

AMADOR COUNTY AIR POLLUTION CONTROL DISTRICT

RULE 500 - PROCEDURES FOR ISSUING PERMITS TO OPERATE FOR SOURCES SUBJECT TO TITLE V OF THE FEDERAL CLEAN AIR ACT AMENDMENTS OF 1990

(Adopted 10/5/93; Revised 7/5/94, 9/5/94, 2/25/97, 3/27/01)

500.I Purpose and General Requirements of Rule 500. Rule 500 implements the requirements of Title V of the federal Clean Air Act as amended in 1990 (CAA) for permits to operate. Title V provides for the establishment of operating permit programs for sources which emit regulated air pollutants, including attainment and nonattainment pollutants. Additionally, Rule 500 is used to implement the Phase II acid deposition control provisions of Title IV of the CAA, including provisions for Acid Rain Permits. The effective date of Rule 500 is the date the District Board adopts this rule.

By the effective date of Rule 500, the Amador County Air Pollution Control District (District) shall implement an operating permit program pursuant to the requirements of this rule. The District shall also continue to implement its existing programs pertaining to permits to operate required by Rule 501, including authorities to construct, Rule 401. Nothing in Rule 500 limits the authority of the District to revoke or terminate a permit pursuant to sections 40808, and 42307-42309 of the California Health and Safety Code (H&SC).

Sources subject to Rule 500 include major sources, acid rain units subject to Title IV of the CAA, solid waste incinerators subject to section 111 or 129 of the CAA, and any other sources specifically designated by rule of the U.S. EPA. Sources subject to Rule 500 shall obtain permits to operate pursuant to this rule. Each permit to operate issued pursuant to Rule 500 shall contain conditions and requirements adequate to ensure compliance with:

- A. All applicable provisions of Division 26 of the H&SC, commencing with section 39000;
- B. All applicable orders, rules, and regulations of the District and the California Air Resources Board (ARB);
- C. All applicable provisions of the applicable implementation plan required by the CAA. In satisfaction of this requirement, a source may ensure compliance with a corresponding District-only rule in accordance with the procedure specified in subsection V.K. below;
- D. Each applicable emission standard or limitation, rule, regulation, or requirement adopted or promulgated to implement the CAA. In satisfaction of this requirement, a source may propose compliance with a requirement of permit streamlining in accordance with the procedures specified in subsection V.J. below; and
- E. The requirements of all preconstruction permits issued pursuant to Parts C and D of the CAA.

The operation of an emissions unit to which Rule 500 is applicable without a permit or in violation of any applicable permit condition or requirement shall be a violation of Rule 500.

500.II **Definitions.** The definitions in this section apply throughout Rule 500 and are derived from related provisions of the U.S. EPA's Title V regulations in Part 70 Code of Federal Regulations (CFR), "State Operating Permit Programs." The terms defined in this section are italicized throughout Rule 500.

A. *Acid Rain Unit* An "acid rain unit" is any fossil fuel-fired combustion device that is an affected unit under 40 CFR Part 72.6 and therefore subject to the requirements of Title IV (Acid Deposition Control) of the CAA. (The District may be able to provide a more detailed definition when the U.S. EPA clarifies which sources are subject to Title IV requirements.)

B. *Administrative Permit Amendment* An "administrative permit amendment" is an amendment to a permit to operate which:

1. Corrects a typographical error.
2. Identifies a minor administrative change at the stationary source; for example, a change in the name, address, or phone number of any person identified in the permit.
3. Requires more frequent monitoring or reporting by a responsible official of the stationary source.
4. Transfers ownership or operational control of a stationary source, provided that, prior to the transfer, the APCO receives a written agreement which specifies a date for the transfer of permit responsibility, coverage, and liability from the current to the prospective permittee.

C. *Affected State* An "affected state" is any state that: 1) is contiguous with California and whose air quality may be affected by a permit action, or 2) is within 50 miles of the source for which a permit action is being proposed.

D. *Air Pollution Control Officer (APCO)* "Air Pollution Control Officer" refers to the air pollution control officer of the Amador County Air Pollution Control District, or his or her designate.

E. *Amador County Air Pollution Control District* "Amador County Air Pollution Control District" includes all portions of Amador County.

F. *Applicable Federal Requirement* An "applicable federal requirement" is any requirement which is enforceable by the U.S. EPA and citizens pursuant to section 304 of the CAA and is set forth in, or authorized by, the CAA or a U.S. EPA regulation. An "applicable federal requirement" includes any requirement of a regulation in effect at permit issuance and any requirement of a regulation that becomes effective during the term of the permit. Applicable federal requirements include:

1. Title I requirements of the CAA, including:

- a. New Source Review requirements in the State Implementation Plan approved by the U.S. EPA and the terms and conditions of the preconstruction permit issued pursuant to an approved New Source Review rule;
 - b. Prevention of Significant Deterioration (PSD) requirements and the terms and conditions of the PSD permit (40 CFR Part 52);
 - c. New Source Performance Standards (40 CFR Part 60);
 - d. National Ambient Air Quality Standards, increments, and visibility requirements as they apply to portable sources required to obtain a permit pursuant to section 504(e) of the CAA;
 - e. National Emissions Standards for Hazardous Air Pollutants (40 CFR Part 61);
 - f. Maximum Achievable Control Technology or Generally Available Control Technology Standards (40 CFR Part 63);
 - g. Risk Management Plans (section 112(r) of the CAA);
 - h. Solid Waste Incineration requirements (sections 111 or 129 of the CAA);
 - i. Consumer and Commercial Product requirements (section 183 of the CAA);
 - j. Tank Vessel requirements (section 183 of the CAA);
 - k. District prohibitory rules that are approved into the state implementation plan;
 - l. Standards or regulations promulgated pursuant to a Federal Implementation Plan; and
 - m. Enhanced Monitoring and Compliance Certification requirements (section 114(a)(3) of the CAA).
2. Title III, section 328 (Outer Continental Shelf) requirements of the CAA (40 CFR Part 55);
 3. Title IV (Acid Deposition Control) requirements of the CAA (40 CFR Parts 72, 73, 75, 76, 77, 78 and regulations implementing sections 407 and 410 of the CAA);
 4. Title VI (Stratospheric Ozone Protection) requirements of the CAA (40 CFR Part 82); and
 5. Monitoring and Analysis requirements (section 504(b) of the CAA).

G. ARB "ARB" refers to the California Air Resources Board.

H. California Air Resources Board (ARB) "California Air Resources Board" refers to the Air Resources Board of the State of California.

I. Clean Air Act (CAA) "Clean Air Act" refers to the federal Clean Air Act as amended in 1990 (42 U.S.C. section 7401 et seq.).

J. Code of Federal Regulations (CFR.) "Code of Federal Regulations" refers to the United States Code of Federal Regulations.

K. Commence Operation "Commence operation" is the date of initial operation of an emissions unit, including any start-up or shakedown period authorized by a temporary permit to operate issued pursuant to section 42301.1 of the H&SC.

L. Direct Emissions "Direct emissions" are emissions that may reasonably pass through a stack, chimney, vent, or other functionally-equivalent opening.

M. District "District" refers to the Amador County Air Pollution Control District.

N. District-only "District-only" means a District rule, permit term or condition, or other requirement identified in accordance with H&SC section 42301.12(a)(3) that is not an applicable federal requirement. If a "District-only" requirement becomes a federally-enforceable condition upon the issuance of the initial permit or permit modification in accordance with requirements of Rule 500 and H&SC section 42301.12(a)(3), such requirement shall no longer be a "District-only" requirement.

O. Effective Date of Rule 500 The "effective date of Rule 500" is the date the District Board adopts this rule.

P. Emergency An "emergency" is any situation arising from a sudden and reasonably unforeseeable event beyond the control of a permittee (e.g., an act of God) which causes the exceedance of a technology-based emission limitation under a permit and requires immediate corrective action to restore compliance. An "emergency" shall not include noncompliance as a result of improperly designed equipment, lack of preventive maintenance, careless or improper operation, or operator error.

Q. Emissions Unit An "emissions unit" is any identifiable article, machine, contrivance, or operation which emits, may emit, or results in the emissions of, any regulated air pollutant or hazardous air pollutant.

R. Federally-enforceable Condition A "federally-enforceable condition" is any term, condition, or requirement set forth in the permit to operate which addresses an applicable federal requirement, a voluntary emissions cap, a "District-only requirement of permit streamlining imposed in accordance with subsection V.J. below, and the H&SC section 42301.12(a)(3), or a District-only requirement which applies in accordance with subsection V.K.1. below, and H&SC section 42301.12(a)(3) for satisfaction of a corresponding requirement in the State

Implementation Plan.

S. *Fugitive Emissions* "Fugitive emissions" are emissions which could not reasonably pass through a stack, chimney, vent, or other functionally-equivalent opening.

