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2-2-101	**Description:** This Rule ~~shall~~ appliesy to all new and modified sources which are subject to the requirements of ~~Regulation~~Section 2-1-301 and/or 2-1-302. The purpose of this Rule is to implement the New Source Review provisions of the federal and California Clean Air Acts (including the federal non-attainment New Source Review, Prevention of Significant Deterioration, and Minor New Source Review provisions) and the no-net-increase requirements of the California Health and Safety Code, among other requirements.~~provide for the review of new and modified sources and provide mechanisms, including the use of Best Available Control Technology (BACT), Best Available Control Technology for Toxics (TBACT), and emission offsets, by which authorities to construct such sources may be granted. This rule implements the no net increase requirements of Section 40919 (a)(2) of the Health and Safety Code as demonstrated by the requirements of Section 2-2-316. The New Source Review provisions of 40 CFR 51.165 and the Prevention of Significant Deterioration provisions of 40 CFR 51.166.~~
2-2-102	Renumbering of Section 2-2-112. **Exemption, Secondary Emissions From Abatement:** The BACT requirements of Section 2-2-301 shall not apply to emissions of secondary pollutants that~~which~~ are the direct result of the use of an abatement device or emission reduction technique ~~which~~ ~~compiles~~ implemented to comply with the BACT or BARCT requirements for control of another pollutant. However, the APCO shall require the use of Reasonably Available Control Technology (RACT) for control of these secondary pollutants. The ~~Air Pollution Control Officer~~ APCO shall determine which pollutants are primary and which are secondary for the equipment being evaluated.
Other Changes in 2-2-100	Deleted Section 2-2-111 (Exemption PSD Monitoring). This section is redundant to the requirements of 40 CFR 52.21 requirements. ~~**Exemption, PSD Monitoring:** The APCO may exempt an applicant from the requirements of subsection 2-2-414.3 provided that the applicant demonstrates by modeling to the satisfaction of the APCO that the cumulative emission increase minus the emission reduction credits from the new or modified facility would cause air quality impacts less than the following, or may exempt an applicant from the requirements of subsection 2-2-414.3 if the existing ambient air quality concentrations in the impact area are no greater than the following:~~ ~~(micrograms per cubic meter, $\mu g/m^3$)~~ ~~Carbon monoxide: 8-hr average 575~~ ~~PM_{10}: 24-hr average 10~~ ~~Sulfur dioxide: 24-hr average 13~~ ~~Lead: 3-month average 0.1~~ ~~Mercury: 24-hr average 0.25~~ ~~Beryllium: 24-hr average 0.0001~~ ~~Fluorides: 24-hr average 0.25~~ ~~Vinyl chlorides: 24-hr average 15~~ ~~Total reduced sulfur: 1-hr average 10~~ ~~Hydrogen sulfide: 1-hr average 0.2~~ ~~Reduced sulfur compounds: 1-hr average 10~~ ~~Nitrogen dioxide: annual average 14~~ Deleted Section 2-2-114 (Exemption, MACT Requirement). MACT requirements have been moved to Regulation 2-6 (Major Facility Review). ~~**Exemption, MACT Requirement:** The MACT requirement of Section 2-2-317 shall not apply to the following:~~ ~~114.1 Any source, where the combined increase in potential to emit from all related sources in a proposed construction or modification is less than 10 tons per year of any HAP and less than 25 tons per year of any combination of HAPs.~~ ~~114.2 Any source that has been specifically regulated under a standard promulgated pursuant to Sections 112(d), 112(h), or 112(j) of the federal Clean Air Act prior to the date that the APCO has issued an Authority to Construct.~~

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	~~114.3 Any source that has been specifically exempted from regulation under a standard issued pursuant to Sections 112(d), 112(h), or 112(j) of the federal Clean Air Act.~~ ~~114.4 Any Electric Utility Steam Generating Unit as defined in 40 CFR 63.41, unless and until such time as these units are added to the source category list pursuant to Section 112(c)(5) of the federal Clean Air Act.~~ ~~114.5 Any Research and Development Activities as defined in 40 CFR 63.41.~~ ~~114.6 Any source that is within a source category that has been deleted from the source category list pursuant to Section 112(c)(9) of the federal Clean Air Act.~~
2-2-201	Renumbering of Section 2-2-246. **Adjustment to Emission Reductions for Federal Purposes**: An adjustment made, for purposes of the equivalence demonstration in 2-2-41~~2~~3, to an emission reduction, due to changes in federal requirements between issuance of a banking certificate and its use. The adjustment is made as if the source providing the offsets were in operation, at the original baseline levels, on the date of credit use.
2-2-202	Renumbering of Section 2-2-206. **Best Available Control Technology (BACT):** ~~For any new or modified source, except cargo carriers, the more stringent of~~ An emission limitation, control device, or control technique applied at a source that is the most stringent of: ~~206~~202.1 The most effective emission control device or technique which has been successfully utilized for the type of equipment comprising such a source; or ~~206~~202.2 The most stringent emission limitation achieved by an emission control device or technique for the type of equipment comprising such a source; or ~~206~~202.3 ~~Any emission control~~ The most effective control device or technique or most stringent emission limitation that the APCO has determined to be technologically feasible for a source, taking into consideration ~~and~~ cost-effectiveness, any ancillary health and environmental impacts, and energy requirements ~~by the APCO~~; or ~~206~~202.4 The most effective emission control limitation for the type of equipment comprising such a source which the EPA states, prior to or during the public comment period, is contained in an approved implementation plan of any state, unless the applicant demonstrates to the satisfaction of the APCO that such limitations are not achievable. Under no circumstances shall the emission control required be less stringent than the emission control required by any applicable provision of federal, state or District laws, rules or regulations. ~~The APCO shall publish and periodically update a BACT/TBACT Workbook specifying the requirements for commonly permitted sources. BACT will be determined for a source by using the workbook as a guidance document or, on a case-by-case basis, using the most stringent definition of this Section 2-2-206.~~
2-2-203	Renumbering of Section 2-2-240. **Best Available Retrofit Control Technology (BARCT):** An 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 and~~ has been adopted or proposed to be adopted as part of the current Clean Air Plan ~~required~~ approved by the District pursuant to the California Clean Air Act of 1988 as implementing the maximum degree of emission reduction achievable by a class or category of source, taking into account environmental, energy and economic impacts.
2-2-204	Renumbering Section 2-2-207. **California Coastal Waters:** ~~That~~The area bounded by (i) the coast of the State of California and (ii) the line established by starting at the point on the California coast at ~~between~~ the California-Oregon border, ~~at the Pacific Ocean and ending at the California-Mexico border at the Pacific Ocean~~ and proceeding: ~~thence to 42.0°N 125.5°W~~ ~~thence to 41.0°N 125.5°W~~ thence to 40.0°N 125.5°W thence to 39.0°N 125.5°W thence to 38.0°N 124.0°W~~N~~ thence to 37.0°N 123.5°W thence to 36.0°N 122.5°W

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	thence to 35.0°N 121.5°W thence to 34.0°N 120.5°W thence to 33.0°N 119.5°W thence to 32.5°N 118.5°W and thence to an ending point on the California coast at the California-Mexico border.
2-2-205	Renumbering of Section 2-2-209. **Class I Area~~s, PSD~~:** Point Reyes National Seashore and any other Class I Area under Part C of the Clean Air Act. All other areas in the District are Class II Areas.
2-2-206	Renumbering of Section 2-2-242. **Contemporaneous:** Occurring within the following specified time periods before or immediately after the date of a complete application for an authority to construct or permit to operate for a new or modified source: 206.1 Occurring within a five year period of time immediately prior to the date of a complete application for an authority to construct or permit to operate; or 206.2 Occurring on or after the date of a complete application for an authority to construct or period to operate and prior to: 206.2.1 for a new source, initial operation of the source; 206.2.2 for a modified source, 90 days after initial operation of the modified source; 206.2.3 for a source that is a replacement, in whole or in part, for an existing source, with respect to emission reduction credits being generated by the shutdown of the existing source being replaced, 90 days after initial operation of the replacement source. ~~**Contemporaneous:** The five year period of time immediately prior to the date of application for an authority to construct or permit to operate~~.
2-2-207	New Section. **Creditable:** An emission increase or decrease that has not been relied on by a permitting agency in issuing a PSD permit, including a federal PSD permit or an authority to construct applying the PSD provisions of Sections 2-2-304 through 2-2-307, which permit is still in effect.
2-2-208	Renumbering of Section 2-2-212. **Cumulative Increase:** The ~~aggregate sum of all~~ increase~~s~~ in the potential to emit ~~emissions of any given~~ pollutant authorized by an authority to construct or permit to operate measured against prior actual or potential emissions, less any contemporaneous onsite emission reduction credits credited to the authority to construct or permit to operate, calculated in accordance with the procedures set forth in Section 2-2-607~~from a facility pursuant to authorities to construct or permits to operate issued after April 5, 1991 (unless a PSD Baseline Date is applicable), excluding emissions from a source which has lost its permit exemption per Regulation 2-1-424.~~
2-2-209	New Section. **Cumulative Increase Baseline Date:** April 5, 1991, for all pollutants except $PM_{2.5}$; and **[effective date of revised regulation]** for $PM_{2.5}$.
2-2-210	New Section. **District BACT Pollutant:** Precursor organic compounds (POC), non-precursor organic compounds (NPOC), oxides of nitrogen (NOx), sulfur dioxide (SO_2), PM_{10}, $PM_{2.5}$, and carbon monoxide (CO).
2-2-211	Renumbering of Section 2-2-201: **Emission Reduction Credit:** Emission reductions associated with a physical change, change in method of operation, change in throughput or production, or other similar change at a source that are in excess of the reductions required by applicable regulatory requirements, and that are real, permanent, quantifiable and enforceable, as calculated in accordance with Section 2-2-206.~~Except as provided by subsection 2-2-201.3 an emission reduction, calculated in accordance with Section 2-2-605, which exceeds the emission reductions required by measures in the current Clean Air Plan approved by the BAAQMD or required by federal, state, or District laws, rules, and regulations. To qualify as an emission reduction credit, the emission reduction must be in excess of the reductions achieved by, or achievable~~

