

**Sec. 4-8. Installation permit, temporary operating permit, certificate of operation and solid fuel permit.**

*(a) Installation Permit.*

- (1) No person shall construct, install, reconstruct or alter any fuel burning, refuse burning, process or control equipment until an application, together with plans and specifications applicable to the work on the equipment and structures or buildings used in connection therewith, has been filed by the person or his agent in the office of, and has been approved by, the director and an Installation Permit issued by him for such construction, installation or alteration.
- (2) The plans and specifications, submitted pursuant to Paragraph (a) (1) of this section, shall show the form and dimension of the process, fuel-burning, refuse-burning, or control equipment, together with the description and dimensions of the building or part thereof in which such process, fuel burning, refuse burning, or control equipment is to be located; the character of the fuel to be used; the maximum quantity of such fuel to be burned per hour; the kind and amount of basic materials processed; the expected air contaminant emission rate; the operating requirements; contaminant concentration; gas volume, and gas temperature at the emission point; the location and elevation of the emission point relative to nearby structures, window openings, etc.; a flow diagram showing the equipment under consideration and its relationship to other processes, if any, and a general description of these processes; any other reasonable and pertinent information that may be required by the director. The plans and specifications shall show that the room or premises in which fuel, refuse burning or process equipment is to be located is provided with adequate ventilation to provide sufficient air for the process and for the safety of people.
- (3) Maintenance or repair or physical transfer of any installed equipment within the premises of original installation which does not change the capacity of such process or control equipment, and which does not involve any change in the method of processing or increase the amount or alter the characteristics of the emission of air pollutants therefrom may be made without an Installation Permit. The physical transfer of any installed equipment to a location other than within the premises of original installation shall cause said equipment to be reclassified as new equipment.
- (4) The requirement for filing plans and specifications involving the installation, erection, construction, reconstruction, alteration, or repair of, or addition to, any

fuel or refuse burning equipment or process equipment or the building of pilot plants or process, to be used or to become part of a secret process is hereby suspended upon the filing with the Bureau, in lieu of the filing of plans and specification, of an affidavit of a responsible person to the effect that such equipment or process is to be so used. Such person shall be required to furnish bond in favor of the County and in amount to be set by the board. Said bond to be conditioned upon compliance with this regulation and to provide for forfeiture upon proof of a violation of any provision of this regulation by the subject secret process; provided that proof of a violation of any provision of this regulation shall prima facie a presumption of fact that said violation was a violation by the subject secret process. Provided, however, the type and emission rate of each contaminant shall in no event be deemed to be secret information subject to the protection of the provisions of this paragraph shall institute and conduct a self-monitoring system and shall report the results thereof when and as required by the director. The suspension of the filing of such plans and specifications shall in no way relieve the person or persons responsible for the secret process from complying with all other provisions of this regulation.

- (5) No construction, installation, reconstruction, or alteration shall be made which is not in accordance with the plans, specifications, and other pertinent information upon which the Installation Permit was issued without the written approval of the director.
- (6) Violation of the Installation Permit shall be sufficient cause for the director to stop all work, and he is hereby authorized to seal the institution. No further work shall be done until the director is assured that the condition in question will be corrected and that the work will proceed in accordance with the Installation Permit.
- (7) If work is begun in violation of Installation Permit requirements, the director may grant such permit, conditional upon removal of all faulty work. The Installation Permit fee shall be doubled in such cases. Provided, however, that this provision shall not be construed as authorizing such violation.
- (8) If the work authorized under the Installation Permit is not started within one year of the date of the Installation Permit, the permit shall become void and all fees shall be forfeited, unless an extension of time is warranted and granted by the director.
- (9) An emergency repair other than as specified in subsection (a)(3) of this Section may be made prior to the application for an Installation Permit if serious consequences

may result if the repair were deferred. When such repair is made, the person concerned shall notify the director on the first business day after the emergency occurred and file an application for an Installation Permit if directed to do so by the director.

