

## SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT

### **RULE 801 - NEW SOURCE REVIEW**

*(Adopted 4/17/1997)*

#### **A. Applicability**

This Rule and this Regulation shall apply to any applicant for a new or modified stationary source which emits or may emit any affected pollutant.

#### **B. Exemptions**

The provisions of this Regulation shall not apply to any existing stationary source which was previously exempt from the permit provision of these Rules and Regulations and a Permit to Operate is required solely because of a change in Permit exemptions.

#### **C. Definitions** - The following definitions apply to Regulation VIII.

**"Ambient Air Quality Standards"** means state and federal ambient air quality standards. For the purpose of submittal to the Environmental Protection Agency for the inclusion in the State Implementation Plan, all references in this Regulation to ambient air quality standards shall be interpreted as national ambient air quality standards.

**"Federal Land Manager"** means, with respect to any lands in the United States, the Secretary of the department with authority over such lands.

**"Municipal waste combustor organics, metals, and acid gases"** shall have the meaning set forth in 40 CFR Section 52.21(b)(23), in effect on April 17, 1997.

**"Net Air Quality Benefit"** means a net improvement in air quality resulting from actual emission reductions impacting the same general area affected by the new or modified source and which will be consistent with reasonable further progress.

**"Net Emissions Increase"** means the sum of all increases in emissions of any given pollutant from a new or modified stationary source occurring since November 15, 1990 minus any reduction in emissions of that pollutant at the stationary source occurring since November 15, 1990 subject to the provisions of Section D.2 of Rule 804 (mandated reductions, not applicable). Where an Authority to Construct has been issued for a stationary source and that source has not received a Permit to Operate for the entire stationary source as of November 15, 1990, the net emission increase for that source shall be as specified in the Authority to Construct, subject to increases and decreases as authorized by these Rules and Regulations. Net emissions increases shall be calculated using the formula given below and in accordance with the provisions of Section F of Rule 802 for nonattainment pollutants and Section J of Rule 803 for attainment pollutants. Reductions in emissions shall be valid for determining net emissions increases only if they are established pursuant to Authorities to Construct and Permits to Operate. In no event shall the net emission increase for a stationary source be less than zero. However, emission reductions may be registered as emission reduction credits pursuant to Rule 806.

Net emission increase shall be calculated as follows.

#### New Source

Net emission increase = I

Where

I = Potential to emit of the new source

#### Modification to an existing source

Net emission increase = I + (P1 - P2) - D

Where

I = potential to emit of the modification.

P1 = All prior increases in potential to emit resulting from permit actions at the stationary source where the emission unit creating the increase was permitted on or after November 15, 1990 and where the permit action was subject to New Source Review.

P2 = All decreases in potential to emit resulting from permit actions at the stationary source, including the proposed modification where the modification reduces the potential to emit of the emission unit, and where the emission unit creating the decrease was permitted on or after November 15, 1990 provided the emissions were included in P1 above.

D = Decreases in actual emissions resulting from permit actions at the stationary source provided the emissions are not included in P2 above and are not included in the source register.

The value of "I" cannot be negative. A negative net emission increase may be entered into the source register pursuant to Rule 806.

**"Permanent"** means reductions that will endure and are otherwise creditable for the entire term of the proposed use of the emission reduction credit. Permanence is generally assured by requiring federally enforceable changes in federally enforceable permits, regulations in the applicable State Implementation Plan, or some other federally enforceable instrument.

**"Project"** means any article, machine, equipment or contrivance belonging to the same emission unit at a stationary source and applied for in one or more applications for an Authority to Construct permit. Project shall not include any article, machine, equipment or contrivance described in any application for an Authority to Construct permit submitted more than 12 months after issuance of the Permit to Operate.