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	~~by, the source using Reasonably Available Control Technology (RACT), and must also be real, permanent, quantifiable, and enforceable.~~ ~~201.1 Unless calculated in accordance with the procedures of Section 2-2-605, that portion of an NSR emission cap, which was part of an APCO approved alternative baseline, shall not qualify as an emission reduction credit.~~ ~~201.2 All emission reduction credits shall be enforceable by permit conditions in the authority to construct and permit to operate, except that, in the case of source closures where no permit is required for the source being shut down, the emission reduction credit shall be enforceable through appropriate contractual provisions in a legally binding and irrevocable written agreement in which provisions will be made expressly for the benefit of the District.~~ ~~201.3 For the purpose of complying with the PSD requirements of Sections 2-2-111, 304, 305, 306, 308 of this Rule and 40 CFR 51.166, emission reduction credits shall not be adjusted for reductions required by measures in the current Clean Air Plan approved by the BAAQMD which exceed the reductions required by use of Reasonably Available Control Technology (RACT).~~ ~~The permanence of a closure shall be identified in a letter from the source and/or in a Banking Certificate.~~
2-2-212	Renumbering of Section 2-2-217. **Federal Land Manager:** With respect to any lands in the United States, the Secretary of the department with authority over such lands or a subordinate acting under the authority of such Secretary.
2-2-213	Renumbering of Section 2-2-245. **Fully Offset Source:** A source with a~~A~~n emission cap or emission rate contained in a permit condition for which the permit applicant provided ~~is fully offset if~~ offsets and/or contemporaneous on-site emission reduction credits ~~were provided~~ for the entire amount of the emission cap or emission rate~~., and the entire amount of offsets is composed of contemporaneous emission reductions or banked emission reduction credits~~ A source for which the District provided offsets from the Small Facility Banking Account is not a fully offset source (except where the District has been fully reimbursed for any offsets from the Small Facility Bank Account).
2-2-214	New Section. **Greenhouse Gases (GHGs)**: The air pollutant that is defined in 40 C.F.R. Section 86.1818-12(a), which is a single air pollutant made up of a combination of the following six constituents: carbon dioxide, nitrous oxide, methane, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride. GHG emissions shall be measured (i) based on total mass for purposes of determining whether a facility exceeds the 100/250 ton major PSD facility thresholds under Section 2-2-224.1; and (ii) as CO_2 equivalent emissions (CO_2e) according to the methodology set forth in 40 C.F.R. Section 52.21(b)(49)(ii) for determining whether the emissions constitute a PSD pollutant as defined in Section 2-2-223, are regulated NSR pollutants as defined in 40 C.F.R. Section 52.21(b)(50) (incorporating terms defined in 40 C.F.R. Section 52.21(b)(49)), or constitute significant emissions as defined in Section 2-2-226.
2-2-215	Renumbering of Section 2-2-236. **Hazardous Air Pollutant (HAP):** Any pollutant that is listed pursuant to Section 112(b) of the federal Clean Air Act.
2-2-216	New Section. **Integral Vista:** Any vista that has been designated as an integral vista in a Class I Area by the Federal Land Manager for the Class I Area in accordance with 40 C.F.R. Section 51.304 at least 12 months before submission of a complete permit application (or, where the Federal Land Manager has provided notice and opportunity for comment on the integral vista, at least 6 months prior to submission of a complete permit application), unless the identification is determined not to be in accordance with any applicable requirements for such identification.
2-2-217	New Section. **Major Facility (NSR):** For purposes of the New Source Review requirements of Regulation 2, Rule 2, a major facility is a facility that has the potential to emit 100 tons per year or more of POC, NOx, SO_2,

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	PM_{10}, $PM_{2.5}$, and/or CO. Fugitive emissions shall be included in calculating the facility's potential to emit if and only if the facility is in one of the 28 categories listed in Section 169(1) of the Clean Air Act.
2-2-218	Renumbering of Section 2-2-221. **Major Modification of a Major Facility*:** ~~Any modification,~~ new source as defined in Section 2-1-232, or a modified source as defined in ~~Regulation~~Section 2-1-234, ~~at an existing major facility that the APCO determines~~ or any combination of such new and modified sources at a facility that are part of a single common project,that (i) are or will be located at an existing major facility and (ii) will cause an increase ~~of the facility's~~ in emissions~~, by~~ calculated according to Section 2-2-604, of the following amounts or more: POC: 40 tons per year NOx: 40 tons per year SO_2: 40 tons per year PM_{10}: 15 tons per year $PM_{2.5}$ 10 tons per year CO: 100 tons per year **Note that the term "Major Modification" is not used in Regulation 2, Rule 2 for purposes of applying the Rule's PSD requirements. The term "PSD Project" is used instead to define new facilities and modifications to existing facilities that are subject to the Rule's PSD requirements. See Section 2-2-224.*
2-2-219	Renumbering of Section 2-2-224. **Net Air Quality Benefit:** A net improvement of air quality as determined by the APCO resulting from emission reduction credits impacting the same general area affected by the new or modified source and which will be consistent with reasonable further progress towards the attainment of the applicable air quality standard.
2-2-220	New Section. **Net Emissions Increase, PSD:** For purposes of applying the PSD provisions of this Rule, a net emissions increase from a new source or modified source (or group of such sources) is the sum of the new emissions from the new source(s) and/or the increase in emissions from the modified source(s), plus any other creditable contemporaneous emissions increases at the facility calculated according to Section 2-2-604, less any other creditable contemporaneous emissions decreases at the facility calculated according to Section 2-2-604.
2-2-221	Renumbering of Section 2-2-214. **~~Emission~~ Offsets:** ~~Emission reduction credits which are used to mitigate cumulative increases of emissions.~~ Emission offsets are any of the following: 221.1 banked emission reduction credits~~, from the District Emissions Bank,~~ approved in accordance with District Regulation 2, Rule 4; or 221.2 banked emission reduction credits from adjacent Districts, ~~provided~~ if the applicant demonstrates that the requirements of Clean Air Act Section 173(c)(1) (42 U.S.C. Section 7503(c)(1)) and Health and Safety Code Section 40709.6 have been met or do not apply;~~, or onsite contemporaneous emission reduction credits occurring after the submittal of an application for a new or modified source but prior to the issuance of the permit to operate any such source, calculated in accordance with Section 2-2-605.~~ that are provide to compensate for cumulative increases in emissions pursuant to Section 2-20-302 or 2-2-303.~~Notwithstanding any existing permit conditions, that portion of an NSR emission cap, which was based on an APCO approved alternative baseline, may not be used as a source of offsets unless the proposed reduction is calculated in accordance with procedures specified in Section 2-2-605.~~
2-2-222	New Section. **Pollutant-Specific Basis**: A term used to describe a regulatory requirement governing multiple pollutants. If a regulatory requirement applies on a pollutant-specific basis, the requirement applies only for the individual pollutant(s) for which a source or facility meets the relevant applicability criteria, and does not apply for pollutant(s) for which the source or facility does not meet the relevant applicability criteria.
2-2-223	New Section.

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	PSD Pollutant: Any Regulated NSR Pollutant as defined in 40 C.F.R. Section 52.21(b)(50), except (i) hazardous air pollutants listed pursuant to Section 112(b) of the Clean Air Act and (ii) pollutants for which the San Francisco Bay Area has been designated as non-attainment of a California or National Ambient Air Quality Standard (and precursors of such pollutants). If a pollutant is subject to multiple ambient air quality standards (e.g., state and federal standards or standards established for different averaging periods), the pollutant shall be treated as a PSD Pollutant only for the ambient air quality standard(s) for which the San Francisco Bay Area has not been designated as non-attainment.
2-2-224	New Section. **PSD Project**: A new source as defined in Section 2-1-232, or a modified source as defined in Section 2-1-234, or a combination of such new or modified sources that are part of a single common project, that meets all of the following criteria: 224.1 Major PSD Facility: The source(s) are or will be located at a facility that has the potential to emit 100 tons or more per year of any PSD pollutant* if it is in one of the 28 categories listed in Section 169(1) of the Clean Air Act, or 250 tons or more of any PSD Pollutant* if it is not in a listed category; and 224.2 Significant Increase in Emissions of PSD Pollutant: The new emissions from the new source(s) and/or the increase in emissions from the modified source(s) calculated according to Section 2-2-604 constitute significant emissions of any PSD pollutant as defined in Section 2-2-226.1; and 224.3 Significant Net Increase in Emissions of PSD Pollutant: The net emissions increase associated with the new or modified source(s), as defined in Section 2-2-220, constitute significant emissions of any PSD pollutant as defined in Section 2-2-226.1. Any physical change or change in method of operation that takes place at a facility that does not meet the Major PSD Facility criteria specified in subsection 224.1, but which change would constitute a PSD Project by itself, is a PSD Project. **Note that for purposes of applying the 100/250 ton-per-year major PSD facility threshold in Section 2-2-224.1, the term PSD pollutant is defined to exclude GHGs where they are emitted in an amount of less than 100,000 tons CO_2e per year. Thus, for a facility to satisfy the major PSD facility test in Section 2-2-224.1 based on its GHG emissions, the GHG emissions (i) must be over 100,000 tons per year CO_2e for the emissions to constitute a PSD pollutant, and (ii) must be over the 100/250 ton absolute mass threshold for the facility to constitute a major emitter of that pollutant. See Section 2-2-223; see also 40 C.F.R. § 52.21(b)(50)(iv) and 40 C.F.R. § 52.21(b)(49)(iv)&(v).*
2-2-225	Renumbering of 2-2-243: **Reasonably Available Control Technology (RACT):** For sources thatwhich are to continue operating, RACT is the lowest emission limit that can be achieved by the specific source by the application of control technology taking into account technological feasibility and cost-effectiveness, and the specific design features or extent of necessary modifications to the source. For sources which are or will be shut-down, RACT is the lowest emission limit that can be achieved by the application of control technology to similar, but not necessarily identical categories of sources, taking into account technological feasibility and cost-effectiveness of the application of the control technology to the category of sources only and not to the shut-down source.
2-2-226	New Section. Includes requirements to Section 2-2-306. **Significant**: The term "significant" has the following meanings when used in the following contexts: 226.1 For determining whether an increase in emissions of a PSD pollutant is "significant" for purposes of the PSD provisions of this Rule, the increase is significant: 1.1 if it exceeds the values specified in the following table, or for pollutants that are not listed in the following table, if it is greater than zero; or 1.2 if it is from a source that is or would be located within 10 kilometers of a Class I area, and it would have an impact in such Class I area equal to or greater than 1 $\mu g/m^3$ (24-hour average). 226.2 For determining whether an increase in emissions of CO, NOx, SO_2, PM_{10}, $PM_{2.5}$, VOC, or lead is "significant" for purposes of the public notice requirement in Section 2-2-404, the increase is significant if it exceeds the values specified in the table. **Pollutant** — **Significant Emissions Rate kg/yr (ton/yr)**

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Carbon monoxide	90,500	(100)
Nitrogen oxides	36,200	(40)
Sulfur dioxide	36,200	(40)
PM_{10}	13,575	(15)
$PM_{2.5}$ *	9050	(10)
VOC	36,200	(40)
GHGs**	67,875,000	(75,000)
Lead	530	(0.6)
Fluorides	2720	(3)
Sulfuric Acid Mist	6350	(7)
Hydrogen Sulfide	9050	(10)
Total Reduced Sulfur	9050	(10)
Reduced Sulfur Compounds	9050	(10)
Municipal waste combustor organics	3.2×10^{-3}	(3.5×10^{-6})
Municipal waste combustor metals	13,575	(15)
Municipal waste combustor acid gases	36,200	(40)
Municipal solid waste landfill emissions	45,250	(50)

**Pollutants for which the Bay Area is designated as non-attainment of a NAAQS are not subject to the PSD requirements in Sections 2-2-304 through 2-2-307 by operation of 40 C.F.R. Section 52.21(i)(2). $PM_{2.5}$ and VOC (as an ozone precursor) are therefore not subject to these PSD requirements as long as the Bay Area remains non-attainment for any $PM_{2.5}$ or ozone NAAQS, respectively.*

***Per Section 2-2-214, emissions of GHGs are measured as CO_2e for purposes of determining whether an emissions increase exceeds this significance threshold. Per Section 2-2-223 and 40 C.F.R. Sections 52.21(b)(50)(iv) and 52.21(b)(49)(iv)&(v), increases in GHG emissions of less than 75,000 tons per year CO_2e are excluded from the definition of PSD pollutant and are not subject to the PSD requirements of Regulation 2, Rule 2.*

~~**2-2-306Non-Criteria Pollutant Analysis, PSD:** In accordance with the Prevention of Significant Deterioration provisions of 40 CFR 51.166 of the Code of Federal Regulations, unless the applicant has performed all analysis required by Sections 2-2-414 and 417 for the applicable pollutants, the APCO shall not issue an authority to construct or a permit to operate to a new or modified facility if the new or modified facility will emit greater than 100 tons per year of carbon monoxide, PM_{10}, sulfur dioxide, precursor organic compounds or nitrogen oxides, and the increase in emissions due to the permit application, minus the onsite contemporaneous emission reduction credits associated with the permit application are in excess of the annual average amounts specified below:~~

	ANNUAL AVERAGE		DAILY	
	kg/yr	(ton/yr)	g/day	(lb/day)
Lead	530	(0.6)	1450	(3.2)
Asbestos	6	(0.007)	17	(0.04)
Beryllium	0.3	(0.0004)	0.9	(0.002)
Mercury	88	(0.1)	240	(0.5)
Fluorides	2720	(3)	7450	(16)
Sulfuric Acid Mist	6350	(7)	17400	(38)
Hydrogen Sulfide	9050	(10)	24800	(55)
Total Reduced Sulfur	9050	(10)	24800	(55)
Reduced Sulfur Compounds	9050	(10)	24800	(55)

Other Changes in 2-2-200	Deleted Sections 2-2-202 through 2-2-205, 2-2-208, 2-2-211, 2-2-213, 2-2-215, 2-2-216, 2-2-218, 2-2-219, 2-2-222, 2-2-231 through 2-2-235 and 2-2-244. The definitions of Sections 2-2-202 through 205 and 219, 222 and 223 are related to PSD requirements and redundant to those found in 40 CFR 52.21. The definitions of Sections 2-2-208, 213, 215, 218, 234, and 235 are redundant to those in Regulation 2-1 and have been deleted. In addition, Subsections 2-2-215.1 and 215.3 moves to Section 2-2-606.2 and 606.3, while Subsection 2-2-215.2 becomes 2-2-104. The definition of 2-2-211 is no longer needed because that term has been deleted from the Regulation 2-2. The Toxics requirement is redundant to Regulation 2-5.