(10) Upon review of the required plans and specifications, an application shall be approved and rejected within a reasonable time after it is filed in the office of the director. Upon the approval of the application and upon the payment of the prescribed fees, the director shall issue an Installation Permit. Issuance of an Installation Permit will not be construed to indicate compliance with the requirements of the Building Code of Hamilton County or any other regulations of Hamilton County.

(11) Any person, upon receiving a rejection of an application for an Installation Permit, may modify his plans and specifications to meet the requirements of this regulation and resubmit them to the Bureau. This procedure must be followed until approval of the application is granted.

(12) The director shall reject any application for an installation permit and may require further tests or information if:

- a. The proposed construction, installation or alteration or the anticipated emission of air contaminants does not meet the provisions of this regulation;
- b. The proposed emission control equipment is of a type reasonably anticipated by the director, not to be adequate for its intended usage;
- c. The proposed construction, installation or alteration will interfere with the attainment or maintenance of an ambient air quality standard.

(13) The director may reject any application for an Installation Permit and require further tests or information if:

- a. In his opinion, the proposed construction, installation or alteration or the anticipated emission of air contaminants does not meet the provisions of this regulation.
- b. The proposed emission control equipment is of a type reasonably anticipated by the director, not to be adequate for its intended usage.

(14) No building permit shall be issued to any person by the Building Inspector for the erection, construction, reconstruction, alteration, addition or major repair of any structure when the plans or specifications for such structures include any fuel or refuse burning equipment or process

equipment until such plans and specifications have been submitted to the director and an Installation Permit issued.

(15)The Bureau shall have the right to enter the premises and inspect the installation in progress at any reasonable time.

(16) The following fee schedule shall apply to the issuance of all installation permits. A source shall be required to pay the required fee prior to issuance of an installation permit to that source. Said fees shall be collected by the director and remitted to the City of Chattanooga finance officer as fiscal agent for the board who shall accumulate such fees in an account dedicated to the board for air pollution control activities.

**INSTALLATION PERMITS**

**SCHEDULE 4-8-A-I. FUEL-BURNING EQUIPMENT**

Fees shall be assessed based upon the design fuel burning rate per unit as expressed in millions of British thermal units (Btu) per hour, using gross heating values of the fuel.

<u>Fuel Burning Rate (Million Btu per Hour)</u>	<u>Fee</u>
0.5 to 4.99 .....	\$ 530.00
5 to 14.99 .....	625.00
15 to 99.99 .....	720.00
100 or greater .....	960.00

(NOTE: One boiler horsepower is equivalent to approximately 33,472 Btu per hour)

**SCHEDULE 4-8-A-II. INCINERATORS**

Fees shall be assessed based upon the design input incineration rate as expressed in pounds per hour.

<u>Incineration Rate (Pounds per Hour)</u>	<u>Fee</u>
Up to 200 .....	\$ 100.00
200 to 599 .....	200.00
600 to 999 .....	295.00
1,000 to 1,999 .....	385.00
2,000 to 4,999 .....	480.00
5,000 to 9,999 .....	580.00
10,000 or greater .....	680.00

+ \$ 90.00 for each additional 100 lbs/hr over 10,000 lbs/hour

**SCHEDULE 4-8-A-III. PROCESS EQUIPMENT**

Fees shall be assessed based upon the design input process weight per hour as expressed in pounds per hour.

<u>Process Weight (Pounds per Hour)</u>	<u>Fee</u>
Up to 999 .....	\$200.00
1,000 to 9,999 .....	340.00
10,000 to 49,999 .....	480.00
50,000 to ~49,999 .....	625.00
150,000 to 499,999 .....	780.00
500,000 to 999,999 .....	910.00
1,000,000 or greater .....	960.00

(NOTE: Examples of this type of equipment include: chemical processing equipment; crushing, grinding or milling equipment; and metal forming equipment.)

#### **SCHEDULE 4-8-A-IV. ODOR PRODUCING EQUIPMENT**

Each unit shall be assessed a fee of three hundred eighty-five dollars (\$385.00).

(NOTE: Examples of this type of equipment include: tar and asphalt kettles, varnish and paint heating kettles, and rendering kettles.)