**"Quantifiable"** emission reductions (and increases) are those for which both the amount and the character can be determined. Quantification may be based on emission factors, stack tests, monitored values, operating rates and averaging times, process or production inputs, modeling, or other reasonable measurement practices. The quantification methods "shall be credible, workable, and replicable." "Replicable" refers to "methods which are sufficiently unambiguous such that the same or equivalent results would be obtained by the application of the method by difference users." The same method for calculating emissions should be used to measure the emissions both before and after the changes in emission levels, both at the generator and at the user of the Emission Reduction Credits. Quantification must be based on the actual emissions from the source prior to the reduction.

**"Surplus"** means emission reductions not required by current regulations in the State Implementation Plan, not already relied upon for State Implementation Plan planning purposes; and not used by the source to meet any other regulatory requirement, including, at the Emission Reduction Credits time of use, Reasonable Available Control Technology, Best Available Retrofit Control Technology, Reasonable Further Progress or milestones therefor, or demonstration of attainment.

## **D. Requirements - General**

### **1. Regulations in Force Govern**

The granting or denial of an Authority to Construct shall be governed by the requirements of this Regulation in force on the date the application is deemed complete. In addition, the Air Pollution Control Officer shall deny any Authority to Construct for any new stationary source or modification, or any portion thereof, unless:

- a. 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
- b. The owner or operator of the proposed new or modified source has demonstrated that all major stationary sources owned or operated by such person, or by any entity controlling, controlled by, or under common control with such person, in California and all stationary sources in the air basin which are subject to emission limitations are in compliance, or on a schedule for compliance with all applicable emission limitations and standards under the Clean Air Act (42 USC 7401 *et seq.*) and all applicable emission limitations and standards which are part of the State Implementation Plan approved by the Environmental Protection Agency.

### **2. Denial, Failure to Meet Standards**

The Control Officer shall deny any Authority to Construct or Permit to Operate if the Control Officer finds that the subject of the application would not comply with the standards set forth in this Regulation.

### **3. Certification Statement**

Any application for an Authority to Construct any new stationary source or modification, or portion thereof, shall certify, at the time of application, that all major stationary sources in the State and all stationary sources in the air basin which are owned or operated by the applicant, or by an entity controlling, controlled by, or under common control with the applicant, are in compliance, or are on approved schedule for compliance, with all applicable emission limitations and standards under the Clean Air Act (42 USC 7401 *et seq.*) and all applicable emission limitations and standards which are part of the State Implementation Plan approved by the Environmental Protection Agency. The Control Officer may request any necessary information from the applicant to make this determination.

#### **4. State Ambient Air Quality Standards**

All references in this Regulation to national ambient air quality standards shall be interpreted to include State ambient air quality standards. While State standards are to be considered in the application evaluation mentioned, they are not meant to be part of the State Implementation Plan.

#### **E. Requirement - Conditions of Granting Permits**

1. The Control Officer shall deny an Authority to Construct or Permit to Operate unless the applicant demonstrates that the source will be operated consistent with the application, supplements and clarifications provided by the applicant, and engineering evaluation used in making the analysis for compliance with the Rules and Regulations.
2. The Control Officer shall not issue a Permit to Operate unless it is determined that:
  - a. The new or modified stationary source will operate without emitting pollutants in violation of any applicable state, federal or local emission limitations or these Rules and Regulations; and
  - b. The emissions of any pollutants from the new or modified stationary source are less than or equal to the emissions contained in the application, supplements and clarifications provided by the applicant, and engineering evaluation used by the Control Officer in granting an Authority to Construct.
  - c. The offsets required as a condition of the Authority to Construct will commence at the time or prior to initial operations of the new source or modification, and that the offsets will be maintained throughout the operation of the new or modified source. In the case of a new or modified source which will be, in whole or in part, a replacement for an existing source on the same property, the Control Officer may allow a maximum of ninety (90) days as a start-up period for simultaneous operation of the existing source and the new source or replacement; and
  - d. All conditions specified in the Authority to Construct have been or likely will be complied with by any dates specified.