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	~~**2-2-202 Baseline Area, PSD:** All intrastate Air Quality Control Regions, as defined in 40 CFR 52.21, and every part thereof, designated as attainment or unclassifiable under 107(d)(1)(D) or (E) of the Clean Air Act in which a source establishing a baseline date would construct or would have an air quality impact equal to or greater than 1 µg/m3 (annual average) of the pollutant for which the baseline date is established.~~ ~~**2-2-203 Baseline Concentration, PSD:** The ambient concentration level which exists in the baseline area on the applicable baseline date. A baseline concentration is determined for each pollutant for which a baseline date is established. The baseline concentration shall include the actual emissions representative of sources in existence on the applicable baseline date.~~ ~~*(Amended October 7, 1998)*~~ ~~**2-2-204 Baseline Date, PSD:** The earliest date after December 20, 1977, for sulfur dioxide and PM_{10}, or after February 8, 1988, for nitrogen dioxide, for each baseline area on which the first complete application under Section 2-2-304 is submitted or was submitted to EPA under 40 CFR 52.21. The baseline date is established for each pollutant for which PSD increments have been established.~~ ~~**2-2-205 Baseline Period, PSD:** The period against which a change in emissions is to be measured.~~ ~~**2-2-208 CEQA:** The California Environmental Quality Act, Public Resources Code, Section 21000, et seq., and the CEQA guidelines, Title 14, California Code of Regulations, Section 15000, et seq.~~ ~~**2-2-211 Contiguous Properties:** Two or more parcels of land with a common boundary or separated solely by a public roadway or other public right-of-way.~~ ~~**2-2-213 EIR:** Environmental Impact Report, as defined in Section 21061 of the Public Resources Code.~~ ~~**2-2-215 Facility:** Any property, building, structure or installation (or any aggregation of facilities) located on one or more contiguous or adjacent properties and under common ownership or control of the same person that emits or may emit any air pollutant and is considered a single major industrial grouping (identified by the first two-digits of the applicable code in The Standard Industrial Classification Manual). In addition, facilities which include cargo loading or unloading from cargo carriers other than motor vehicles shall include the cargo carriers as part of the source which receives or loads the cargo. Accordingly, all emissions from such carriers while operating in the District, or within California Coastal Waters adjacent to the District, shall be included as part of the source emissions.~~ ~~**2-2-216 Feasible:** Capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social and technological factors, not in conflict with the mandated responsibilities and duties of the District.~~ ~~**2-2-218 Federally Enforceable:** All limitations and conditions that are enforceable by the Administrator of the U. S. EPA, including requirements developed pursuant to 40 CFR Parts 60 (NSPS), 61 (NESHAPS), 63 (HAP), 70 (State Operating Permit Programs) and 72 (Permits Regulation, Acid Rain), requirements contained in the State Implementation Plan (SIP) that are applicable to the District, any District permit requirements established pursuant to 40 CFR 52.21 (PSD) or District regulations approved pursuant to 40 CFR Part 51, Subpart I (NSR), and any operating permits issued under an EPA-approved program that is a part of the SIP and expressly requires adherence to any permit issued under such program.~~ ~~**2-2-219 Impact Area:** The area in which a new or modified facility would have a significant air quality impact.~~ ~~**2-2-222 Modeling, PSD:** Estimates of ambient concentrations of pollutants based on applicable air quality models, data bases and other requirements acceptable to the APCO. For modeling required by Sections 2-2-304 through 308 and 414, the air quality models, data bases and other requirements shall also be in accordance with the "Guideline on Air Quality Models", EPA-450/2-78-027R, July 1986 or as revised). Where an air quality impact model specified in the "Guideline on Air Quality Models" is inappropriate, the model may be modified or another model substituted provided that written approval from the Administrator of the EPA is obtained and the application is submitted for public comment in accordance with Section 2-2-405. Methods such as those outlined in the "Workbook for the Comparison of Air Quality Models", April 1977 (or as revised) shall be used to determine the comparability of air~~

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~~quality models. For modeling compliance with air quality standards, other than federal ambient air quality standards or federal PSD increments, applicable models must be approved by the APCO.~~

~~**2-2-231 Point of Maximum Ground Level Impact:** The ground level geographic location where the projected air pollution concentrations for a given pollutant resulting from the new or modified facility emissions together with the background pollutant concentration for that given pollutant results in the maximum ground level pollutant concentration. The background pollutant concentration means the ambient concentration level resulting from the actual emissions of sources in existence and the projected ambient concentration levels for sources already permitted but not yet in operation. If the general public is effectively excluded from the property on which the point of maximum ground level impact is located, and the property is owned or controlled by the owner of the new or modified facility, such property shall not be considered as the point of maximum ground level impact.~~

~~**2-2-232 Prevention of Significant Deterioration (PSD) Increments:** In areas designated as Class I, II or III, increases in pollutant concentration over the baseline concentration shall be limited to the following:~~

~~**MAXIMUM ALLOWABLE INCREASE**~~
~~(micrograms per cubic meter, $\mu g/m^3$)~~

~~**CLASS I**~~

~~POLLUTANT~~	
~~Particulate Matter:~~	
~~PM_{10} Annual arithmetic mean~~	~~4~~
~~PM_{10} 24-hr maximum~~	~~8~~
~~Sulfur Dioxide:~~	
~~Annual arithmetic mean~~	~~2~~
~~24-hr maximum~~	~~5~~
~~3-hr maximum~~	~~25~~
~~Nitrogen Dioxide:~~	
~~Annual arithmetic mean~~	~~2.5~~

~~**CLASS II**~~

~~Particulate Matter:~~	
~~PM_{10} Annual arithmetic mean~~	~~17~~
~~PM_{10} 24-hr maximum~~	~~30~~
~~Sulfur Dioxide:~~	
~~Annual arithmetic mean~~	~~20~~
~~24-hr maximum~~	~~91~~
~~3-hr maximum~~	~~512~~
~~Nitrogen Dioxide:~~	
~~Annual arithmetic mean~~	~~25~~

~~**CLASS III**~~

~~Particulate Matter:~~	
~~PM_{10} Annual arithmetic mean~~	~~34~~
~~PM_{10} 24-hr maximum~~	~~60~~
~~Sulfur Dioxide:~~	
~~Annual arithmetic mean~~	~~40~~
~~24-hr maximum~~	~~182~~
~~3-hr maximum~~	~~700~~
~~Nitrogen Dioxide:~~	
~~Annual arithmetic mean~~	~~50~~

~~For any period other than an annual period, the applicable increase may be exceeded during one such period per year at any one location.~~

~~*(Amended June 15, 1994)*~~

~~**2-2-233 Significant Air Quality Impacts, PSD:** Ambient air concentrations, resulting from new or modified facility emissions, that exceed any of the following levels:~~

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	~~**SIGNIFICANT AIR QUALITY IMPACTS**~~ ~~(MICROGRAMS PER CUBIC METER, µG/M^3)~~ ~~POLLUTANT~~ ~~Particulate Matter:~~ ~~PM_{10}, Annual arithmetic mean 1.0~~ ~~PM_{10}, 24-hr maximum 5~~ ~~Sulfur Dioxide:~~ ~~Annual arithmetic mean 1.0~~ ~~24-hr maximum 5~~ ~~3-hr maximum 25~~ ~~Nitrogen Dioxide:~~ ~~Annual arithmetic mean 1.0~~ ~~1-hr maximum 19~~ ~~Carbon Monoxide:~~ ~~8-hr maximum 500~~ ~~1-hr maximum 2000~~ ~~*(Amended June 15, 1994)*~~ ~~**2-2-234 Source:** Any article, machine, equipment, operation, contrivance or related groupings of such which may produce and/or emit air pollutants.~~ ~~**2-2-235 Year, Month, and Day:** Unless otherwise defined, a year shall be any rolling 365 consecutive day period, a month shall be any rolling 31 consecutive day period and a day shall be any rolling 24 consecutive hour period.~~ ~~**2-2-244 Best Available Control Technology for Toxics (TBACT):** For any new or modified source, except cargo carriers, the most stringent of the following emission controls, provided that under no circumstances shall the controls be less stringent than the emission control required by any applicable provision of federal, state or District laws, rules, regulations or requirements:~~ ~~244.1 The most effective emission control device or technique which has been successfully utilized for the type of equipment comprising such a source; or~~ ~~244.2 The most stringent emission limitation achieved by an emission control device or technique for the type of equipment comprising such a source; or~~ ~~244.3 Any control device or technique or any emission limitation that the APCO has determined to be technologically feasible for the type of equipment comprising such a source, while taking into consideration the cost of achieving emission reductions, any non-air quality health and environmental impacts, and energy requirements; or~~ ~~244.4 The most stringent emission control for a source type or category for which a Maximum Achievable Control Technology (MACT) standard has been proposed, or for which the CARB has developed an Airborne Toxic Control Measure (ATCM).~~
2-2-301	**Best Available Control Technology Requirement:** An ~~applicant for~~ ~~an~~ authority to construct and/or ~~a~~ permit to operate for a new or modified source shall ~~apply~~ require BACT to control emissions of District BACT pollutants under the following conditions ~~to any new or modified source~~: 301.1 New Source: An authority to construct and/or permit to operate for a new source shall require BACT to control emissions of a District BACT pollutant if the source will have the potential to emit that pollutant in an amount of 10.0 or more pounds on any day as defined in Regulation 2-1-217; 301.2 Modified Source: An authority to construct and/or permit to operate for a modified source shall require BACT to control emissions of each District BACT pollutant for which the source is "modified" as defined in Section 2-1-234 for which: 2.1 the source, after the modification, will have the potential to emit that pollutant in an amount of 10.0 or more pounds on any day as defined in Regulation 2-1-217; and 2.2 the modification will result in an increase in emissions of that pollutant above baseline levels calculated pursuant to Section 2-2-604. The BACT requirements in this Section shall apply on a pollutant-specific basis. ~~Which results in an emission from a new source and which has the potential to emit 10.0 pounds or more per highest day of precursor organic compounds (POC), non-precursor organic compounds (NPOC), nitrogen oxides (NOx), sulfur dioxide (SO2), PM10 or carbon monoxide (CO). BACT shall be applied for any of the~~