T. *Generally Available Control Technology (GACT) Standard* A "generally available control technology standard" refers to any generally available control technology standard or management practice promulgated pursuant to section 112(d) of the CAA (40 CFR Part 63).

U. *Hazardous Air Pollutant (HAP)* A "hazardous air pollutant" is any air pollutant listed pursuant to section 112(b) of the CAA.

V. *Health and Safety Code (H&SC)* "Health and Safety Code" refers to the California Health and Safety Code.

W. *Initial Permit* An "initial permit" is the first operating permit for which a source submits an application that addresses the requirements of the federal operating permits program as implemented by Rule 500.

X. *Major Source* A "major source" is a stationary source which has the potential to emit a regulated air pollutant or a HAP in quantities equal to or exceeding the lesser of any of the following thresholds:

1. 100 tons per year (tpy) of any regulated air pollutant.
2. 50 tpy of volatile organic compounds or oxides of nitrogen for a federal nonattainment area classified as serious, 25 tpy for an area classified as severe, or, 10 tpy for an area classified as extreme.
3. 70 tpy of PM₁₀ (particulate matter of 10 microns or less) for a federal PM₁₀ nonattainment area classified as serious.
4. 10 tpy of one HAP or 25 tpy of two or more HAPs.
5. Any lesser quantity threshold promulgated by the U.S. EPA.

Y. *Maximum Achievable Control Technology (MACT) Standard* A "maximum achievable control technology standard" refers to any maximum achievable control technology emission limit or other requirement promulgated pursuant to section 112(d) of the CAA as set forth in 40 CFR Part 63.

Z. *Minor Permit Modification* A "minor permit modification" is any modification to a federally-enforceable condition on a permit to operate which: 1) is not a significant permit modification, and 2) is not an administrative permit amendment.

AA. Permit Modification A "permit modification" is any addition, deletion, or revision to a permit to operate condition.

BB. Potential to Emit For the purposes of Rule 500, "potential to emit" as it applies to an emissions unit and a stationary source is defined below.

1. Emissions Unit. The "potential to emit" for an emissions unit is the maximum capacity of the unit to emit a regulated air pollutant or HAP considering the unit's physical and operational design. Physical and operational limitations on the emissions unit shall be treated as part of its design, if the limitation are set forth in permit conditions or in rules or regulations that are legally and practicably enforceable by U.S. EPA and citizens or by the District. Physical and operational limitations shall include, but are not limited to, the following: limits placed on emissions; and restrictions on operations such as hours of operation and type or amount of material combusted, stored, or processed.

2. Stationary Source. The "potential to emit" for a stationary source is the sum of the potential to emit from all emissions units at the stationary source. If two or more HAPs are emitted at a stationary source, the potential to emit for each of those HAPs shall be combined to determine applicability. Fugitive emissions shall be considered in determining the potential to emit for:

- 1) Sources specified in 40 CFR Part 70.2 Major Sources, subsection (2) (i) through (xxvi),
- 2) sources of HAP emissions, and
- 3) any other stationary source category regulated under section 111 or 112 of the CAA and for which the U.S. EPA has made an affirmative determination by rule under section 302(j) of the CAA.

Notwithstanding the above, any HAP emissions from any oil or gas exploration or production well (with its associated equipment) and any pipeline compressor or pump station shall not be aggregated with emissions of similar units for the purpose of determining a major source of HAPs, whether or not such units are located in contiguous areas or are under common control.

CC. Preconstruction Permit A "preconstruction permit" is a permit authorizing construction prior to construction and includes:

1. A preconstruction permit issued pursuant to a program for the prevention of significant deterioration of air quality required by section 165 of the CAA.
2. A preconstruction permit issued pursuant to a new source review program required by sections 172 and 173 of the CAA.

DD. Regulated Air Pollutant A "regulated air pollutant" is any pollutant: 1) which is emitted into or otherwise enters the ambient air, and 2) for which the U.S. EPA has adopted an emission limit, standard, or other requirement. Regulated air pollutants include:

1. Oxides of nitrogen and volatile organic compounds;
2. Any pollutant for which a national ambient air quality standard has been promulgated pursuant to section 109 of the CAA;
3. Any pollutant subject to a new source performance standard promulgated pursuant to section 111 of the CAA;
4. Any ozone-depleting substance specified as a Class I (chlorofluorocarbons) or Class II (hydrofluorocarbons) substance pursuant to Title VI of the CAA; and
5. Any pollutant subject to a standard or requirement promulgated pursuant to section 112 of the CAA, including:
 - a. Any pollutant listed pursuant to section 112(r) of the CAA (Prevention of Accidental Releases) shall be considered a "regulated air pollutant" upon promulgation of the list.
 - b. Any HAP subject to a standard or other requirement promulgated by the U.S. EPA pursuant to section 112(d) or adopted by the District pursuant to 112(g) and (j) of the CAA shall be considered a "regulated air pollutant" for all sources or categories of sources: 1) upon promulgation of the standard or requirement, or 2) 18 months after the standard or requirement was scheduled to be promulgated pursuant to section 112(e)(3) of the CAA.
 - c. Any HAP subject to a District case-by-case emissions limitation determination for a new or modified source, prior to the U.S. EPA promulgation or scheduled promulgation of an emissions limitation shall be considered a "regulated air pollutant" when the determination is made pursuant to section 112(g)(2) of the CAA. In case-by-case emissions limitation determinations, the HAP shall be considered a "regulated air pollutant" only for the individual source for which the emissions limitation determination was made.

EE. Responsible Official "Responsible official" means one of the following:

1. For a corporation, a president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative of such person if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities applying for or subject to a permit and either:
 - a. The facilities employ more than 250 persons or have gross annual sales or expenditures exceeding \$25 million (in second quarter 1980 dollars); or
 - b. The delegation of authority to such representative is approved in advance by the APCO.

2. For a partnership or sole proprietorship, a general partner or the proprietor, respectively.
3. For a municipality, state, federal, or other public agency, either a principal executive officer or a ranking elected official.
4. For an acid rain unit subject to Title IV (Acid Deposition Control) of the CAA, the "responsible official" is the designated representative of that unit for any purposes under Title IV and Rule 500.

FF. Significant Permit Modification A "significant permit modification" is any modification to a federally-enforceable condition on a permit to operate which:

1. Involves any permit modification under section 112(g) of Title I of the CAA or under U.S. EPA regulations promulgated pursuant to Title I of the CAA, including 40 CFR Parts 51, 52, 60, 61, and 63.
2. Significantly changes monitoring conditions.
3. Provides for the relaxation of any reporting or recordkeeping conditions.
4. Involves a permit term or condition which allows a source to avoid an applicable federal requirement, including: 1) a federally-enforceable voluntary emissions cap assumed in order to avoid triggering a modification requirement of Title I of the CAA, or 2) an alternative HAP emission limit pursuant to section 112(i)(5) of the CAA.
5. Involves a case-by-case determination of any emission standard or other requirement.
6. Involves a source-specific determination for ambient impacts, visibility analysis, or increment analysis on portable sources.
7. Involves permit streamlining in accordance with subsection V.J. below; or
8. Involves the use of a District-only rule, in accordance with subsection V.K.1. below, in satisfaction of a requirement in the State Implementation Plan.

GG. Solid Waste Incinerator A "solid waste incinerator" is any incinerator which burns solid waste material from commercial, industrial, medical, general public sources (e.g., residences, hotels, or motels), or other categories of solid waste incinerators subject to a performance standard promulgated pursuant to sections 111 or 129 of the CAA.

The following incinerators are excluded from the definition of "solid waste incinerator" for the purpose of Rule 500:

1. Any hazardous waste incinerator required to obtain a permit under the authority of section 3005 of the Solid Waste Disposal Act (42 U.S.C. section 6925).
2. Any materials recovery facility which primarily recovers metals.
3. Any qualifying small power production facility as defined in 16 U.S.C.A. section 796(17)(C).
4. Any qualifying cogeneration facility which burns homogenous waste for the production of energy as defined in 16 U.S.C.A. section 796(18)(B).
5. Any air curtain incinerator which burns only wood, yard, or clean lumber waste and complies with the opacity limitations to be established by the Administrator of the U.S. EPA.

HH. Stationary Source For the purposes of Rule 500, a "stationary source" is any building, structure, operation, facility, or installation (or any such grouping) that:

1. Emits, may emit, or results in the emissions of any regulated air pollutant or HAP;
2. Is located on one or more contiguous or adjacent properties;
3. Is under the ownership, operation, or control of the same person (or persons under common control) or entity; and
4. Belongs to a single major industrial grouping; for example, each building, structure, operation, facility, or installation in the grouping has the same two-digit code under the system described in the 1987 Standard Industrial Classification Manual.