#### **SCHEDULE 4-8-A-V. MISCELLANEOUS**

Any article, machine, equipment or other contrivance which is not included in the preceding schedules shall be assessed a fee three hundred eighty-five dollars (\$385.00) per unit.

(b) *Temporary operating permit.*

(1) No person shall operate or cause to be operated any new or altered fuel burning, refuse burning or process or control equipment or any equipment pertaining thereto for which an installation permit was required or was issued until a temporary operating permit is issued by the director. The person responsible for the installation, construction or alteration of any fuel-burning, refuse-burning or process or control equipment for which installation permit is required, shall give notification to the director when the work is completed and ready for final inspection. The director is hereby authorized to seal the equipment in operation for which temporary operating permit was not obtained as required in this regulation. This notification to the director shall include:

a. The equipment or control apparatus in consideration.

b. Any control equipment connected or attached to, or serving, or served by the unit unless up to date information is on file with the bureau.

c. Any reasonable additional information, evidence or documentation to show that the completed work is in accord with the original plans as stipulated in subsection (a) of this section.

(2) Failure to operate successfully under test within the limitations and requirements of the regulation under a temporary operating permit shall constitute sufficient grounds for ordering changes in the installation before a certificate of operation can be granted. Responsibility for proof, and all expenses incurred in running the tests under the temporary operating permit shall be borne by the person owning, operating or in charge of control of such equipment, or their agents. The director may, if in his opinion the nature of the installation in consideration of the use to which it is to be put so justified, waive the demonstration or test operation under the temporary operating permit, but such waiver shall in no manner provide immunity from prosecution for violations of the requirements of the regulation.

(3) The Bureau shall have the right to enter the owner's premises to inspect the installation and observe any test or operation of the equipment for which a temporary operating permit was issued.

(4) A temporary operating permit shall be valid for not in excess of six months (6) after the date of issue. Extensions of time not in excess of three (3) months may be granted by the director. Upon the expiration of such permit or of such extensions as may be granted, application for a certificate of operation must be made as is hereinbefore provided.

(5) A fee of thirty dollars (\$60.00) will be assessed for the issuance of each temporary operating permit, and for each extension thereof should an extension be granted, which fee shall be collected by the bureau and remitted to the city treasurer. No fee shall be required for permits upon control equipment.

*(c) Certificate of operation.*

(1) After the temporary operating permit has been issued and it is demonstrated to the satisfaction of the director that the fuel burning, refuse burning, or process in control equipment can be operated in compliance with this regulation, a certificate of operation shall be issued by the director. Said certificate of operation shall be kept on file and made available to bureau representatives upon request. The certificate of operation shall properly identify the equipment to which it pertains and shall specify the class of fuel and type of raw material used, if any, for which the equipment and appurtenances have been designed or which have been successfully used

in the operating test. The owner or his agent shall be responsible for notifying the director that equipment for which a temporary operating permit has been issued has been tested and is ready for permanent operation. With such notification the owner shall submit to the director test and operation data as requires by the director obtained during the temporary operating period for use as evidence that the equipment will operate in compliance with all provisions of the regulation.

The certificate of operation shall be issued for a one-year period and shall be renewable annually. Application for renewal of the certificate of operation shall be made in writing upon forms furnished by the bureau and shall be made not less than sixty (60) days prior to expiration of the certificate for which renewal is sought. Disclosures of information, tests and other prerequisites to the issue of an installation permit, temporary operating permit or original certificate of operation may be required by director prior to issue of a renewal certificate of operation. The director may re fuse to renew a certificate of operation or require further tests or information if he determines that the equipment is not in compliance with all the provisions of this regulation.

## (2)Sampling and Testing

a.*Authorization.* The director is authorized to conduct or cause to be conducted by the owner any test or tests of any new or installed equipment, the operation of which, in his opinion, can be expected to result in emissions in excess of the limitations in this regulation, or when, in his judgement, there is evidence that any such equipment is exceeding any emission limitation prescribed in said regulation.

The director may, at his discretion, accept certification tests submitted by the owner, if in his judgement, these tests are sufficient to determine that the limitations of this chapter will not be exceeded.

