordance with Section 411.5 of this rule or with the equivalent of 10% of all emissions being offset in accordance with section 302 and 303 after February 26, 1991.
- 413.2 Adjustments for RACT as provided in Section 411.3.
- 413.3 Shutdowns of stationary sources or emission units not claimed for emission credits by the facility within 60 days of the surrender of the permit.