II. United States Environmental Protection Agency (U.S. EPA) "United States Environmental Protection Agency" refers to the Administrator or appropriate delegee of the "United States Environmental Protection Agency."

JJ. Voluntary Emissions Cap A "voluntary emissions cap" is an optional, federally-enforceable emissions limit on one or more emissions unit(s) which a source assumes in order to avoid an applicable federal requirement. The source remains subject to all other applicable federal requirements.

500.III Applicability

A. Sources Subject to Rule 500 The sources listed below are subject to the requirements of Rule 500:

1. A major source except, when the U.S. EPA finalizes the underlying related requirements in 40 CFR part 70, for a source classified as a major source solely because it has the potential to emit

major amounts of a pollutant listed pursuant to section 112(r)(3) of the CAA and is not otherwise a major source as defined in subsection II.X. above;

2. A source with an acid rain unit for which application for an Acid Rain Permit is required pursuant to Title IV of the CAA;
3. A solid waste incinerator subject to a performance standard promulgated pursuant to section 111 or 129 of the CAA;
4. Any other source in a source category designated by rule of the U.S. EPA; and
5. Any source that is subject to a standard or other requirement promulgated pursuant to section 111 or 112 of the CAA, published after July 21, 1992, that the U.S. EPA does not exempt from the requirements of Title V of the CAA.

B. Sources Exempt from Rule 500 The sources listed below are not subject to the requirements of Rule 500:

1. Any stationary source that would be required to obtain a permit solely because it is subject to 40 CFR Part 60, Subpart AAA (Standards of Performance for New Residential Wood Heaters);
2. Any stationary source that would be required to obtain a permit solely because it is subject to 40 CFR Part 61, Subpart M, section 145 (National Emission Standards for Asbestos, Standard for Demolition and Renovation); and
3. Any other source in a source category deferred pursuant to 40 CFR Part 70.3, by U.S. EPA rulemaking, unless such source is otherwise subject to Title V (i.e., it is a major source).

500.IV Administrative Procedures for Sources

A. Permit Requirement and Application Shield A source shall operate in compliance with permits to operate issued pursuant to Rule 500. Rule 500 does not alter any applicable requirement that a source obtain preconstruction permits.

If a responsible official submits, pursuant to Rule 500, a timely and complete application for a permit, a source shall not be in violation of the requirement to have a permit to operate until the APCO takes final action on the application. The application shield here will cease to insulate a source from enforcement action if a responsible official of the source fails to submit any additional information requested by the APCO pursuant to subsection IV.C.2.c, below.

If a responsible official submits a timely and complete application for an initial permit, the source shall operate in accordance with the requirements of any valid permit to operate issued pursuant to section 42301 of the H&SC until the APCO takes final action on the application. If a responsible official submits a timely and complete application for renewal of a permit to operate, the source shall operate in accordance with the permit to operate issued pursuant to Rule 500,

notwithstanding expiration of this permit, until the APCO takes final action on the application.

The application shield does not apply to sources applying for permit modifications. For permit modifications, a source shall operate in accordance with the permit to operate issued pursuant to Rule 500 and any temporary permit to operate issued pursuant to section 42301.1 of the H&SC.

B. Application Requirements

1. Initial Permit

a. For a source that is subject to Rule 500 on the date the rule becomes effective, a responsible official shall submit a standard District application within 10 months after the date the rule becomes effective.

b. For a source that becomes subject to Rule 500 after the date the rule becomes effective, a responsible official shall submit a standard District application within 6 months of the source commencing operation or of otherwise becoming subject to Rule 500.

c. For a source with an acid rain unit subject to Phase II of the Acid Deposition Control Program of Title IV of the CAA, initial Phase II acid rain permits shall be submitted to the District by January 1, 1996 for sulfur dioxide and for coal-fired units by January 1, 1998 for oxides of nitrogen.

2. Permit Renewal For renewal of a permit, a responsible official shall submit a standard District application no earlier than 18 months and no later than 6 months before the expiration date of the current permit to operate. Permits to operate for all emissions units at a stationary source shall undergo simultaneous renewal.

3. Significant Permit Modification After obtaining any required preconstruction permits, a responsible official shall submit a standard District application for each emissions unit affected by a proposed permit revision that qualifies as a significant permit modification. Upon request by the APCO, the responsible official shall submit copies of the latest preconstruction permit for each affected emissions unit. The emissions unit(s) shall not commence operation until the APCO takes final action to approve the permit revision.

4. Minor Permit Modification After obtaining any required preconstruction permits, a responsible official shall submit a standard District application for each emissions unit affected by the proposed permit revision that qualifies as a minor permit modification. The emissions unit(s) affected by the proposed permit modification shall not commence operation until the APCO takes final action to approve the permit revision. In the application, the responsible official shall include the following:

a. A description of the proposed permit revision, any change in emissions, and additional applicable federal requirements that will apply;

b. Proposed permit terms and conditions; and

c. A certification by a responsible official that the permit revision meets criteria for use of minor permit modification procedures and a request that such procedures be used.

5. Acid Rain Unit Permit Modification A permit modification of the acid rain portion of the operating permit shall be governed by regulations promulgated pursuant to Title IV of the CAA.

C. Application Content and Correctness

1. Standard District Application The standard District application submitted shall include the following information:

a. Information identifying the source;

b. Description of processes and products (by Standard Industrial Classification Code) including any associated with proposed alternative operating scenarios;

c. Identification of fees specified in District Regulation VI, Fees;

d. A listing of all existing emissions units at the stationary source and identification and description of all points of emissions from the emissions units in sufficient detail to establish the applicable federal requirements and the basis for fees pursuant to section VII, below;

e. Citation and description of all applicable federal requirements, information and calculations used to determine the applicability of such requirements and other information that may be necessary to implement and enforce such requirements;

f. Calculation of all emissions, including fugitive emissions, in tons per year and in such terms as are necessary to establish compliance with all applicable District, state, or federal requirements for the following:

1) All regulated air pollutants emitted from the source,

2) Any HAP that the source has the potential to emit in quantities equal to or in excess of 10 tons per year, and

3) If the source has the potential to emit two or more HAPs in quantities equal to or in excess of 25 tons per year, all HAPs emitted by the source;

g. As these affect emissions from the source, the identification of fuels, fuel use, raw materials, typical production rates, maximum production or usage rates, operating schedules, limitations on source operation or workplace practices;

- h. An identification and description of air pollution control equipment and compliance monitoring devices or activities;
- i. Other information required by an applicable federal requirement (or a District-only rule in accordance with subsection V.K.1., below);
- j. The information needed to define permit terms or conditions implementing a source's options for operational flexibility, including alternative operating scenarios, pursuant to subsection V.G., below;
- k. A compliance plan and compliance schedule with the following:
 - 1) A description of the compliance status of each emissions unit within the stationary source with respect to applicable federal requirements, except as provided below:
 - a) For all applicable federal requirements which are to be satisfied by compliance with the requirements of a permit streamlining proposal made in accordance with subsection IV.C.1.s., below, the responsible official may certify compliance with only the requirements of the permit streamlining proposal if data on which to base such a certification is submitted or referenced with the application. The application shall include an attachment that demonstrates that compliance with the requirements of the permit streamlining proposal ensures compliance with the identified applicable federal requirements that are being subsumed.
 - b) In order to certify compliance with a corresponding requirement in the State Implementation Plan, the responsible official may certify compliance with a District-only rule, if data on which to base such a certification is submitted or referenced with the application, and if the use of the District-only rule is proposed and approved in accordance with subsection IV.C.1.t., below.
 - 2) A statement that the source will continue to comply with such applicable federal requirements that the source is in compliance,
 - 3) A statement that the source will comply, on a timely basis, with future effective requirements which have been adopted, and
 - 4) A description of how the source will achieve compliance with requirements for which the source is not in compliance, however, if the source complies with a District-only rule addressed in a proposal submitted in accordance with subsection IV. C.1.t., below, no description is needed to address the corresponding State Implementation Plan requirement unless otherwise required by the District;
- l. A schedule of compliance, which resembles and is at least as stringent as that contained in any judicial consent decree, administrative order, or schedule approved by the District hearing board if required by state law and which identifies remedial measures with specific increments of progress, a final compliance date, testing and monitoring methods, record keeping requirements,

and a schedule for submission of certified progress reports to the U.S. EPA and the APCO at least every 6 months for a source that is: not in compliance at the time of permit issuance, renewal, and modification if the non-compliance is with units being modified) and is:

1) A streamlined emission limit proposed in accordance with subsection IV.C.1.s., below, or

2) A District-only rule proposed in accordance with subsection V.C.1.t., below, or