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	~~above pollutants which meets both criteria.~~
2-2-302	**Offset Requirements, Precursor Organic Compounds and Nitrogen Oxides~~, NSR~~:** ~~Except as provided by Sections 2-2-313 or 421,~~ bBefore the APCO may issue an authority to construct or a permit to operate for a new or modified source at a facility that will have the potential to emit more than 10 tons per year of NOx or POC, after the new or modified source is constructed (including emissions from cargo carriers per Section 2-2-610), offsets must be provided according to the following requirements: ~~which emits 35 tons per year or more or will be permitted to emit 35 tons per year or more, on a pollutant specific basis, of precursor organic compounds or nitrogen oxides, federally enforceable emission offsets shall be provided, for the emission from the new or modified source and any pre-existing cumulative increase, minus any onsite contemporaneous emission reduction credits determined in accordance with Section 2-2-605, at a 1.15 to 1.0 ratio; additionally, the applicant must reimburse the District Small Facility Banking Account for any unreimbursed offsets previously provided by the District, at a 1.0 to 1.0 ratio. Before the APCO may issue an authority to construct or a permit to operate for a new or modified source at a facility which emits or will be permitted to emit more than 10 tons per year but less than 35 tons per year, on a pollutant specific basis, of precursor organic compounds or nitrogen oxides, emission offsets shall be provided, by the District (or by the applicant, if the Small Facility Banking account has been exhausted) at a 1.0 to 1.0 ratio for the emission from the new or modified source and any pre-existing cumulative increase, minus any onsite contemporaneous emission reduction credits determined in accordance with Section 2-2-605, from the Small Facility Banking account in the District's Emissions Bank in accordance with the provisions of Regulations 2-4-414. The APCO shall determine the total facility emissions, on a pollutant specific basis, by adding the emissions from the proposed new or modified source(s) to the most recent District Emissions Inventory, adjusted for any errors and adjusted upward for any permitted levels of emissions not currently being emitted.~~ 302.1 ~~Deleted May 17, 2000~~If the facility will have the potential to emit more than 10 tons per year but less than 35 tons per year of NOx or POC after the new or modified source is constructed, offsets must be provided at a 1:1 ratio for any un-offset cumulative increase in emissions at the facility since the baseline date determined in accordance with Section 2-2-609. 1.1 The APCO shall provide any required offsets from the Small Facility Banking Account in the District's Emissions Bank in accordance with Section 2-4-414, unless the Small Facility Banking Account is exhausted or the applicant owns or controls offsets. 1.2 If the Small Facility Banking Account is exhausted, or if the applicant owns or controls offsets, the applicant shall provide the any required offsets. 1.3 A permit limit for which offsets have been provided from the Small Facility Banking account may not be higher than the source's maximum physical capacity to emit air pollutants, and may not be higher than is reasonably necessary to satisfy the applicant's operational requirements (including sufficient flexibility to allow for future changes in operational requirements). 302.2 ~~Deleted May 17, 2000~~If the facility will have the potential to emit 35 tons per year or more of NOx or POC after the new or modified source is constructed, the applicant shall: ~~Emission reduction credits of precursor organic compounds may be used to offset increased emissions of nitrogen oxides at the offset ratio specified above in Section 2-2-302, provided that the PSD requirements of Section 2-2-304, if applicable, are met.~~ 2.1 Reimburse the Small Facility Banking Account for any cumulative increase for which offsets were previously provided from the Small Facility Banking Account; and 2.2 Provide federally-enforceable offsets at a 1.15:1 ratio for any un-offset cumulative increase in emissions at the facility since the baseline date determined in accordance with Section 2-2-608 302.3 ~~Reimbursement of the small facility bank may be provided by adjusting the cumulative increase calculated for the application for which small facility bank credits were originally provided. An adjustment may be made under the following circumstances: the applicant accepts an enforceable permit condition limiting emissions to a lower level than approved in the permit in question, or the applicant surrenders the permit.~~ POC offsets may be provided in place of NOx offsets required under this Section. Any such POC offsets must be provided in addition to POC offsets required independently as a result of the source's POC emissions. 302.4 An applicant may reimburse the Small Facility Banking Account under subsection 302.2.1 by reducing the cumulative increase associated with the permitting action(s) for which the

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	District provided the Small Facility Banking Account credits. To do so, the applicant must request a lower emissions limit in a permit for which the Small Facility Banking Account credits were provided. Upon approval by the APCO, the amount by which the applicant must reimburse the Small Facility Banking Account shall be reduced by the difference between the old permit limit and the new permit limit. 302.5 The offset requirements in this Section shall be applied on a pollutant-specific basis.
2-2-303	**Offset Requirement, $PM_{2.5}$, PM_{10} and Sulfur Dioxide, NSR:** ~~Except as provided by Section 2-2-421, b~~Before the APCO may issue an a~~A~~uthority to c~~C~~onstruct or permit to operate for a new or modified source at a facility that will have the potential to emit 100 tons per year or more of $PM_{2.5}$, PM_{10} or sulfur dioxide, after the new or modified source is constructed (including emissions from cargo carriers per Section 2-2-610), the applicant shall provide offsets according to the following requirements:~~or a permit to operate for a new or modified source, of PM10 or sulfur dioxide located at a Major Facility, which will result in a cumulative increase minus any contemporaneous emission reduction credits at the facility, for that pollutant, in excess of 1.0 ton per year since April 5, 1991, emission offsets shall be provided, for the emission from the new or modified source and any pre-existing cumulative increase, minus any onsite contemporaneous emission reduction credits determined in accordance with Section 2-2-605, at a 1.0:1.0 ratio or at a ratio, approved by the APCO, in accordance with subsection 2-2-303.1.~~ 303.1 ~~Emission reduction credits of nitrogen oxides and/or sulfur dioxide may be used to offset increased emissions of PM_{10} at offset ratios determined by the APCO to result in a net air quality benefit. This determination shall be made after a case-by-case analysis that includes adequate modeling, public notice and opportunity for public comment, and EPA concurrence.~~ If the cumulative increase in emissions of $PM_{2.5}$, PM_{10} or sulfur dioxide as a result of the new or modified source(s) being permitted, calculated in accordance with Section 2-2-607, exceeds 1 ton per year, the applicant shall provide offsets at a 1:1 ratio for any un-offset cumulative increase in emissions at the facility since the baseline date determined in accordance with Section 2-2-609. 303.2 NOx and/or sulfur dioxide offsets may be provided in place of PM_{10} offsets required under subsection 303.1 at offset ratios determined by the APCO to result in a net air quality benefit. Any approval of the use of NOx and/or sulfur dioxide offsets under this subsection shall be based on an analysis specific to the individual facility for which the determination is made, which shall include adequate modeling; and any such approval shall be granted only after public notice and an opportunity for public comment and with EPA concurrence. 303.3 Any NOx and/or sulfur dioxide offsets provided in place of PM_{10} offsets must be provided in addition to any NOx and/or sulfur dioxide offsets required independently as a result of the source's NOx and/or sulfur dioxide emissions. 303.4 The offset requirements in this Section shall be applied on a pollutant-specific basis ~~A facility which emits less than 100 tons of any pollutant, subject to this section, may voluntarily provide emission offsets for all, or any portion, of their cumulative increase, at the ratio required above.~~
2-2-304	**PSD BACT Requirement:** An authority to construct for a PSD Project shall require federal PSD Best Available Control Technology as defined in Section 169(3) of the federal Clean Air Act ("federal PSD BACT") for each PSD pollutant for which the net increase in emissions from the PSD Project will be significant as defined in Section 2-2-226.1. If federal PSD BACT is required for a pollutant under this Section, the authority to construct shall require federal PSD BACT for each new or modified source for which there will be an increase in emissions of that pollutant by any amount, calculated in accordance with Section 2-2-604. Notwithstanding the foregoing, an authority to construct shall not require federal PSD BACT where it would not be required for federal PSD permitting under the federal PSD regulations in 40 C.F.R. Section 52.21 as a result of the exemptions in 40 C.F.R. Section 52.21(i).~~In accordance with the Prevention of Significant Deterioration provisions of 40 CFR 51.166 of the Code of Federal Regulations, the APCO shall not issue an authority to construct or a permit to operate to:~~ ~~304.1 A new major facility which will emit 100 tons per year or more, if, it is one of the twenty eight (28) PSD source categories listed in Section 169(1) of the federal Clean Air Act, or 250 tons per year or more for an unlisted category, of any pollutant subject to regulation under the federal Clean Air Act unless the applicant demonstrates by modeling in accordance with Section 2-2-414 to the satisfaction of the APCO that such emissions will not interfere with the attainment or maintenance of the applicable sulfur dioxide or nitrogen~~

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	~~dioxide NAAQS at the point of maximum ground level impact and will not cause an exceedance of a sulfur dioxide or a nitrogen dioxide PSD increment.~~ ~~304.2 A major modification of a major facility if the cumulative increase, from the PSD Baseline Date, minus the contemporaneous emission reduction credits at the facility are in excess of 40 tons per year of sulfur dioxide or nitrogen oxides unless the applicant demonstrates by modeling in accordance with Section 2-2-414 to the satisfaction of the APCO that such emissions will not interfere with the attainment or maintenance of the applicable sulfur dioxide or nitrogen dioxide NAAQS at the point of maximum ground level impact and will not cause an exceedance of a sulfur dioxide or a nitrogen dioxide PSD increment.~~ ~~304.3 A major modification of a major facility if the cumulative increase, from the PSD Baseline Date, minus the contemporaneous emission reduction credits at the facility are in excess of 15 tons per year of PM_{10} unless the applicant demonstrates by modeling in accordance with Section 2-2-414 to the satisfaction of the APCO that such emission will not interfere with the attainment or maintenance of the PM_{10} federal ambient air quality standard at the point of maximum ground level impact and will not cause an exceedance of a PM_{10} PSD increment.~~ ~~304.4 A major modification of a major facility if the cumulative increase, from the PSD Baseline Date, minus the contemporaneous emission reduction credits at the facility are in excess of 0.6 tons per year of lead unless the applicant demonstrates by modeling in accordance with Section 2-2-414 to the satisfaction of the APCO that such emission will not interfere with the attainment or maintenance of the lead federal ambient air quality standard at the point of maximum ground level impact and will not cause an exceedance of a lead PSD increment.~~
2-2-305	New Section. Includes requirements from 2-2-305, 2-2-501, and 2-2-603. **PSD Source Impact Analysis Requirement:** The APCO shall not issue an authority to construct for a PSD Project unless the APCO determines, for each PSD pollutant for which the net increase in emissions from the PSD Project will be significant as defined in Section 2-2-226.1, that the net increase in emissions from the PSD Project will not cause or contribute to a violation of (i) any applicable ambient air quality standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c). The APCO shall make such determination in accordance with the following procedures: 305.1 Pre-application Air Quality Analysis: The applicant shall prepare and submit an analysis of ambient air quality in the area that the PSD Project would affect for each PSD pollutant for which the net increase in emissions allowed by the authority to construct will be significant. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(m)(1), including any applicable exemptions from that Section's requirements under 40 C.F.R. Section 52.21(i). 305.2 PSD Source Impact Analysis: The applicant shall demonstrate, for each PSD pollutant for which the net increase in emissions allowed by the authority to construct will be significant, that the net increase in emissions of such pollutant will not cause or contribute to a violation of (i) any applicable California or National Ambient Air Quality Standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c). The applicant's analysis and demonstration shall be prepared according to and shall satisfy all of the requirements applicable to PSD source impact analyses for federal PSD permitting under 40 C.F.R. Section 52.21(k), including any applicable exemptions from that Section's requirements under 40 C.F.R. Section 52.21(i). 305.3 Air Quality Models: All estimates of ambient concentrations required under this Section shall be based on applicable air quality models, databases, and other requirements specified in Appendix W of Part 51 of Title 40 of the Code of Federal Regulations (Guideline on Air Quality Models). Where an air quality model specified in Appendix W is inappropriate, the model may be modified or another model substituted upon written approval by the APCO after public notice and opportunity for public comment under the procedures set forth in Section 2-2-404. Where modeling is conducted solely to evaluate compliance with a California air quality standard, any APCO-approved model may be used.