The director or a representative of the director shall be permitted to witness any testing.

b.*Test openings, scaffolding and facilities.* When test(s) of existing equipment are deemed necessary by the director and the director elects to conduct such test himself or have his representative conduct such test, the owner shall, at his expense, provide test openings, access scaffolding and other pertinent facilities as requested by the director. Such facilities may be either permanent or temporary, at the discretion of the owner subject to these provisions; and shall be suitable for determination consistent with the emission limits established in

this regulation; and shall comply with all laws and regulations concerning safe construction of, and safe practice in connection with such facilities; provided, however, that if the owner elects to provide temporary facilities then in the event future tests are desired by the director the owner shall, at his expense, provide further facilities when requested by the director.

*c. Departmental test.* Nothing in these rules and regulations concerning tests conducted by and paid for by and person or his authorized agent shall be deemed to abridge the rights of the director or his representative to conduct separate or additional tests if he so desires on behalf of the bureau of air pollution control and at the department's expense, except as in the section or this section covering test openings, scaffolding and facilities.

*d. Cost of test.* The owner is liable for the cost of initial tests of any equipment and test resulting from any change in equipment, methods or conditions of operation. Initial tests will include all testing performed for the purpose of demonstrating compliance with the regulation for permits to install and operate. If the results of further tests performed by the Bureau show the owner to be a violator, the owner is responsible for paying all attendant costs of such test. If said test(s) does not substantiate a violation of this regulation, then the bureau shall be responsible for paying all attendant costs for conducting said test(s) except those costs occurring for test openings, scaffolding and facilities. If the owner so elects to conduct his own test after any change in equipment, method or condition of operation, the owner, so electing, shall pay for the test(s) irrespective of their outcome. The data obtained during any such testing shall be made available to the director and the owner.

*e. Methods and procedures.* Sampling and analytical determinations to ascertain compliance with these rules shall be made in accordance with methods and procedures acceptable to the director of the air pollution control Bureau.

(3) When a certificate of operation is refused, suspended, revoked, or has expired, the director is authorized to seal the process or control equipment until the owner shall have complied with the provisions of this regulation, and no person shall operate any equipment which requires a certificate of operation until such a certificate shall have been obtained. No person shall cause, suffer, allow or permit the operation of any equipment which requires a certificate of operation until such a certificate shall have been obtained.

No person shall cause, suffer, allow or permit the operation of any equipment which requires a certificate of operation if a previously issued certificate of operation has expired or has been refused, suspended or revoked.

(4)The director shall have authority to require owners, operators or persons in responsible charge of stationary sources to install, maintain, and use emission monitoring devices and to make periodic reports to the director on the nature and amounts of emissions from such stationary sources. The director shall have authority to make such data available to the public as reported and as correlated with any applicable emission standards or limitations.

(5)*Fees.* The following fee schedule shall apply to the issuance of certificates of operation. Said fees shall be collected by the Bureau and remitted to the city treasurer. Fees shall be assessed on categories identical to those in the installation permit of this regulation.

(12) *Fees for Certificate(s) of Operation.*

- a. *Fees.* A source shall be required to pay the required fee prior to issuance of any certificate of operation to that source and to maintain the certificate of operation, once issued.
- b. The following fee schedule shall apply to the initial issuance of any certificate of operation. Said fees shall be collected by the director and remitted to the City of Chattanooga finance officer as fiscal agent for the board, who shall accumulate such fees in an account dedicated to the board for air pollution control activities

**INITIAL CERTIFICATE OF OPERATION**

**SCHEDULE 4-8-C-I. FUEL-BURNING EQUIPMENT**

<u>Fuel Burning Rate (Million Btu per Hour)</u>	<u>Fee</u>
0.5 to 4.99 .....	\$720.00
5 to 14.99 .....	820.00
15 to 99.99 .....	960.00
100 or greater .....	1,105.00