3) An applicable federal requirement not to be subsumed by a proposal submitted in accordance with subsection V.C.1.s. or V.C.1.t., below:

m. A certification by a responsible official of all reports and other documents submitted for permit application, compliance progress reports at least every 6 months, statements on compliance status with any applicable enhanced monitoring, and compliance plans at least annually which shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete;

n. For a source with an acid rain unit, an application shall include the elements required by 40 CFR Part 72;

o. For a source of HAPs, the application shall include verification that a risk management plan has been prepared in accordance with section 112(r) of the CAA and registered with the authorized local fire or health department; and

p. For proposed portable sources, an application shall identify all locations of potential operation and how the source will comply with all applicable District, state, and federal requirements at each location.

q. In lieu of providing the information specified in subsection IV.C.1.e., above, an owner or operator may, upon written concurrence from the APCO, stipulate that the source is a major source and/or that identified applicable federal requirements apply to the source. A stipulation does not preclude the APCO from requiring the submittal of subsequent additional information in accordance with this rule.

r. An owner or operator may, upon written concurrence from the APCO, reference documents that contain the information required in subsections IV.C.1.a. through j. and o., provided the documents are specifically and clearly identified, and are readily available to the District and to the public. Each reference shall include, at a minimum, the title or document number, author and recipient if applicable, date, identification of relevant sections of the document, and identification on specific application content requirements and source activities or equipment for which the referencing applies. A reference does not preclude the APCO from requiring the submittal of information to supplement or verify the referencing or the submittal of other additional information in accordance with this rule.

s. The application may contain a proposal for permit streamlining of two or more sets of applicable federal requirements and/or District-only requirements, to be reviewed by the District in accordance with subsection V.J., below. The application shall clearly note any proposal for permit streamlining. The permit streamlining proposal shall include the most stringent of multiple applicable emission limitations for each regulated air pollutant in order to ensure compliance with all applicable requirements for each emission unit or group of emission units. For purposes of this paragraph, an alternative or hybrid emission limit that is at least as stringent as any applicable emission limitation or a District-only requirement which meets the criteria set forth in section V.K., below, may be submitted, provided the limits ensure compliance with all applicable requirements for each emission unit or group of emissions unit:

1) A side-by-side comparison of all District-only and applicable federal requirements that are currently applicable and effective.

Requirements for emissions and/or work practice standards shall be distinguished from provisions for monitoring and compliance demonstration.

2) A determination of the most stringent emissions and/or performance standard (or any hybrid or alternative limits as appropriate) and the documentation relied upon to make this determination.

3) A proposal for one set of permit terms and conditions to include the most stringent emissions limitations and/or standards (including pertinent workpractice standards). Appropriate monitoring and its associated record keeping and reporting requirements, and such other conditions as are necessary to ensure compliance with all applicable federal requirements affected by the proposal. The most stringent emission limits shall be determined in accordance with the criteria in section II.A.2.(a) of "White Paper Number 2 for Improved Implementation of The Part 70 Operating Permits Program, " U.S. EPA Office of Air Quality Planning and Standards, dated March 5, 1996. Streamlining of workpractice standards shall be consistent with the guidance in section II.A.2(b) of "White Paper Number 2 for Improved Implementation of The Part 70 Operating Permits Program, " U.S. EPA Office of Air Quality Planning and Standards, dated March 5, 1996. Streamlining of monitoring, record keeping, and reporting requirements shall be consistent with the guidance in section II.A.2(e) of "White Paper Number 2 for Improved Implementation of The Part 70 Operating Permits Program, " U.S. EPA Office of Air Quality Planning and Standards, dated March 5, 1996.

4) If there is pertinent source compliance data, a certification that the source complies with the streamlined emission limits and that compliance with the streamlined emission limit ensures compliance, in accordance with subsection IV.C.1.k., above, with all applicable federal requirements affected by the proposal.

5) A compliance schedule to implement any new monitoring/ compliance approach relevant to the streamlined limit if the emissions unit is unable to comply with the streamlined limit at the time of permit issuance. The record keeping, monitoring, and reporting requirements of the applicable federal requirements being subsumed shall continue to apply (as would the requirement for the emission unit to operate in compliance with each of its emission limits) until the new streamlined compliance approach becomes operative.

6) A proposal for a permit shield in accordance with subsection IV.C.1.u., below, for the applicable federal requirements and the District-only requirements associated with the streamlining proposal.

7) If the proposal includes the use of any District-only requirement(s) as a requirement of permit streamlining, an authorization for the APCO to identify such District-only requirement(s), and any streamlined monitoring, record keeping, or reporting requirements derived from it, in the permit as a federally-enforceable condition in accordance with H&SC Section 42301.12(a)(3).

8) Other pertinent information as specified by the APCO, including supplementary information pertaining to paragraphs 1) through 6) of this subsection.

t. If the application contains a proposal to address a District-only rule that has been submitted to the U.S. EPA for State Implementation Plan approval, in lieu of a corresponding requirement in the State Implementation Plan, the application shall include the following additional information:

1) An indication that this approach is being proposed, a list or cross-reference of all requirements from pertinent District-only rules that are eligible for this approach, and reference to the list maintained for this purpose by the District.

2) Identification of the State Implementation Plan requirements that the District-only rule(s) would replace.

3) A compliance certification for the requirements of the pertinent District-only rule(s) in lieu of the requirements in the State Implementation Plan in accordance with subsection IV.C.1.k., above.

4) A proposal for a permit shield in accordance with subsection IV.C.1.u., below, for the affected applicable federal requirements in the State Implementation Plan.

5) An authorization for the APCO to identify in the permit, in accordance with H&SC section 42301.12(a)(3), any such District-only emission limit and any associated District-only monitoring, record keeping, or reporting requirements as a federally enforceable condition.

6) Other information as specified by the APCO in accordance with this rule.

u. The application may contain a proposal for a permit shield to be reviewed by District in accordance with subsection V.L., below, and to be included in the permit. The proposal shall indicate the applicable federal requirements and the District-only requirements for which the permit shield is sought. The proposal shall also specify the emissions unit(s) for which the permit shield is sought or whether the permit shield is sought for the entire stationary source.

v. Activities identified as insignificant in Attachment 1 of Rule 500 based upon size and production rate shall be listed in the permit application. An application may not omit information

needed to determine the applicability of, or to impose, any applicable requirement, or to evaluate the fee amount required in Section VII of this rule. (Reference: 40 CFR Part 70.5(c).

2. Correctness of Applications

a. Upon written request of the APCO, a responsible official shall supplement any complete application with additional information within the time frame specified by the APCO.

b. A responsible official shall promptly provide additional information in writing to the APCO upon discovery of submittal of any inaccurate information as part of the application or as a supplement thereto, or of any additional relevant facts previously omitted which are needed for accurate analysis of the application.

c. Intentional or negligent submittal of inaccurate information shall be reason for denial of an application and are subject to penalty per HS&C.

D. Written Requests for District Action A responsible official shall submit a written request to the APCO for the following permit actions:

1. Administrative Permit Amendment For an administrative permit amendment, a responsible official may implement the change addressed in the written request immediately upon submittal of the request.

2. Permit Modification for a Condition that is not Federally Enforceable For a permit modification for a condition that is not federally enforceable, a responsible official shall submit a written request in accordance with the requirements of District Rule 401.

3. Permits to Operate for New Emissions Units For permits to operate for a new emissions unit at a stationary source, a responsible official shall submit a written request in accordance with the requirements of District Rule 401, except under the following circumstances:

a. The construction or operation of the emissions unit is a modification under U.S. EPA regulations promulgated pursuant to Title I of the CAA, including 40 CFR Parts 51, 52, 60, 61, 63.

b. The construction or operation of the emissions unit is addressed or prohibited by permits for other emissions units at the stationary source.

c. The emissions unit is an acid rain unit subject to Title IV of the CAA.

In the circumstances specified in subsections a., b., or c., above, a responsible official shall apply for a permit to operate for the new emissions unit pursuant to the requirements of Rule 500.

E. Response to Permit Reopening For Cause Upon notification by the APCO of a reopening of

a permit for cause for an applicable federal requirement pursuant to section V.H., below, a responsible official shall respond to any written request for information by the APCO within the time frame specified by the APCO.

500.V District Administrative Procedures

A. Completeness Review of Applications The APCO shall determine if an application is complete and shall notify the responsible official of the determination within the following time frames:

1. For an initial permit, permit renewal, or a significant permit modification, within 60 days of receiving the application;
2. For a minor permit modification, within 30 days of receiving the application;

The application shall be deemed complete unless the APCO requests additional information or otherwise notifies the responsible official that the application is incomplete within the time frames specified above.

B. Notification of Completeness Determination The APCO shall provide written notification of the completeness determination to the U.S. EPA, the ARB and any affected state and shall submit a copy of the complete application to the U.S. EPA within five working days of the determination. If the application includes a proposal for permit streamlining, the APCO shall note this when submitting a copy of the complete application to the U.S. EPA. The APCO need not provide notification for applications from sources that are not major sources when the U.S. EPA waives such requirement for a source category by regulation or at the time of approval of the District operating permits program.