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	305.4 APCO Determination: The APCO shall determine, based on the applicant's submissions and any other relevant information, whether any net emissions increases of PSD pollutants that the authority to construct will authorize in significant amounts would cause or contribute to a violation of (i) any applicable California or National Ambient Air Quality Standard for such pollutant or (ii) any applicable PSD increment for such pollutant, as set forth in 40 C.F.R. Section 52.21(c), for any PSD pollutant. In making this determination, the APCO shall use the same procedures and be subject to the same requirements as are applicable to the Administrator for issuing federal PSD permitting under 40 C.F.R. Section 54.21(k), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i). ~~**Carbon Monoxide Modeling Requirement, PSD:** In accordance with the Prevention of Significant Deterioration provisions of 40 CFR 51.166 of the Code of Federal Regulations, the APCO shall not issue an authority to construct or a permit to operate for:~~ ~~305.1 A new major facility which will emit 100 tons per year or more, if it is one of the twenty eight (28) PSD source categories listed in Section 169(1) of the federal Clean Air Act, or 250 tons per year or more for an unlisted category, of any pollutant subject to regulation under the federal Clean Air Act, unless the applicant demonstrates by modeling in accordance with Section 2-2-414, to the satisfaction of the APCO, that the net air quality impact of the cumulative increase of emissions of CO from the new or modified facility and all contemporaneous emission reduction credits to be provided by the applicant will not interfere with the attainment or maintenance of the CO NAAQS in the District or any contiguous air basin, or~~ ~~1.1 The cumulative increase minus the contemporaneous emission reduction credits from the facility are less than or equal to zero.~~ ~~305.2 A major modification of a major facility with an increase of 100 tons per year or more of carbon monoxide, unless the applicant demonstrates by modeling in accordance with Section 2-2-414, to the satisfaction of the APCO, that the net air quality impact of the cumulative increase of emissions of CO from the new or modified facility and all contemporaneous emission reduction credits to be provided by the applicant will not interfere with the attainment or maintenance of the CO NAAQS in the District or any contiguous air basin, or~~ ~~2.1 The cumulative increase minus the contemporaneous emission reduction credits from the facility are less than or equal to zero.~~ ~~**2-2-501 PSD Pre-Construction Ambient Air Monitoring:** An applicant subject to the requirements of subsection 2-2-414.3 shall meet the following requirements:~~ ~~501.1 Prior to commencing pre-construction ambient air monitoring, receive written approval from the APCO regarding the selection and operation of monitoring stations.~~ ~~501.2 Operate the monitoring stations in accordance with the provisions of Appendix B to 40 CFR 58. The APCO may approve the use of District air monitoring data as part of the PSD air quality analysis required by Section 2-2-414.~~ ~~**2-2-603 PSD Air Quality Evaluation Procedure:** As a guideline to preparing an air quality impact analysis the applicant is encouraged to review "Guidelines for Air Quality Maintenance Planning and Analysis," Volume 10 (Revised): Procedures for Evaluating Air Quality Impact of New Stationary Sources, EPA-450/4-77-001.~~
2-2-306	New Section. Includes Section 2-2-417. **2-2-306 PSD Additional Impacts Analysis Requirements:** Before issuing an authority to construct for a PSD Project, the APCO shall conduct the following additional impact analyses: 306.1 Visibility, Soils & Vegetation Impact Analysis: The applicant shall prepare and submit an analysis of the impairment to visibility, soils and vegetation that would occur as a result of the PSD Project and any commercial, residential, industrial, and other growth associated with the PSD Project. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(o)(1), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i). The analysis need not address impacts on vegetation having no

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	significant commercial or recreational value. 306.2 Associated Growth Analysis: The applicant shall prepare and submit an analysis of the air quality impact projected for the area as a result of general commercial, residential, industrial, and other growth associated with the PSD Project. The applicant's analysis shall be prepared according to and shall satisfy all of the requirements applicable to air quality analyses for federal PSD permitting under 40 C.F.R. Section 52.21(o)(2), including any applicable exemptions that Section's requirements under 40 C.F.R. Section 52.21(i). 306.3 APCO Review: The APCO shall review the applicant's additional impact analyses to ensure that they are complete and accurately reflect the circumstances associated with the PSD Project. ~~**2-2-417 Visibility, Soils, and Vegetation Analysis:** An application for a permit subject to the requirements of Section 2-2-414 shall contain an analysis of the impairment to visibility, soils and vegetation that would occur as a result of the new or modified source and the general commercial, residential, industrial and other growth associated with the source or modification. The applicant need not provide an analysis of the impact on vegetation if it has no significant commercial or recreational value.~~
2-2-307	Renumbering of 2-2-309. **PSD Class I Area Impacts:** If, within 30 days after receiving notice of a complete application for an authority to construct for a PSD Project under Section 2-2-402, the Federal Land Manager with responsibility for administering any Class I Area provides the APCO with a demonstration that emissions from the PSD Project would have an adverse impact on the air quality-related values of the Class I Area (including visibility and any integral vista), the APCO shall promptly review and consider such demonstration. If the APCO concurs with such demonstration, or if the APCO concludes based on an independent review of the analysis submitted under Section 401.4 that the PSD Project will have such adverse impact, the APCO shall, after consultation with the Federal Land Manager and the applicant, deny the application for an authority to construct. If the APCO finds that such demonstration does not establish to the APCO's satisfaction that the PSD Project would have such adverse impact, the APCO shall explain its decision (or give notice of where such explanation can be obtained) in any subsequent notice of public hearing held under Section 2-2-404.6. ~~**2-2-309 Denial for Air Quality Related Values, PSD:** The APCO shall deny any permit application subject to the requirements of Section 2-2-308 where it has been demonstrated by the Federal Land Manager that the permit would authorize emissions which would have an adverse impact on the air-quality-related values (including visibility) of a Class I Area, provided that such demonstration is completed prior to the termination of the public comment period and that the APCO concurs with that demonstration.~~
2-2-308	Renumbering of 2-2-307. **Compliance Certification:** The APCO shall not issue an authority to construct for a new major facility or a major modification of an existing major facility unless the applicant provides a list, certified under penalty of perjury, of all major facilities within the state of California owned or operated by the applicant or by any entity controlling, controlled by, or under common control with the applicant and demonstrates by certifying under penalty of perjury that they are either in compliance, or on a schedule of compliance, with all applicable state and federal emission limitations and standards. The APCO may request the applicant to provide any technical information used by the applicant to certify compliance. ~~**2-2-307 Denial, Failure of all Facilities to be in Compliance:** The APCO shall deny an authority to construct for a new major facility or a major modification of an existing major facility unless the applicant provides a list, certified under penalty of perjury, of all major facilities within the state of California owned or operated by the applicant or by any entity controlling, controlled by, or under common control with the applicant and demonstrates by certifying under penalty of perjury that they are either in compliance, or on a schedule of compliance, with all applicable state and federal emission limitations and standards. The APCO may request the applicant to provide any technical information used by the applicant to certify compliance.~~
2-2-309	Renumbering Section 2-2-312. **Denial, Failure to Meet Permit Conditions:** The APCO shall deny a permit to operate for a source if, after providing written notification to the applicant and an opportunity to remedy any violation, ~~if the~~

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	~~equipment~~ the source is operating in violation of any condition specified in the authority to construct, or if any other source used to provide ~~offsets~~ emission reduction credits for the ~~project~~ source that is owned or operated by the applicant is operating in violation of any permit condition limiting emissions such that the required ~~offsets~~ emission reduction credits are not being provided.
2-2-310	Renumbering of Section 2-2-317. **Maximum Achievable Control Technology (MACT) Requirement:** ~~The APCO shall not issue a~~An ~~A~~authority to ~~C~~construct and/or a permit to operate for a new or modified source at a Major Facility of Hazardous Air Pollutants ~~unless the source will meet~~ shall require Best Available Control Technology for Toxics (TBACT) to control HAP emissions, except as provided in Section 2-2-~~114~~103.
Other Changes in 2-2-300	Deleted Sections 2-2-308 through 2-2-315. Section 2-2-308 is redundant to 40 CFR 52.21. Sections 2-2-310 and 311 are redundant. Section 2-1-304 already specifies denial due to failure to meet emission limitations. Sections 2-2-314 and 315 are not standards but references in the regulation. Section 2-2-317 deleted and requirement moved to Regulation 2-6-315. ~~**2-2-308 Class I Area Requirements, PSD:** A facility for which the cumulative increases minus the contemporaneous emission reduction credits occurring since the PSD Baseline Date, are greater than zero, and which would construct in a Class I Area or within 10 kilometers (6.2 miles) of a Class I Area, and would have an impact on such area equal to or greater than 1 microgram per cubic meter, shall use BACT on the new or modified facility and shall not cause or contribute to the exceedance of any NAAQS at the point of maximum ground level impact or any PSD increment set forth in Section 2-2-232, and shall perform all analyses required by Sections 2-2-414 and 417.~~ ~~**2-2-310 Denial, Failure to Use BACT:** The APCO shall deny an authority to construct if the APCO finds that the application is subject to Section 2-2-301 and, after notification in writing, the applicant has not provided a control device or technique meeting the requirements defined in Section 2-2-206.~~ ~~**2-2-311 Denial, Failure to Provide Offsets:** The APCO shall deny an authority to construct if the APCO finds that the application is subject to Sections 2-2-302 or 303 and, after notification in writing, the applicant has not provided the required offsets to mitigate the emissions increase.~~ ~~**2-2-314 Federal New Source Review Applicability:** The requirements of 40 CFR 51.165 are incorporated, by reference, as part of this rule.~~ ~~**2-2-315 Federal Prevention of Significant Deterioration Applicability:** The requirements of 40 CFR 51.166 are incorporated, by reference as part of this rule.~~
2-2-401	**Application:** An application for an authority to construct under this Rule shall conform to the requirements of District Regulation 2-1-402, and shall include the following: ~~In addition to the requirements of Regulation 2-1-402, applications for authorities to construct facilities subject to Rule 2 shall include all of the following:~~ 401.1 A detailed description of the proposed new source(s) or modification(s) for which the authority to construct is sought, including at a minimum (i) a description of the nature, location, design capacity, and typical operating schedule of the source(s) or modification(s), including specifications and drawings showing its design and plant layout, and (ii) a detailed schedule for construction of the source(s) or modification(s).~~For new facilities, which will emit, and for a modification which will increase emissions more than 100 tons per year of carbon monoxide or 40 tons per year of either precursor organic compounds or nitrogen oxides, an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source which demonstrate that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction or modification.~~ 401.2 All information necessary for the APCO to determine whether the application satisfies the requirements of this Rule, including but not limited to (i) a demonstration of how the application satisfies applicable BACT standards under Sections 2-2-301 and 2-2-304, and (ii) the PSD analyses and demonstrations required under Sections 2-2-305 and 2-2-306, if applicable.~~The information required by the lists and criteria adopted pursuant to Section 65940 of the California Government code that are in effect on the date the application is filed.~~