**SCHEDULE 4-8-C-II. INCINERATORS**

<u>Incineration Rate (Pounds per Hour)</u>	<u>Fee</u>
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Up to 200 .....	\$340.00
200 to 599.....	385.00
600 to 999 .....	440.00
1,000 to 1,999 .....	480.00
2,000 to 4,999 .....	530.00
5,000 to 9,999 .....	580.00
10,000 or greater .....	625.00
+ \$45.00 for each additional 100 lbs/hr over 10,000 lbs/hr	

**SCHEDULE 4-8-C-III. PROCESS EQUIPMENT**

<u>Process Weight (Pounds per Hour)</u>	<u>Fee</u>
Up to 999 .....	\$440.00
1,000 to 9,999 .....	580.00
10,000 to 49,999 .....	720.00
50,000 to 149,999 .....	865.00
150,000 and greater .....	960.00

**SCHEDULE 4-8-C-IV. ODOR PRODUCING EQUIPMENT**

Each unit shall be assessed a fee of \$385.00.

**SCHEDULE 4-8-C-V. MISCELLANEOUS**

Each unit shall be assessed a fee of \$385.00.

- c. ***Renewal Certificate of Operation Annual Fees.*** A source that has applied for renewal of one or more certificates of operation shall pay the required annual fee prior to issuance of any renewal certificate(s) of operation to it. Subsequent to issuance of any renewal certificate(s) of operation to a source, the source shall pay the required annual fee throughout the term of the permit, not later than the anniversary of issuance of any renewal certificate(s) of operation. Said fees shall be collected by the bureau director and remitted to the finance officer of the City of Chattanooga as the fiscal agent of the board, who shall accumulate such fees in an account dedicated to the board for air pollution control activities.

**RENEWAL CERTIFICATE OF OPERATION**

**SCHEDULE 4-8-C-VI. FUEL BURNING EQUIPMENT**

<u>Fuel Burning Rate (Million Btu per Hour)</u>	<u>Fee</u>
0.5 to 4.99 .....	\$ 340.00
5 to 14.99 .....	385.00

15 to 99 .99 .....	440.00
100 or greater .....	500.00

**SCHEDULE 4-8-C-VII. INCINERATORS**

<u>Incineration Rate (Pounds per Hour)</u>	<u>Fee</u>
Up to 200 .....	\$ 240.00
200 to 599 .....	260.00
600 to 999 .....	295.00
1,000 to 1,999 .....	350.00
2,000 to 4,999 .....	385.00
5,000 to 9,999 .....	425.00
10,000 or greater .....	460.00

**SCHEDULE 4-8-C-VIII. PROCESS EQUIPMENT**

<u>Process Weight (Pounds per Hour)</u>	<u>Fee</u>
Up to 999 .....	\$240.00
1,000 to 9,999 .....	340.00
10,000 to 49,999 .....	440.00
50,000 to 149,999 .....	530.00
150,000 to 499,999 .....	625.00
500,000 to 999,999 .....	720.00
1,000,000 or greater .....	820.00

**SCHEDULE 4-8-C-IX. ODOR PRODUCING EQUIPMENT**

Each unit shall be assessed a fee of \$240.00.

**SCHEDULE 4-8-C-X. MISCELLANEOUS**

Each unit shall be assessed a fee of \$240.00.

**(d) General provisions.**

(1) On and after the 14th day of October, 1972, no person shall operate or cause to be operated any existing fuel-burning, refuse-burning or process or control equipment or any equipment pertaining thereto which is subject to the provisions of this regulation unless and until a Certificate of Operation or an annual renewal thereof is issued to and validly outstanding for said equipment. Said Certificate of Operation shall be kept posted at or near the installation

for which it was issued. Application for a Certificate of Operation to be issued to existing equipment shall be made not later than the 1st day of July, 1972, and there shall be filed with and in support of said application all documents, information, reports, and records and other prerequisites which are required by this section to be filed with and in support of an application for Installation Permits, Temporary Operating Permits and Certificates of Operation as hereinabove set forth.