C. Application Processing Time Frames The APCO shall act on a complete application in accordance with the procedures in subsections D., E. and F., below (except as application procedures for acid rain units are provided for under regulations promulgated pursuant to Title IV of the CAA), and take final action within the following time frames:

1. For an initial permit for a source subject to Rule 500 on the date the rule becomes effective, no later than three years after the date the rule becomes effective.
2. For an initial permit for a source that becomes subject to Rule 500 after the date the rule becomes effective, no later than 18 months after the complete application is received.
3. For a permit renewal, no later than 18 months after the complete application is received.
4. For a significant permit modification, no later than 90 days after the complete application is received.

5. For a minor permit modification, within 90 days after the application is received or 60 days after written notice to the U.S. EPA on the proposed decision, whichever is later.

6. For any permit application with early reductions pursuant to section 112(i)(5) of the CAA, within 9 months from the date a complete application is received.

7. Provided the U.S. EPA has entered into a formal agreement with the APCO to expedite its review of a District-only rule, the APCO may delay issuance of the affected portions of a permit in accordance with subsection V.K.2., below, until the U.S. EPA formally acts to approve or disapprove a District-only rule submitted for inclusion in the State Implementation Plan. If the U.S. EPA disapproves the District-only rule, the APCO shall require the owner or operator to revise the application to address the corresponding requirements in the State Implementation Plan not yet addressed and to provide additional information as specified by the APCO in accordance with this rule. The APCO shall specify an expeditious time frame for the owner or operator to submit the revised application.

D. Notification and Opportunity for Review of Proposed Decision Within the applicable time frame specified in subsection V.C., above, the APCO shall provide notice of and opportunity to review the proposed decision to issue a permit to operate in accordance with requirements in this subsection. Fees for requests for documentation may be charged in accordance with District policy and Regulation VI.

1. For initial permits, renewal of permits, significant permit modifications, and reopenings for cause, the APCO shall provide the following:

a. Written notice, the proposed permit and, upon written request, copies of the District analysis to interested persons or agencies. The District analysis shall include a statement that sets forth the legal and factual basis for the proposed permit conditions, including references to the applicable statutory and regulatory provisions. Interested persons or agencies shall include persons who have requested in writing to be notified of proposed Rule 500 decisions, any affected state and the ARB.

b. On or after providing written notice pursuant to subsection a., above, public notice that shall be published in at least one newspaper of general circulation in the District, and if necessary, by other means to assure adequate notice to the affected public. The notice shall provide the following information:

1) The identification of the source, the name and address of permit holder, the activity(ies) and emissions change involved in the permit action;

2) The name and address of the District, the name and telephone number of District staff to contact for additional information;

3) The availability, upon request, of a statement that sets forth the legal and factual basis for the

proposed permit conditions;

4) The location where the public may inspect the complete application, the District analysis, and the proposed permit;

5) A statement that the public may submit written comments regarding the proposed decision within at least 30 days from the date of publication and a brief description of commenting procedures, and

6) A statement that members of the public may request a public hearing if a hearing has not been scheduled. The APCO shall provide notice of any public hearing scheduled to address the proposed decision at least 30 days prior to such hearing in accordance with District Rule 424.B.

c. A copy of the complete application, the District analysis and the proposed permit at District offices for public review and comment during normal business hours;

d. A written response, including reasons for not accepting comments and recommendations for a proposed permit, to persons or agencies that submitted written comments which are postmarked by the close of the public notice and comment period. All written comments and responses to such comments shall be sent to all commenters and kept on file at the District office and made available upon request.(Reference: 40 CFR Part 70.7(h)(5) and 70.8)

e. After completion of the public notice and comment period pursuant to subsection a., above, written notice to the U.S. EPA of the proposed decision along with copies of the proposed permit, the District analysis, the public notice submitted for publication, the District's response to written comments, and all necessary supporting information.

2. For minor permit modifications, the APCO shall provide written notice of the proposed decision to the U.S. EPA, the ARB, and any affected state. Additionally, the District shall provide to the U.S. EPA (and, upon request, to the ARB or any affected state) copies of the proposed permit, the District analysis, and all necessary supporting information. The District analysis shall include a statement that sets forth the legal and factual basis for the proposed permit conditions, including references to the applicable statutory and regulatory provisions.

E. Changes to the Proposed Decision Changes to the proposed decision shall be governed by the following procedure:

1. The APCO may modify or change the proposed decision, the proposed permit, or the District analysis on the basis of information set forth in the comments received during the public comment period provided pursuant to subsection D.1.a., above, or due to further analysis of the APCO. Pursuant to subsection D.1.e., above, the APCO shall forward any such modified proposed decision, the proposed permit, the District analysis, and all necessary supporting information to the U.S. EPA.

2. If the U.S. EPA objects in writing to the proposed decision within 45 days of being notified of the decision and receiving a copy of the proposed permit and all necessary supporting information pursuant to subsection D.1.e., above, the APCO shall not issue the permit. Also, if the public petitions the U.S. EPA within 60 days after the end of the U.S. EPA's 45-day review period and the permit has not yet been issued, the APCO shall not issue the permit until U.S. EPA objections in response to the petition are resolved. The APCO shall either deny the application or revise and resubmit a permit which addresses the deficiencies identified in the U.S. EPA objection within the following time frames:

a. For initial permits, permit renewals, and significant permit modifications, within 90 days of receiving the U.S. EPA objection.

b. For minor permit modifications, within 90 days of receipt of the application or 60 days of the notice to U.S. EPA, whichever is later.

F. Final Decision If the U.S. EPA does not object in writing within 45 days of the notice provided pursuant to subsection D.1.e., above, or the APCO submits a revised permit pursuant to subsection E.2., above, the APCO shall, expeditiously, deny the application or issue the final permit to operate. In any case, the APCO shall take final action on an application within the applicable time frame specified in subsection C., above. Failure of the APCO to act on a permit application or permit renewal application in accordance to the time frames provided in subsection C., above, shall be considered final action for purposes of obtaining judicial review to require that action on the application be taken expeditiously.

Written notification of the final decision shall be sent to the responsible official of the source, the U.S. EPA, the ARB and any person or affected state that submitted comments during the public comment period. The APCO shall submit a copy of a permit to operate as issued to the U.S. EPA and provide a copy to any person or agency requesting a copy. If the application is denied, the APCO shall provide reasons for the denial in writing to the responsible official along with the District analysis and cite the specific statute, rule, or regulation upon which the denial is based. Fees for requests for documentation may be charged in accordance with District policy and Regulation VI.

G. District Action on Written Requests The APCO shall act on a written request of a responsible official for permit action using the applicable procedure specified in this subsection.

1. Administrative Permit Amendment The APCO shall take final action no later than 60 days after receiving the written request for an administrative permit amendment.

a. After designating the permit revisions as an administrative permit amendment, the APCO may revise the permit without providing notice to the public or any affected state.

b. The APCO shall provide a copy of the revised permit to the responsible official and the U.S. EPA.

c. While the APCO need not make a completeness determination on a written request, the APCO shall notify the responsible official if the APCO determines that the permit cannot be revised as an administrative permit amendment.

2. *Permit Modification for a Condition that is not Federally Enforceable* The APCO shall take action on a written request for a permit modification for a condition that is not federally enforceable in accordance with the requirements of District Rule 401 under the following circumstances:

a. Any change at the stationary source allowed by the permit modification shall comply with all permit streamlining requirements imposed in accordance with subsection V.J., below, all District-only rules imposed in accordance with subsection V.K.1., below, and all applicable federal requirements not subsumed by permit streamlining requirements imposed in accordance with subsection V.J., below, or District-only rules substituting for provisions of the State Implementation Plan pursuant to subsection V.K.1., below, and shall not violate any existing permit term or condition; and

b. The APCO shall provide to the U.S. EPA a contemporaneous written notice describing the change, including the date, any change in emissions or air pollutants emitted, and any applicable federal requirement that would apply as a result of the change.

3. *Permits to Operate for New Emissions Unit* The APCO shall take action on a written request for a permit to operate for a new emissions unit in accordance with the requirements of District Rule 401 under the circumstances specified in subsection 2.a. and 2.b., above. However, if subsections IV.D.3.a., IV.D.3.b., or IV.D.3.c., above, apply, the APCO shall require the submittal of a standard District application and take action on that application pursuant to the requirements of Rule 500.

H. *Permit Reopening for Cause* The APCO shall reopen and revise a permit to operate during the annual review period required by section 42301(c) of the H&SC, or petition the District hearing board to do so pursuant to section 42307 of the H&SC, whichever is applicable, prior to its expiration date upon discovery of cause for reopening or upon notification of cause for reopening by the U.S. EPA, or within 18 months of promulgation of a new applicable federal requirement. The APCO shall act only on those parts of the permit for which cause to reopen exists.