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	401.3 CEQA-related information ~~which satisfies the requirements of~~ required under Regulation 2-1-426; and for a new major facility, and for a modification to a major facility that will increase emissions by more than 100 tons per year of carbon monoxide, 40 tons per year of precursor organic compounds, nitrogen oxides, or sulfur dioxide, or 10 tons per year of $PM_{2.5}$, an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source that demonstrates that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction or modification. 401.4 If the application is for a PSD Project that will be located in or within 100 km of a Class I area, an analysis of potential impacts to air quality related values (including visibility and any integral vista) in such Class I area for review and consideration by the Federal Land Manager of such Class I area. If the project will be a new major facility or major modification to a major facility for NOx, VOC, or $PM_{2.5}$, such analysis shall also include an analysis of potential impacts to visibility in such Class I area from those pollutants, taking into account the factors enumerated in 40 C.F.R. Section 51.307(c). ~~All information specified in 40 CFR 63.43(e), if the application is subject to the MACT requirement of Section 2-2-317~~. 401.5 Any other information requested by the APCO.
2-2-402	Renumbering of Section 2-2-415. **Notice to EPA and Federal Land Manager of PSD Applications:** When ~~On the date of a complete application subject to Section 2-2-308,~~ the APCO receives a complete application for an Authority to Construct for a PSD Project, the APCO shall transmit a copy of the complete application to EPA Region IX. If the PSD Project is located within 100 km of any Class I Area(s), the APCO shall also transmit a copy of the complete application to the Federal Land Manager(s) with responsibility for any such Class I Area(s) within 30 days of receipt and at least 60 days prior to holding any public hearing on such application, and shall include the applicant's analysis of the anticipated impacts on visibility in such Class I area(s). In addition, the APCO shall also notify such Federal Land Manager(s) if the APCO receives any advance notification of any such application.~~shall provide a copy of the complete application to the EPA, the Federal Land Manager for the affected Class I Area, and to the federal official charged with direct responsibility for management of any lands within the Class I area. The APCO shall also send a copy of the preliminary decision and the APCO's analysis to the above agencies.~~
2-2-403	Renumbering of Section 2-2-404. **Authority to Construct, Preliminary Decision:** If an application for an Authority to Construct is subject to the public notice and comment requirements of Section 2-2-404, the APCO shall make a preliminary decision as to whether an authority to construct shall be approved, or denied. The APCO shall make such preliminary decision within 90 days following the acceptance of the application as complete, provided that any fees required in accordance with Regulation 3 are paid; or within a longer time period if necessary to complete any PSD impact analyses required under Sections 2-2-305 and 2-2-306, if necessary to complete any CEQA analyses if the District is the CEQA Lead Agency, or if consented to by the applicant.~~**Authority to Construct, Preliminary Decision:** Within 90 days following the acceptance of an application as complete, which is subject to the requirements of Section 2-2-405, or longer period necessary to satisfy the requirements of Section 2-2-414, providing that any fees required in accordance with Regulation 3 are paid, or with the consent of the applicant, such longer period as may be agreed upon, the APCO shall make a preliminary decision as to whether an authority to construct shall be approved, or denied. Final action on this application will be taken in accordance with the requirements of Section 2-2-407.~~ ~~404.1 When the District is the CEQA Lead Agency for a project, the 90-day limit for issuing a preliminary decision shall be suspended until the draft EIR or Negative Declaration is available for the APCO's consideration and public review.~~
2-2-404	Renumbering of Section 2-2-405. **Publication of Notice and Opportunity for Public Comment:** If the application is for (i) a new major facility or a major modification of an existing major facility, (ii) any new facility, or a modification of any existing facility, that will involve an increase in emissions of CO, NOx, SO_2, PM_{10}, $PM_{2.5}$, VOC, or lead, calculated in accordance with Section 2-2-604, in an amount that is significant as defined in Section 2-2-

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	226.2, or (iii) a PSD Project, the APCO shall provide notice of the preliminary decision made under Section 2-2-403 according to the following procedures: 404.1 The APCO shall publish a prominent notice in at least one newspaper of general circulation within the District stating the preliminary decision of the APCO and inviting written public comment on it. The notice shall state the location of the information available pursuant to Section 2-2-405 and the procedures and deadlines for submitting written public comments. 404.2 If the application is for a PSD Project, the notice shall also state the degree of PSD increment consumed if a PSD increment consumption analysis has been conducted. 404.3 The APCO shall transmit a copy of the notice to ARB; EPA Region IX; adjacent air districts; any person who requests such specific notification in writing; and, if the application is for a PSD Project located within 100 km of any Class I Area(s), the Federal Land Manager(s) with responsibility for any such Class I Area(s). 404.4 If the District is the CEQA Lead Agency with respect to the application, the APCO shall also ensure that the applicable CEQA notice and comment requirements are followed with respect to any CEQA document. 404.5 The APCO shall provide a period of at least 30 days following publication of the notice required under this Section for members of the public to submit written comments, and may extend the public comment period for good cause. 404.6 The APCO may elect to hold a public meeting to receive verbal comment from the public during the public comment period if the APCO finds that a public meeting is warranted and would substantially enhance public participation in the decision-making process. If the APCO elects to hold a public meeting, the public comment period under Section 2-2-404.5 shall be extended, at a minimum, until the end of the public meeting. **Publication and Public Comment:** ~~If the application is for a new major facility or a major modification of an existing major facility, or requires a PSD analysis, or is subject to the MACT requirement, the APCO shall within 10 days of the notification of the applicant, cause to have published in at least one newspaper of general circulation within the District, a prominent notice stating the preliminary decision of the APCO, the location of the information available pursuant to Section 2-2-406, and inviting written public comment for a 30 day period following the date of publication. Written notice of the preliminary decision shall be sent to the ARB, the regional office of the EPA and adjacent districts. A copy of this notice shall be provided to any person who requests such specific notification in writing. During this period, which may be extended by the APCO, the APCO may elect to hold a public meeting to receive verbal comment from the public. The written notice shall contain the degree of PSD increment consumed.~~ ~~405.1 In addition to the above requirements, for any application for which the District is a Lead Agency under CEQA, the public notice required pursuant to this Section 2-2-405 shall provide public notice of the availability of a Draft EIR, a Negative Declaration or a Notice of Exemption, as applicable.~~
2-2-405	Renumbering of Section 2-2-406. **Public Inspection:** If an application for an Authority to Construct is subject to the public notice and comment requirements of Section 2-2-404, ~~T~~the APCO shall make available for public inspection, at District headquarters, the information submitted by the applicant, the APCO's preliminary decision to grant or deny the authority to construct including any proposed conditions and the reasons therefore, and any other relevant information on which the APCO's preliminary decision is based. ~~and if applicable the APCO's analysis, and the preliminary decision to grant or deny the authority to construct including any proposed conditions, including the reasons therefore.~~Any such information shall also be transmitted, upon request, to ARB and EPA Region IX. In making information available for public inspection, the APCO shall consider any claims by the applicant regarding the confidentiality of trade secrets, as designated by the applicant prior to submission~~completion of the application~~, ~~shall be considered~~ in accordance with Section 6254.7 of the California Government Code. ~~Furthermore, all such information shall be transmitted, upon the date of publication, to the ARB and the regional office of the EPA if the application is subject to the requirements of Section 2-2-405.~~
2-2-406	Renumbering of Section 2-2-407.

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	Authority to Construct, Final Action: If an application for an Authority to Construct is subject to the public notice and comment requirements of Section 2-2-404, the APCO shall consider all public comments received, and shall take final action on the application within 60 days after the close of the public comment period or within 30 days after final approval of a CEQA Negative Declaration or Environmental Impact Report for the project, (if applicable), whichever is later. At the time of such final action, the APCO shall: 406.1 Prepare and make publicly available a written response to any public comments received explaining how the APCO has considered such comments in making a final decision; and 406.2 Provide written notice of the final decision to the applicant, ARB, EPA Region IX, any person who submitted comments during the public comment period or requested written notice of the final action, and, if the District is a Lead Agency under CEQA, in accordance with all applicable CEQA public notice and comment requirements. ~~**Authority to Construct, Final Action:** If the application is for a new major facility or a major modification of an existing major facility, or requires a PSD analysis, or is subject to the MACT requirement, the APCO shall within 180 days following the acceptance of the application as complete, or a longer time period agreed upon, take final action on the application after considering all public comments. Written notice of the final decision shall be provided to the applicant, the ARB and the EPA, and, if the District is a Lead Agency under CEQA, to any person who has commented on a Draft EIR. The final action will also be published in at least one newspaper of general circulation within the District, and the notice and supporting documentation shall be available for public inspection at District headquarters.~~ ~~407.1 Notwithstanding the requirement of this Section 2-2-407 that the APCO shall act within 180 days after the application is accepted as complete, the APCO shall not take final action on the application for any project for which an Environmental Impact Report or a Negative Declaration has been prepared pursuant to the requirements of CEQA until a Final EIR for that project has been certified and the APCO has considered the information contained in that Final EIR, or a Negative Declaration for that project has been approved. If the specified 180 day period has elapsed prior to the certification of the Final EIR or the approval of the Negative Declaration, the APCO shall take final action on the application within 30 days after the certification of the Final EIR or approval of the Negative Declaration.~~
2-2-407	Renumbering of Section 2-2-410. **Issuance, Permit to Operate:** Before issuing a permit to operate for a source subject to the requirements of this Rule, the APCO shall ensure that the following requirements have been met: 407.1 The APCO shall ensure that all conditions specified in the authority to construct have been and are being complied with, or in the case of conditions with a future compliance date, that such conditions are reasonably expected to be complied with by the applicable compliance date. 407.2 If the permit is for a source for which the applicant complied with the offset provisions of Sections 2-2-302 or 2-2-303 with emission reduction credits generated by modifications after the application date, the APCO shall ensure that such emission reduction credits will commence: 2.1 for a new source, no later than initial operation of the source; 2.2 for a modified source, no later than 90 days after initial operation of the source; and 2.3 for a source that is a replacement, in whole or in part, for an existing source, and the emission reduction credits are generated by the shutdown of the existing source being replaced, no later than 90 days after initial operation of the replacement source; and that such emission reduction credits shall be maintained throughout the operation of the source. ~~**Issuance, Permit to Operate:** The APCO shall issue a permit to operate a 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 no later than the initial operation of the new source or within 90 days after initial operation of the modified source, and that the offsets shall be maintained throughout the operation of the new or modified source which is the beneficiary of the~~

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	~~offsets. Further, the APCO shall determine that all conditions specified in the authority to construct have been or will be likely complied with by any dates specified. Where a new or modified source is, in whole or in part, a replacement for an existing source on the same property, the APCO may allow a maximum of 90 days as a start-up period for simultaneous operation of the existing source and the new source or replacement.~~
2-2-408	Renumbering of Section 2-2-410. **Permit to Operate, Final Action:** The APCO shall take final action to approve, approve with conditions, or disapprove a permit to operate a source subject to this Rule within 90~~60~~ days after start-up of the new or modified source, unless such time period is extended with the written concurrence of the applicant. ~~However, failure to act within the 60 day period, unless the time period is extended with the written concurrence of the applicant, shall be deemed to be a denial of the permit. Such denial may be appealed to the Hearing Board in accordance with the provisions of Regulation 2-1-410.~~
2-2-409	Renumbering of Section 2-2-412. **Source Obligation, Relaxation of Enforceable Conditions:** At such time as the applicability of any requirement of this Rule would be triggered by an existing source or facility, solely by virtue of a relaxation of any enforceable limitation on the capacity of the source or facility to emit a pollutant, then the requirements of this Rule shall apply to the source or facility in the same way as they would apply to a new or modified source or facility otherwise subject to this Rule.
2-2-410	Renumbering of Section 2-2-419 and includes Section 2-2-409. **Permit Conditions:** The APCO may include ~~require~~ any permit condition ~~necessary to insure compliance with this Rule to be included~~ in an authority to construct or permit to operate that the APCO determines is necessary to ensure compliance with this Rule, including but not limited to~~. This may include~~ conditions controlling the operation of the source, of its abatement equipment, or of sources used to generate emission reduction credits to comply with Section 2-2-302 and 2-303~~provide mitigation (offsets)~~. Such c~~C~~onditions may have a future effective date and may be made conditional on the results of source tests, ground level monitors or public complaints. ~~419.1 All emission reduction credits shall be enforceable by permit conditions; such permit conditions shall constitute applicable requirements of the State Implementation Plan for purposes of Section 113 and 304 of the Clean Air Act and are enforceable in the same manner as other SIP requirements.~~ ~~**2-2-409 Requirements, Permit to Operate:** As a condition for the issuance of a Permit to Operate, the APCO shall require that the new or modified source and the sources which provide offsets be operated in the manner assumed in making the analysis required to determine compliance with this Regulation.~~ ~~409.1 The permit to operate of any source used to provide offsets shall be conditioned to insure that the emission reductions will be enforceable and shall continue for the reasonably expected life of the proposed source. If offsets are obtained from a source for which there is no permit to operate, either a permit shall be obtained or 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 APCO to ensure that such reductions will continue for the duration of the life of the proposed source.~~
2-2-411	Renumbering of Section 2-2-422. **Offset Refunds:** The APCO may refund offsets provided for an authority to construct or permit to operate, and waive any associated banking fees, under the following circumstances: 411.1 Where an applicant has provided offsets in excess of those required for an authority to construct or permit to operate, the APCO shall upon request of the applicant refund the difference between the amount of offsets provided and the amount of offsets required. 411.2 Whenever a source for which the owner or operator has provided offsets is not constructed (or is constructed but never operated), and the authority to construct or permit to operate for the source has expired or has been surrendered by the applicant, the APCO shall upon request of the applicant refund the offsets provided in connect with the authority to construct or permit to operate.

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	~~Whenever an authorized source is either not constructed or is constructed and operated to result in lower emissions than the amount authorized, the APCO shall issue a certificate refunding the excess offsets. The APCO shall add appropriate conditions to the operating permits to make the new emission levels enforceable.~~
2-2-412	Renumbering of Section 2-2-423. **Demonstration of <u>NOx and POC</u> Offset Program Equivalence**: By March 1 of each year, the District shall submit to EPA a demonstration that <u>NOx and POC</u> offsets provided for all new and modified sources within the District, less adjustments to those offsets for federal purposes occurring between credit generation and use, exceed federal offset requirements for new major sources or major modifications at major stationary sources. Adjustment to emission reductions for federal purposes will be required if any of the following occur between the time the credit is generated and the time the credit is used: 4<u>12</u>~~23~~.1 BAAQMD adopts a relevant measure or rule that is required for purposes of federal attainment demonstration requirements. 4<u>12</u>~~23~~.2 A relevant rule or measure is approved into the State Implementation Plan applicable in the BAAQMD; 4<u>12</u>~~23~~.3 EPA promulgates a relevant final rulemaking for either a New Source Performance Standard or a Maximum Achievable Control Technology Standard. The demonstration shall include: 4<u>12</u>~~23~~.4 Emission increases represented by all authorities to construct new major facilities and major modifications at major facilities issued during the three calendar years preceding the demonstration date; 4<u>12</u>~~23~~.5 A list of all emission reductions used to offset those emission increases; 4<u>12</u>~~23~~.6 The emission baselines that were used to calculate the emission reduction; 4<u>12</u>~~23~~.7 The source type, size and category that had generated the emission reduction credit; 4<u>12</u>~~23~~.8 All relevant rules that have been adopted or promulgated since the emission reduction had occurred. 4<u>12</u>~~23~~.9 Adjustments to emission reduction for federal purposes for all affected projects. 4<u>12</u>~~23~~.10 All of the above for as many non-major projects as are needed to demonstrate equivalence. If the analysis fails to make the required demonstration, the District shall provide sufficient offsets to make up the difference out of the small facility bank. If the small facility bank does not contain the necessary surplus emission reductions, the District shall obtain the necessary surplus emission reductions.
2-2-413	Renumbering of Section 2-2-316. (no other change) **No Net Increase Status Report:** The APCO shall publish in conjunction with the triennial update of the Clean Air Plan (CAP), a report demonstrating that the District's permitting program complies with the no net increase requirements of Section 40919 (b) of the Health and Safety Code. This report shall demonstrate that sufficient offsets have been provided, as required by Section 2-2-302, for all permits issued during the previous three year CAP period. This report shall be forwarded to the California Air Resources Board, Stationary Source Division for approval.
2-2-414	New Section. Includes part of Section 2-2-202. <u>**BACT Workbook:** The APCO shall publish and periodically update a BACT Workbook specifying the BACT requirements for commonly permitted sources. BACT will be determined for a source on a case-by-case basis, using the workbook as a guidance document, as the most effective control device or technique or most stringent emission limitation that meets the requirements of Section 2-2-202.</u>
Other Changes in 2-2-400	Deletions of Sections 2-2-409 and 416. Section 2-2-416 is redundant to 40 CFR 52.21 requirements. Section 2-2-421 has been deleted because this program has not been really used consistently and is not needed. ~~**2-2-416 Report, PSD Increment Consumption:** The District shall conduct an annual review of the increment status for each attainment pollutant, and the APCO, upon request of the Board of Directors, shall provide a report on the consumption of PSD increments which have occurred during the period of interest.~~

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	~~**2-2-421 Offset Deferral, Annual Permit Renewal:** Whenever offsets are required by Section 2-2-302 or 303, a person has the option to defer providing the offsets until the time of the annual permit renewal provided:~~ ~~421.1 The facility demonstrates that they have valid Banking Certificates adequate to cover their offset obligation. Offsets deferred under the provisions of this Section shall be provided by the facility at least 30 days prior to the date of annual permit renewal, and 421.1~~ ~~421.2 The facility does not have a cumulative increase greater than 15 tons per year for the pollutant or pollutants subject to the offset requirement(s).~~
2-2-501	Renumbering of 2-2-502. **Post-Construction Monitoring:** The APCO may require as a condition in an authority to construct that the owner or operator of a facility for which the authority to construct is issued must conduct such ambient air quality monitoring as the APCO determines is necessary to determine the effect that emissions from the facility may have, or are having, on air quality in the area. ~~**2-2-502 PSD Post-Construction Monitoring:** The owner or operator of a facility subject to the requirements of Section 2-2-414 shall, after construction of the facility or modification, conduct such ambient air quality monitoring as the APCO specifies in the authority to construct or the permit to operate. The monitoring shall determine the effect emissions from the facility or modification may have, or are having, on air quality in the area. All air monitoring shall be performed in accordance to the Manual of Procedures, Volume VI and 40 CFR Appendix B.~~
2-2-601	**Ambient Air Quality Monitoring:** ~~Any person subject to the a~~mbient air quality monitoring required pursuant to ~~requirements of~~ this Rule shall be conducted in accordance with ~~use~~ the methods prescribed in the Manual of Procedures, Volume VI, and 40 C.F.R. Part 58, Appendix B.
2-2-602	Includes part of Section 2-2-418. **Good Engineering Practice (GEP) Stack Height:** Stack heights beyond what is consistent with good engineering practices shall not be allowed for purposes of air quality modeling undertaken as part of any PSD air quality analysis prepared in connection with an application for an authority to construct for any PSD Project pursuant to Sections 2-2-305 or 2-2-306. This requirement does not limit the actual height of a stack, as long as good engineering practice stack heights are used in any PSD modeling analyses. Good engineering practice stack height shall be determined according to 40 C.F.R. Section 52.100(ii) and EPA's *Guideline for Determining Good Engineering Practice Stack Height*, EPA Publication No. EPA-450/4-80-023R (June 1985).~~The method for calculating GEP stack height is contained in the FEDERAL REGISTER: Volume 50, Number 130; Monday, July 18, 1985.~~ ~~**2-2-418 PSD Analysis Stack Heights:** For the purposes of modeling, stack heights beyond what is required by good engineering practices shall not be allowed. This requirement should not be perceived to be a limit on the actual constructed height of a stack. The method to calculate good engineering stack height is referenced in Section 2-2-602.~~
2-2-603	New Section. Includes part of Subsection 2-2-605. **Baseline Emissions Calculation Procedures:** The following methodology shall be used to determine a source's baseline emissions for purposes of calculating an emissions increase or decrease from a source under Sections 2-2-604, 2-2-605, and 2-2-606: 603.1 Determine Baseline Period: The baseline period is determined as follows: 1.1 For determining the amount of an emissions increase from a new or modified source, the baseline period is the 3 year period immediately preceding the date on which the application for authority to construct/permit to operate the new or modified source is determined to be complete. For an existing source that is less than 3 years old, the baseline period shall be the period of time since the source began operating. 1.2 For determining the amount of a contemporaneous onsite emission reduction credit generated by a physical change, change in the method of operation, change in throughput or production, or other similar change (including a shutdown) at a source, the baseline period the 3 year period immediately preceding the date on which such change was first implemented. 1.3 For determining the amount of (i) an emission reduction credit for which a

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	banking certificate is sought under Regulation 2, Rule 4 or (ii) an emission reduction credit generated by a reduction in an emissions limit that is not the result of a physical change, change in the method of operation, change in throughput or production, or other similar change (including a shutdown), the baseline period is the 3 year period immediately preceding the date on which the banking application or application for reduced emissions limit is determined to be complete. 603.2 Determine Baseline Throughput: Baseline throughput is the lesser of: (i) the actual average annual throughput during the baseline period; or (ii) the average permitted annual throughput during the baseline period, if limited by permit condition. If the applicant does not have sufficient verifiable records of the source's operation to substantiate its throughput during any portion(s) of the baseline period, the throughput shall be presumed to be zero during any such portion(s). Throughput shall be based on the source's operational parameter that correlates most closely to the source's emissions. 603.3 Determine Baseline Emissions: Baseline emissions are the actual average annual emissions during the baseline period (excluding any emissions that exceed any regulatory or permit limits). If the applicant does not have sufficient verifiable records of the source's operation to substantiate the emission rate during any portion(s) of the baseline period, the emissions rate shall be presumed to be zero during any such portion(s). 603.4 Determine Baseline Emissions Rate: The baseline emission rate is the emission rate per unit of throughput during the baseline period, calculated by dividing the source's baseline emissions by its baseline throughput. 603.5 Determine Adjusted Baseline Emissions Rate: The adjusted baseline emission rate shall be determined by adjusting the baseline emission rate downward, if necessary, to reflect the most stringent of RACT, BARCT, and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan; except that for purposes of with determining whether a source or group of sources constitutes a PSD Project under Section 2-2-224, the adjusted baseline emission rate shall not be adjusted for reductions required by measures in the current Clean Air Plan approved by the BAAQMD that exceed the reductions required by use of RACT. 603.6 Determine Adjusted Baseline Emissions: The adjusted baseline emissions is the adjusted baseline emissions rate multiplied by the baseline throughput.
2-2-604	New Section. **Emission Increase/Decrease Calculation Procedures, New Sources ~~or~~and Changes at ~~Modified~~Existing Sources:** The amount of any emissions increase (or decrease) associated with a new source or with a physical change, change in method of operation, change in throughput or production, or other similar change at an existing souce shall be calculated according to the following procedures~~The APCO shall determine the annual emission increase, expressed as tons per year, from~~: 604.1 New Source: The emissions increase associated with a new source is the source's potential to emit.~~A new source based on the maximum emitting potential of the new source or the maximum permitted emission level of the new source, approved by the APCO, subject to federally enforceable limiting conditions.~~ 604.2 Change to Existing Source; The emissions increase (or decrease) associated with a physical change, change in the method of operation, change in throughput or production, or other similar change at an existing source (including a permanent shutdown of the source) shall be calculated as the difference between: (i) the source's potential to emit after the change; and (ii) the source's adjusted baseline emissions before the change calculated in accordance with Section 2-2-603. ~~A modified source by subtracting either the baseline annual emission rate, as calculated using the methodology in Section 2-2-605, from the new maximum permitted emission level of the modified source, approved by the APCO, subject to federally enforceable limiting conditions.~~
2-2-605	New Section.