1. Circumstances that are cause for reopening and revision of a permit include, but are not limited to, the following:

a. The need to correct a material mistake or inaccurate statement.

b. The need to revise or revoke a permit to operate to assure compliance with permit streamlining

requirements imposed in accordance with subsection V.J., below, District-only rules imposed in accordance with subsection V.K.1., below, and all applicable federal requirements not subsumed by permit streamlining requirements imposed in accordance with subsection V.J., below, or District-only rules substituting for provisions of the State Implementation Plan pursuant to subsection V.K.1., below.

c. The need to incorporate any new, revised, or additional applicable federal requirements, if the remaining authorized life of the permit is 3 years or greater, no later than 18 months after the promulgation of such requirement (where less than 3 years remain in the authorized life of the permit, the APCO shall incorporate these requirements into the permit to operate upon renewal).

d. The need to reopen a permit issued to any acid rain unit subject to Phase II of Title IV of the CAA to include:

1) Oxides of nitrogen requirements prior to January 1, 1999, and

2) Additional requirements promulgated pursuant to Title IV as they become applicable to any acid rain unit governed by the permit.

2. In processing a permit reopening, the APCO shall use the same procedures as for an initial permit and additionally:

a. Provide written notice to a responsible official and the U.S. EPA at least 30 days, or a shorter period in the case of an emergency, prior to reopening a permit; and

b. Complete action to revise the permit as specified in the notice of reopening within 60 days after the written notice to the U.S. EPA pursuant to subsection D.1.e., if the U.S. EPA does not object, or after the APCO has responded to U.S. EPA objection pursuant to subsection E.2., above.

I. Options for Operational Flexibility The APCO shall allow specified changes in operations at a source without requiring a permit revision for conditions that address an applicable federal requirement. The APCO shall not allow changes which constitute a modification under Title I of the CAA or District Rule 401, or that result in an exceedance of the emissions allowable under the permit, whether expressed therein as a rate of emissions or in terms of total emissions without revision to the permit. The source may gain operational flexibility through use of the following options:

1. Alternative Operating Scenarios The APCO shall allow the use of alternative operating scenarios provided that:

a. Terms and conditions applicable to each operating scenario are identified by the responsible official in the permit application,

b. The terms and conditions are approved by the APCO,

- c. The terms and conditions are incorporated into the permit; and
- d. The terms and conditions are in compliance with all applicable District, state, and federal requirements.

A permit condition shall require a contemporaneous log to record each change made from one operating scenario to another.

2. *Voluntary Emissions Caps* The APCO shall issue a permit that contains terms and conditions that allow for trading of emissions increases and decreases within the stationary source solely for the purpose of complying with a voluntary emissions cap established in the permit independent of otherwise applicable federal requirements provided that:

- a. The requirements of subsections 1.a., 1.c., and 1.d., above, are met;
- b. The terms and conditions are approved by the APCO as quantifiable and enforceable; and
- c. The terms and conditions are consistent with the applicable preconstruction permit.

A permit condition shall require that a responsible official provide written notice to the U.S. EPA and APCO 30 days in advance of a change by clearly requesting operational flexibility under this subsection of Rule 500. The written notice shall describe the change, identify the emissions unit which will be affected, the date on which the change will occur and the duration of the change, any change in emissions of any air pollutant, whether regulated or not, and any new emissions of any air pollutant not emitted before the change, whether regulated or not.

3. *Contravening an Express Permit Condition* The APCO shall allow for changes in operation that contravene an express condition addressing an applicable federal requirement in a permit to operate provided that:

- a. The change will not violate any applicable federal requirement or any previously District-only rule used in accordance with subsection V.K.1., below:
- b. The change will not contravene federally-enforceable conditions that are monitoring (including test methods), recordkeeping, reporting, or compliance certification requirements;
- c. The change is not a modification under Title I of the CAA or any provision of District Rule 401;
- d. The change does not result in exceeding the emissions allowable under the permit, whether expressed therein as a rate of emissions or in terms of total emissions;

e. Written notice is given to the U.S. EPA and APCO 30 days in advance of a change, and the notice clearly indicates which term or condition will be contravened, requests operational flexibility under this subsection, describes the change, identifies the emissions units which will be affected, the date on which the change will occur, the duration of the change, any change in emissions of any air pollutant, whether regulated or not, and any new emissions of any air pollutant not emitted before the change, whether regulated or not; and

f. The APCO has not provided a written denial to the responsible official within 30 days of receipt of the request for an operational change.

J. Permit Streamlining The APCO may approve a proposal in the application, submitted in accordance with subsection IV.C.1.s., above, for permit streamlining, provided the proposal and the permit terms and conditions are sufficient to ensure compliance with all applicable federal requirements for each emission unit or group of emission units and with subsection VI., "Permit Content Requirements," below. The APCO shall not approve any streamlined permit term or condition unless it is enforceable as a practical matter. Streamlined permit terms and conditions based on District-only requirements shall be federally-enforceable in accordance with H&SC section 42301.12(a)(3). The permit shall include a permit shield provided in accordance with subsection V.L., below, for the applicable federal requirements and the District-only requirements subsumed by the permit streamlining action.

The APCO may approve a proposal which includes either: 1) the most stringent of multiple applicable emission limitations (including work practice and operational standards) for each regulated air pollutant, or 2) an alternative or hybrid emission limitation that is at least as stringent as any applicable emission limitation, or 3) a District-only requirement which meets the criteria set forth in subsequent V.K., below, and is at least as stringent as the applicable federal requirements(s) which it subsumes.

K. Requirements From the State Implementation Plan

1. In response to a proposal in the application submitted in accordance with subsection IV.C.1.t., above, the APCO may issue a permit with permit terms and conditions in accordance with section VI., "Permit Content Requirements," below, based on a District-only rule in lieu of a corresponding rule in the State Implementation Plan, provided the following requirements are met:

a. Compliance with one of the following criteria:

1) The U.S. EPA has determined in writing that the District-only rule is at least as stringent as, and ensures compliance with, the corresponding rule in the applicable State Implementation Plan, or

2) The owner or operator has demonstrated to the satisfaction of the APCO and U.S. EPA, expressed in writing, that compliance with the District-only rule assures compliance with the corresponding rule in the State Implementation Plan, and

b. Once the permit is issued, the permit terms and conditions based on the District-only rule shall be federally enforceable in accordance with H&SC section 42301.12(a)(3) and subsection VI.A.2. The permit shall include a permit shield provided in accordance with subsection V.L., below, for the applicable federal requirements associated with the District-only rule. The requirements of the corresponding rule in the Implementation Plan shall remain federally enforceable until the U.S. EPA approves the District-only rule for inclusion in the State Implementation Plan. If, after permit issuance, the District or U.S. EPA determines that the permit does not assure compliance with applicable federal requirements, the permit shall be reopened.

2. Provided the U.S. EPA has entered into a formal agreement with the APCO to expedite its review of a District-only rule, the APCO may delay issuance of the affected portions of the permit until the U.S. EPA formally acts to approve or disapprove the District-only rule submitted for inclusion in the State Implementation Plan.

L. Permit Shield

1. In response to a proposal in the application, the APCO may include in the permit a provision stating that compliance with specifically identified conditions of the permit shall be deemed compliance with any applicable federal requirement(s) or with any District-only requirement(s) set forth in accordance with subsection V.J., above, as of the date of permit issuance, provided that:

a. Such applicable federal requirements and/or District-only requirements are specifically identified and included in the permit; or

b. The APCO, in acting on the permit application or revision, determines in writing that other specifically identified requirements are not applicable to the source, and the permit includes the determination or a concise summary thereof.

2. When a permit shield is provided by the APCO for permit streamlining in accordance with subsection V.J., above, the permit shield shall be effective only when the source is in compliance with the streamlined emission limits (including applicable work standards and operation practices), during which time no enforcement action shall be taken for noncompliance with subsumed requirements. If the source is not in compliance with the streamlined emission limits, the permit shield shall not be in effect and enforcement action may be taken for noncompliance with subsumed emissions limitations to the extent that such noncompliance can be established.

3. A permit that does not expressly state that a permit shield exists shall be presumed not to provide such a shield.

4. A permit shield shall not be provided for the following:

- a. Any minor permit modification.
 - b. Any change in operation allowed by subsection V.I.3., above, for contravening an express permit condition.
 - c. Any change in operation or any permit modification pursuant to subsection V.G.2. or V.G.3., above.
5. The provisions of subsection V.L.1., above, shall not alter or affect any of the following:
- a. The provisions of section 303 (emergency orders) of the CAA including the authority of the U.S. EPA Administrator.
 - b. The liability of an owner or operator of a source for any violation of applicable federal requirements prior to or at the time of permit issuance.
 - c. The applicable federal requirements prior to or at the time of permit issuance.
 - d. The ability of the U.S. EPA or APCO to implement and enforce the provisions of section 114 of the CAA and regulations promulgated thereunder.
 - e. The applicability of state or District-only requirements that are not associated with any permit streamlining action in accordance with subsection V.J., above, at the time of permit issuance but which do apply to the source.
 - f. The applicability of regulatory requirements with compliance dates after the permit issuance date.