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	Potential-to-Emit (PTE) Increase Calculation Procedures for Purposes of Determining Cumulative Increase: For purposes of calculating cumulative increase under Section 2-2-607, the increase in a source's potential to emit associated with an authority to construct and/or permit to operate for the source shall be calculated according to the following procedures: 605.1 New Source: For a new source, the increase in potential to emit is the source's full potential to emit. 605.2 Modified Source – Emissions Limited By Permit Condition: For a modified source, if, before the authority to construct/permit to operate is issued, the source's emissions were subject to an enforceable permit limit (including a surrogate limit on operating conditions such as production rate or capacity that is effective as a limit on emissions) that was imposed pursuant to New Source Review requirements under District Regulation 2, Rule 2 or 40 C.F.R. Section 52.21, or as a limit imposed to avoid such New Source Review requirements by keeping emissions below New Source Review applicability thresholds, then the increase in potential to emit associated with the modification is the difference between: 2.1 the source's potential to emit after the modification; and 2.2 the source's potential to emit before the modification, adjusted downward, if necessary, to reflect the most stringent of RACT, BARCT, and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan 605.3 Modified Source – Emissions Not Limited By Permit Condition: For a modified source, if the source's emissions were not subject to an enforceable permit limit meeting the criteria specified in Section 605.2 before the authority to construct/permit to operate is issued, then the increase in potential to emit associated with the modification is the difference between: 3.1 the source's potential to emit after the modification; and 3.2 the source's baseline emissions before the modification calculated in accordance with Section 2-2-603. For purposes of calculating the cumulative increase associated with a source, the source's emissions shall include emissions from cargo carriers (other than motor vehicles) associated with the source as specified in Section 2-2-610. ~~**Emission Calculation Procedures, Emission Reduction Credits:** The following methodology shall be used to calculate emission reduction credits.~~ ~~605.1 The baseline period consists of the 3 year period immediately preceding the date that the application is complete (or shorter period if the source is less than 3 years old). The applicant must have sufficient verifiable records of the source's operation to substantiate the emission rate and throughput during the entire baseline period.~~ ~~605.2 Baseline throughput is the lesser of:~~ ~~2.1 actual average throughput during the baseline period; or~~ ~~2.2 average permitted throughput during the baseline period, if limited by permit condition.~~ ~~605.3 Baseline emission rate, expressed in the units of mass of emissions per unit of throughput, is the average actual emission rate during the baseline period. Periods where the actual emission rate exceeded regulatory or permitted limits shall be excluded from the average.~~ ~~605.4 Baseline Throughput and Emission Rate - Fully Offset Source: For a source which has, contained in a permit condition, an emission cap or emission rate which has been fully offset by the facility (without using emission reductions from the Small Facility Banking Account), the baseline throughput and baseline emission rate shall be based on the levels allowed by the permit condition.~~ ~~605.5 The adjusted baseline emission rate shall be determined by adjusting the baseline emission rate downward, if necessary, to comply with the most stringent of RACT, BARCT, and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan.~~ ~~605.6 Emission reduction credits shall be the difference between the adjusted baseline emission rate times the baseline throughput, and the emission cap or emission rate accepted by the applicant as a federally enforceable limiting conditions.~~
2-2-606	New Section. Includes part of Sections 2-2-606 and 2-2-215.1 and 2-2-215.2. In addition, a clarification was added to specify that sources which were offset from Small Facility Banking Account credits cannot

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	obtain emission reduction credits. **Emission Reduction Credit Calculation Procedures:** The amount of emission reduction credits associated with a physical change, change in method of operation, change in throughput or production, or other similar change at a source shall be calculated according to the following procedures: 606.1 Non-Fully-Offset Source: For a source that is not fully offset as defined in Section 2-2-213, the amount of emission reduction credits is the difference between: (i) the source's adjusted baseline emissions before the change calculated pursuant to Section 2-2-603; and (ii) the source's potential to emit after the change. 606.2 Fully-Offset Source: For a source that is fully offset as defined in Section 2-2-213, the amount of emission reduction credits is the difference between: (i) the source's potential to emit before the change, adjusted downward, if necessary, to reflect the most stringent of RACT, BARCT, and District rules and regulations in effect or contained in the most recently adopted Clean Air Plan; and (ii) the source's potential to emit after the change. To qualify as emission reduction credits, the emission reductions associated with any such change: (i) must be enforceable through permit conditions, or in the case of source shutdown where no permit is required for the source being shut down, through an alternative legally-enforceable mechanism such as contractual provisions in a legally binding and irrevocable written agreement which provisions are made expressly for the benefit of the District; and (ii) must be real, permanent, quantifiable, and in excess of any reductions required by applicable regulatory requirements. Emissions that were offset with credits from the Small Facility Banking Account cannot be used to generate emission reduction credits. ~~**Emission Calculation Procedures, Offsets:** Except as provided by the offset deferral provision of Section 2-2-421, before the APCO may issue an authority to construct for a new or modified source, offsets shall be provided, as required by Sections 2-2-302, 303 or 313 by the applicant from credits in the District's Emissions Bank and/or from contemporaneous emission reduction credits which qualify in accordance with Sections 2-2-201 and 605, or by the District from the small facility banking account for the amounts calculated as follows:~~ ~~606.1 For precursor organic compounds (POC) and nitrogen oxides (NO_x) for the total of all emission increases as determined in Section 2-2-604 plus any pre-existing cumulative increase from April 5, 1991, multiplied by the offset ratio required by Section 2-2-302.~~ ~~606.2 If required by Section 2-2-303, for, PM_{10}, and sulfur dioxide for the total of all emission increases as determined in Section 2-2-604 multiplied by the appropriate offset ratio specified in Section 2-2-303.~~ ~~Emission offsets provided in excess of those required, which meet the requirements of a bankable reduction per Regulation 2-4, may be banked. Banking fees shall be waived for this transaction.~~ ~~215.1 For determining the cumulative increase at a facility subject to the offset requirements of Sections 2-2-302 and 303, related sources on a single property or contiguous properties, even though under different ownership, or related sources on non-contiguous properties under the same ownership shall be considered one facility. Related sources are those sources where the operation of one is dependent upon or affects the operation of the other.~~ ~~215.3 For determining the cumulative increase at a facility subject to the offset requirements of Sections 2-2-302 and 303, facilities under the same ownership or entitlement to use that are located within a distance of three miles, property line to property line, shall be considered one facility if the facilities have the same first two digits in their Standard Industrial Classification codes, as determined from The Standard Industrial Classification Manual.~~
2-2-607	New Section. Includes part of the Subsection 2-2-302. **Cumulative Increase Calculation Procedures:** The cumulative increase in emissions associated with an authority to construct and/or permit to operate for a source shall be calculated as: 607.1 Project Emissions Increase: the increase in potential to emit associated with the authority to construct/permit to operate determined in accordance with Section 2-2-605; minus 607.2 Contemporaneous Onsite Emission Reduction Credits: any contemporaneous onsite emission reduction credits at the facility calculated in accordance with Section 2-2-606 that are credited to the authority to construct/permit to operate.

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	The cumulative increase associated with an authority to construct/permit to operate issued in the past shall be determined using the increase in potential to emit and contemporaneous onsite emissions reductions credits calculated at the time of issuance of the authority to construct/permit to operate. Emission reduction credits may not be double-counted (*i.e.*, an emission reduction credit may not be applied to the cumulative increase calculation for more than one authority to construct/permit to operate).
2-2-608	New Section. **Facility Un-Offset Cumulative Increase Calculation Procedures:** For purposes of applying the emission offset provisions of Sections 2-2-302 and 2-2-303, a facility's un-offset cumulative increase in emissions since the baseline date shall be calculated using the following procedures: 608.1 Project Cumulative Increase: The cumulative increase from the project being permitted shall be determined in accordance with Section 2-2-607. 608.2 Prior Un-Offset Cumulative Increase: For each previous authority to construct/permit to operate issued for the facility after the cumulative increase baseline date as specified in Section 2-2-209 (but excluding any authority to construct/permit to operate issued because a source lost its permit exemption per Section 2-1-424 and any authority to construct/permit to operate for a source that has been permanently removed from service), the un-offset cumulative increase shall be determined by: 2.1 Calculating the cumulative increase associated with each previous authority to construct/permit to operate, determined in accordance with Sections 2-2-607; and 2.2 Subtracting any offsets provided in connection with the authority to construct/permit to operate (including any offsets provided from the District's Small Facility Banking Account). 608.3 Facility Un-Offset Cumulative Increase: The facility's un-offset cumulative increase shall be determined by adding (i) the project cumulative increase calculated according to Section 2-2-608.1 and (ii) the un-offset cumulative increase from each previous authority to construct/permit to operate issued for the facility after the cumulative increase baseline date as specified in Section 2-2-210 (but excluding any authority to construct/permit to operate issued because a source lost its permit exemption per Section 2-1-424 and any authority to construct/permit to operate for a source that has been permanently removed from service) calculated according to Section 2-2-608.2.
2-2-609	New Section. **Official Record of Cumulative Increases and Offsets:** The APCO may establish and maintain a database or other accounting document to record the cumulative increase (including project cumulative increase and associated emission reduction credits) and offsets associated with each authority to construct/permit to operate issued for a facility. In calculating the un-offset cumulative increase associated with a previous authority to construct/permit to operate under Section 2-2-608.2, the APCO may rely on the data specified in such document as conclusive, unless the APCO has information that indicates that some other data is more accurate. Records of cumulative increase and offsets shall be updated as necessary to ensure that they are current and accurate.
2-2-610	New Section. Originally part of definition of Subsection 2-2-215. **Facility Emissions Calculation Procedures, Cargo Carriers:** For purposes of applying the offset requirements of Sections 2-2-302 and 2-2-303, a facility's potential to emit and cumulative increase shall be calculated including emissions from cargo carriers (other than motor vehicles) associated with the sources at the facility. When applying these offset requirements, facilities that include cargo loading or unloading from cargo carriers other than motor vehicles shall include the cargo carriers as part of the source that receives or loads the cargo. Accordingly, all emissions from such cargo carriers while operating in the District, or within California Coastal Waters up to 11 nautical miles (12.66 statute miles) from the Golden Gate Bridge (and any additional areas of California Coastal Waters adjacent to the District if cargo carrier emissions in such areas would have a substantial impact on air quality within the District), shall be included as part of the source's emissions. Emissions from cargo carriers shall not be included for purposes of applying any other provisions of this Regulation, including the BACT and PSD

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	requirements.
2-2-611	New Section. **Emission Calculation Procedures, Fugitive Emissions:** Any fugitive emissions from a source shall be included in calculating the source's emissions for all purposes under this Rule; except that for purposes of determining whether a new or modified source (or group of sources) constitutes a PSD Project under Section 2-2-224, a Major Facility under Section 2-2-217, or a Major Modification to a Major Facility under Section 2-2-218, fugitive emissions shall be included only if the facility is in one of the 28 categories listed in Section 169(1) of the Clean Air Act.
Other Changes in 2-2-600	Deleted Section 2-2-607. This section has not been used much for the generation of emission reduction credits. ~~**2-2-607 Emission Calculation Procedures, Emission Reduction Credits for Mobile Sources:** Emission reduction credits for mobile sources shall be determined by the Mobile Source Emission Reduction Credits procedures published February 1994 (or subsequent revisions) by the California Air Resources Board or other District approved procedures in the Manual of Procedures.~~