500.VI Permit Content Requirements. A permit-to-operate shall contain permit conditions that will ensure compliance with all requirements of permit streamlining imposed in accordance with subsection V.J.1., above, all District-only rules which apply in accordance with subsection V.K.1., above, and all applicable federal requirements not subsumed by such permit streamlining requirements or District-only rules.

A. Incorporation of Applicable Federal Requirements

1. A permit to operate shall incorporate all applicable federal requirements (or District-only rules which apply in accordance with subsection V.K.1., above, in lieu of applicable federal requirements) as permit conditions. Streamlining, if any, of requirements shall be accomplished in accordance with subsection V.J., above.
2. A permit condition that addresses an applicable federal requirement a permit streamlining requirement imposed in accordance with subsection V.J. above, or a District-only rule which applies in accordance with subsection V.K.1., above, shall be specifically identified in the permit, or otherwise distinguished from any requirement that is not enforceable by the U.S. EPA in accordance with H&SC section 42301.12(a)(3);.

B. General Requirements All permits to operate shall contain the conditions or terms consistent with 40 CFR Part 70.6 Permit Content, including:

1. Emission and Operational Limitations The permit shall contain terms and conditions that ensure compliance with all permit streamlining requirements imposed in accordance with subsection V.J., above, all District-only rules which apply in accordance with subsection V.K.1., above, and all applicable federal requirements not submitted by such permit streamlining requirements or District-only rules, including any operational limitations or requirements.

2. Preconstruction Permit Requirements The permit shall include all of the preconstruction permit conditions for each emissions unit.

3. Origin and Authority for Permit Conditions The origin and authority for each permit term or condition shall be referenced in the permit. If a permit term or condition is used to subsume requirements in accordance with this rule, the origin and authority of the subsumed requirements shall also be referenced in the permit.

4. Equipment Identification The permit shall identify the equipment to which a permit condition applies.

5. Monitoring, Testing, and Analysis The permit shall contain terms and conditions that require monitoring, analytical methods, compliance certification, test methods, equipment management, and statistical procedures consistent with all permit streamlining requirements imposed in accordance with subsection V.J., above, all District-only rules which apply in accordance with subsection V.K.1., above, and all applicable federal requirements, including those pursuant to sections 114(a)(3) and 504(b) of the CAA, and 40 CFR Part 64 not subsumed by such permit streamlining requirement(s) or District-only rules. Periodic monitoring shall be required as a condition to ensure that the monitoring is sufficient to yield reliable data which are representative of the source's compliance with permit conditions over the relevant time period.

6. Recordkeeping The permit shall include recordkeeping conditions that require:

a. Record maintenance of all monitoring and support information associated with all permit streamlining requirement imposed in accordance with subsection V.J., above, all District-only rules which apply in accordance with subsection V.K.1., above, and all applicable federal requirement not subsumed by such permit streamlining requirement(s) or District-only rules, including:

- 1) Date, place, and time of sampling;
- 2) Operating conditions at the time of sampling;
- 3) Date, place, and method of analysis; and
- 4) Results of the analysis;

- b. Retention of records of all required monitoring data and support information for a period of at least five years from the date of sample collection, measurement, report, or application; and
- c. Any other recordkeeping deemed necessary by the APCO to ensure compliance with all permit streamlining requirements imposed in accordance with subsection V.J., above, all District-only rules which apply in accordance with subsection V.K.1., above, and all applicable federal requirements not subsumed by such permit streamlining requirement(s) or District-only rules.

7. Reporting The permit shall include reporting conditions that require the following:

- a. Any deviation from permit requirements, including that attributable to upset conditions (as defined in the permit), shall be promptly reported to the APCO who will determine what constitutes "prompt" reporting in terms of the requirement, the degree, and type of deviation likely to occur;
- b. A monitoring report shall be submitted at least every six months and shall identify any deviation from permit requirements, including that previously reported to the APCO (see subsection 7.a. above);
- c. All reports of a deviation from permit requirements shall include the probable cause of the deviation and any preventative or corrective action taken;
- d. A progress report shall be made on a compliance schedule at least semi-annually and shall include: 1) the date when compliance will be achieved, 2) an explanation of why compliance was not, or will not be, achieved by the scheduled date, and 3) a log of any preventative or corrective action taken; and
- e. Each monitoring report shall be accompanied by a written statement from the responsible official which certifies the truth, accuracy, and completeness of the report.

8. Compliance Plan The permit shall include a compliance plan that:

- a. Describes the compliance status of an emissions unit with respect to each applicable federal requirement, except as provided below:
 - 1) For all applicable federal requirements which are satisfied by compliance with a permit streamlining requirement approved by the District in accordance with subsection V.J., above, the responsible official may certify compliance with the streamlined requirement(s) if there is data on which to base such a certification. The compliance plan shall include an attachment that indicates that compliance with the permit streamlining requirement ensures compliance with the identified applicable federal requirements that are being subsumed.
 - 2) In lieu of a corresponding requirement in the State Implementation Plan, the responsible official may certify compliance with a District-only rule allowed by the District in accordance with subsection V.K.1., above, if there is data on which to base such a certification:

b. Describes how compliance will be achieved if an emissions unit is not in compliance with an applicable federal requirement at the time of permit issuance. However, if the emissions unit complies with a District-only rule in accordance with subsection V.K.1., above, no description is needed to address the corresponding State Implementation Plan requirement unless otherwise required by the District:

c. Assures that an emissions unit will continue to comply with those permit conditions with which it is in compliance; and

d. Assures that an emissions unit will comply with any future applicable federal requirement on a timely basis.

9. *Compliance Schedule* The permit shall include a compliance schedule for any emissions unit which is not in compliance, at the time of permit issuance, renewal, and modification (if the non-compliance is with units being modified), with any permit streamlining requirement imposed in accordance with subsection V.J., above, and any current applicable federal requirement not subsumed by such permit streamlining requirement(s) or District-only rules. The compliance schedule shall resemble and be at least as stringent as that contained in any judicial consent decree, administrative order, or schedule approved by the District hearing board if required by state law and shall require:

a. A statement that the emissions unit will continue to comply with those permit conditions with which it is in compliance;

b. A statement that the emissions unit will comply with any future applicable federal requirement on a timely basis;

c. For each condition with which the emissions unit is not in compliance with a permit streamlining requirement imposed in accordance with subsection V.J., above, a District-only rule which applies in accordance with subsection V.K.1., above, or an applicable federal requirement not subsumed by such permit streamlining requirements or District-only rules, a schedule of compliance which lists all preventative or corrective activities, and the dates when these activities will be accomplished; and

d. For each emissions unit that is not in compliance with a permit streamlining requirement imposed in accordance with subsection V.J., above, a District-only rule which applies in accordance with subsection V.K.1., above, or an applicable federal requirement not subsumed by such a permit streamlining requirements or District-only rules, a schedule of progress on at least a semi-annual basis which includes: 1) the date when compliance will be achieved, 2) an explanation of why compliance was not, or will not be, achieved by the scheduled date, and 3) a log of any preventative or corrective actions taken.

10. *Right of Entry* The permit shall require that the source allow the entry of the District, ARB, or U.S. EPA officials for the purpose of inspection and sampling, including:

- a. Inspection of the stationary source, including equipment, work practices, operations, and emission-related activity;
- b. Inspection and duplication of records required by the permit to operate; and
- c. Source sampling or other monitoring activities.

11. Compliance with Permit Conditions The permit shall include the following provisions regarding compliance:

- a. The permittee shall comply with all permit conditions;
- b. The permit does not convey property rights or exclusive privilege of any sort;
- c. The non-compliance with any permit condition is grounds for permit termination, revocation and reissuance, modification, enforcement action, or denial of permit renewal;
- d. The permittee shall not use the "need to halt or reduce a permitted activity in order to maintain compliance" as a defense for non-compliance with any permit condition;
- e. A pending permit action or notification of anticipated non-compliance does not stay any permit condition; and
- f. Within a reasonable time period, the permittee shall furnish any information requested by the APCO, in writing, for the purpose of determining: 1) compliance with the permit, or 2) whether or not cause exists for a permit or enforcement action.

12. Emergency Provisions The permit shall include the following emergency provisions:

- a. The responsible official shall submit to the District a properly signed contemporaneous log or other relevant evidence which demonstrates that:
 - 1) An emergency occurred;
 - 2) The permittee can identify the cause(s) of the emergency;
 - 3) The facility was being properly operated at the time of the emergency;
 - 4) All steps were taken to minimize the emissions resulting from the emergency; and
 - 5) Within two working days of the emergency event, the permittee provided the district with a description of the emergency and any mitigating or corrective actions taken;
- b. In any enforcement proceeding, the permittee has the burden of proof for establishing that an emergency occurred; and

c. In addition to the emergency provisions above, the permittee shall comply with the emergency or upset provisions contained in all permit streamlining requirements imposed in accordance with subsection V.J., above, all District-only rules which apply in accordance with subsection V.K. 1., above, and all applicable federal requirements not subsumed by such permit streamlining requirement(s) or District-only rules and District Rule 516 requirements.

13. *Severability* The permit shall include a severability clause to ensure the continued validity of otherwise unaffected permit requirements in the event of a challenge to any portion of the permit.

14. *Compliance Certification* The permit shall contain conditions for compliance certification which include the following requirements:

a. The responsible official shall submit a compliance certification to the U.S. EPA and the APCO every 12 months or more frequently as specified in an applicable requirement or by the District. All compliance reports and other documents required to be submitted to the District by the responsible official shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete;

b. The compliance certification shall identify the basis for each permit term or condition (e.g., specify the emissions limitation, standard, or work practice) and a means of monitoring compliance with the term or condition;

c. The compliance certification shall include the compliance status and method(s) used to determine compliance for the current time period and over the entire reporting period; and

d. The compliance certification shall include any additional inspection, monitoring, or entry requirement that may be promulgated pursuant to sections 114(a) and 504(b) of the CAA.

15. *Permit Life* With the exception of acid rain units subject to Title IV of the CAA and solid waste incinerators subject to section 129(e) of the CAA, each permit to operate for any source shall include a condition for a fixed term not to exceed five years from the time of issuance. A permit to operate for an acid rain unit shall have a fixed permit term of five years. A permit to operate for a solid waste incinerator shall have a permit term of 12 years; however, the permit shall be reviewed at least every five years.

16. *Payment of Fees* The permit shall include a condition to ensure that appropriate permit fees are paid on schedule. If fees are not paid on schedule, the permit is revoked. Operation without a permit subjects the source to potential enforcement action by the District and the U.S. EPA pursuant to section 502(a) of the CAA.

17. *Alternative Operating Scenarios* Where a responsible official requests that an alternative operating scenario be included in the permit for an emissions unit, the permit shall contain specific conditions for each operating scenario, including each alternative operating scenario. Each operating scenario, including each alternative operating scenario, identified in the permit

must ensure compliance with all permit streamlining requirements imposed in accordance with subsection V.J., above, all District-only rules which apply in accordance with subsection V.K.1., above, and all applicable federal requirements not subsumed by such permit streamlining requirement(s) or District-only rules, and all of the requirements of this section. Furthermore, the source is required to maintain a contemporaneous log to record each change from one operating scenario to another.

18. *Voluntary Emissions Caps* To the extent applicable federal requirements provide for averaging emissions increases and decreases within a stationary source without case-by-case approval, a responsible official may request, subject to approval by the APCO, to permit one or more emissions unit(s) under a voluntary emissions cap. The permit for each emissions unit shall include federally-enforceable conditions requiring that:

- a. All permit streamlining requirements imposed in accordance with subsection V.J., above, all District-only rules which apply in accordance with subsection V.K.1., above, and all applicable federal requirements not subsumed by such permit streamlining requirement(s) or District-only rules, including those authorizing emissions averaging, are complied with;
- b. No individual emissions unit shall exceed any emissions limitation, standard, or other requirement;
- c. Any emissions limitation, standard, or other requirement shall be enforced through continuous emission monitoring, where applicable; and
- d. All affected emissions units under a voluntary emissions cap shall be considered to be operating in violation of the permit, if the voluntary emissions cap is exceeded.

19. *Acid Rain Units Subject to Title IV* The permit for an acid rain unit shall include conditions that require compliance with any federal standard or requirement promulgated pursuant to Title IV (Acid Deposition Control) of the CAA and any federal standard or requirement promulgated pursuant to Title V of the CAA, except as modified by Title IV. Acid rain unit permit conditions shall include the requirements of 40 CFR Part 72.9 and the following provisions:

- a. The sulfur dioxide emissions from an acid rain unit shall not exceed the annual emissions allowances (up to one ton per year of sulfur dioxide may be emitted for each emission allowance allotted) that the source lawfully holds for that unit under Title IV of the CAA or the regulations promulgated pursuant to Title IV;
- b. Any increase in an acid rain unit's sulfur dioxide emissions authorized by allowances acquired pursuant to Title IV of the CAA shall not require a revision of the acid rain portion of the operating permit provided such increases do not require permit revision under any other applicable federal requirement;
- c. Although there is no limit on the number of sulfur dioxide emissions allowances held by a source, a source with an acid rain unit shall not use these emissions allowances as a defense for noncompliance with any applicable federal requirement or District requirement; and

d. An acid rain unit's sulfur dioxide allowances shall be accounted for according to the procedures established in regulations promulgated pursuant to Title IV of the CAA.

20. *Portable Sources* The permit for any portable source, which may operate at two or more locations, shall contain conditions that require the portable source to:

- a. Meet all applicable District, state, and federal requirements at each location;
- b. Specify the monitoring methods, or other methods (e.g. air quality modeling) approved by the APCO, that will be used to demonstrate compliance with all District, state, and federal requirements; and
- c. Notify the APCO ten working days prior to a change in location.

21. *Permit Shield* In response to a proposal in the application and upon approval by the APCO, the permit may contain a permit shield in accordance with subsection V.L., above. The permit shield shall specify the requirements of permit streamlining, the applicable federal requirements, and the District-only requirements for which the permit shield applies. The permit shield shall also state the specific emission units for which the permit shield applies whether the permit shield applies to the stationary source.

C. Referencing of District and Applicable Federal Requirements In lieu of specifying detailed requirements, the permit may reference documents that contain the detailed requirements; provided the documents are specifically and clearly identified, and are readily available to the District and to the public. Each reference shall include, at a minimum, the title or document number, author and recipient if applicable, date, citation of relevant sections of the rule or document, and identification of specific source activities or equipment for which the referencing applies.

500.VII Supplemental Annual Fee. The fees collected pursuant to this section shall supplement the fee requirements in District Regulation VI.

A. Payment of Supplemental Fee Upon program approval by the U.S. EPA, a responsible official, or his or her designee, shall pay an annual supplemental fee for a permit to operate pursuant to this rule as determined by the calculation method in subsection B. below to meet an overall fee rate of \$25.00 per ton of fee-based emissions (CPI adjusted).

1. "Fee-based emissions" means the actual rate of emissions in tons per year of any fee pollutant, including fugitive emissions, emitted from the stationary source over the preceding year or any other period determined by the APCO to be representative of normal operation. Fee-based emissions shall be calculated using each emission unit's actual operating hours, production rates,

and in-place control equipment; types of material processed, stored, or combusted during the preceding calendar year, or other time period established by the APCO.

2. "Fee pollutant" means oxides of nitrogen, volatile organic compounds, any pollutant for which a national ambient air quality standard has been promulgated by the U.S. EPA (excluding carbon monoxide), and any other pollutant that is subject to a standard or regulation promulgated by the U.S. EPA under the CAA or adopted by the District pursuant to Section 112(g) and (j) of the CAA. Any air pollutant that is regulated solely because of a standard or regulation under Section 112(r) of the CAA for accidental release or under Title VI of the CAA for stratospheric ozone protection shall not be included.

3. "(CPI adjusted)" means adjusted by the percentage, if any, by which the Consumer Price Index of the year exceeds the Consumer Price Index for calendar year 1989. The value for (CPI adjusted) shall be obtained from the U.S. EPA.

B. Determination of Supplemental Fee The supplemental annual fee shall be determined by completing the following steps:

Step 1: Calculation of Supplemental Annual Fee

$$s = [\$25 \text{ per ton (CPI adjusted)} \times e] - f$$

where:

s = supplemental annual fee in dollars

e = fee-based emissions in tons per year

f = sum (in dollars) of annual fee under District Regulation VI (Permit Fee Rule) that funds direct and indirect costs associated with activities related to the operating permits program as specified in Section 502(b)(3)(A) of the CAA.

Step 2: When the Supplemental Annual Fee is Zero

If "f" is equal to or greater than "[\\$25 per ton (CPI adjusted) x e]," then "s" shall be zero and subsection B., above, applies. If "f" is less than "[\\$25 per ton (CPI adjusted) x e]," then "s" shall be as calculated in Step 1.

C. Submittal of Information The responsible official, or his or her designee, shall provide the APCO sufficient information to determine the supplemental fee.

D. Submittal of Information An owner or operator of a source, or his or her delegee, shall provide the APCO sufficient information to determine the supplemental fee.