- (2) The issuance by the director of any Installation Permit, Temporary Operating Permit, Certificate of Operation, or renewal thereof, shall not be held to exempt the person to whom the permit or certificate was issued or the person who is in possession of the same, or any other person subject to this regulation from prosecution for any violation of any provisions of this regulation, or from action under any other provisions of this regulation.
- (3) No person shall cause, suffer, allow or permit the operation of any equipment or installation subject to the provisions of this regulation in violation of an authorized seal of said equipment or installation.
- (4) ***Duplicate permits.*** Duplicate permits or certificates of operation may be issued by the director if requested by the owner or operator. A fee of sixty dollars (\$60.00) shall be charged for issuing a duplicate installation permit or certificate of operation. A fee of \$240.00 shall be charged for issuing a duplicate Part 70 operating permit.
- (5) Duplicate permits may be issued by the director if notification is made by the person responsible within ten (10) days after the loss or destruction of the original certificate. A fee of \$15.00 shall be charged for issuing a duplicate permit.
- (6) Any equipment which can be classified as a minor pollution source and which is not subject to Section 4-8(e) "*Construction or modification permit,*" shall be exempted from the requirements of Section 4-8(a) and Section 4-8(b) but must have a certificate of operation. No person shall operate any such equipment until an application for a certificate of operation, together with plans and specifications of the equipment, has been filed by such person and a certificate of operation has been issued by the director. An annual fee of one hundred fifty-five dollars (\$155.00) shall be assessed for the issuance of a certificate of operation upon such equipment.
- (7) In no event shall any fee for Installation Permit, Temporary Operating Permit, or Certificate of Operation exceed the amount of Two Hundred (\$200.00) Dollars.
- (8) Any equipment which can be classified as a minor pollution source shall be exempted from the requirements of Sections 10-A and 10-B, but must have a Certificate

of Operation. No person shall operate any such equipment until an application for a Certificate of Operation, together with plans and specifications of the equipment, has been filed by such person and a Certificate of Operation has been issued by the director. An annual fee of \$5.00 shall be assessed for the issuance of a Certificate of Operation upon such equipment.

(9) Unless otherwise specified in this regulation all measurements or calculations of stack emission concentrations shall be corrected to the minimum amounts of air and water vapor which are necessary for the process operation. Such measurements or calculations shall be corrected to a standard temperature of seventy (70) degrees Fahrenheit and a standard pressure of seven hundred sixty (760) millimeters of mercury. All water vapor shall be treated as a perfect gas.

(e) *Construction or modification permit.*

(1) Except as provided in Section (e)2 of this regulation, the director shall not grant a permit for the construction or modification of any air contaminant source in any attainment area or unclassified area if such construction or modification will interfere with the maintenance of the air quality standard in an area where the construction or modification has a significant impact on air quality standards or will violate any provisions of these regulations or will violate any provisions of the Tennessee Air Quality Act.

(2) Non Attainment Areas - The director shall not grant a permit for construction or modification of any air contaminant source in a non-attainment area nor to any source that significantly impacts on a non-attainment area if such construction or modification will interfere with reasonable further progress in attainment of the specific air quality standard(s) or will violate any provision of the Tennessee Air Quality Act or will violate provisions of this chapter except in accordance with the following:

a. All new or modified sources shall utilize good engineering practice, as determined by the director, in designing stacks. The director will consider only stack heights that represents[sic] good engineering practice in determining whether emission control measures are sufficient.

b. All new or modified sources constructed or modified after the effective date of this provision which are not classified as major sources or major modifications shall utilize Best Available Control Technology (BACT) as determined by the director at the time of the permit application.

c. A new major source or major modification shall meet the Lowest Achievable Emission Rate (LAER) as determined by the director at the time of the permit application.

d. A major source or major modification shall also show that it will not interfere with reasonable further progress in attaining the ambient air quality standards by one of the following methods:

#### 1. Banked Credits

(i) By agreeing to control the non-attainment emissions to a rate lower than the non-attainment emissions specified as Reasonably Available Control Technology (RACT), the owner or operator of an air contaminant source has been reserved the right to utilize the incremental reduction between RACT and the Banked Credit Agreed Rate (BCAR) to provide for future growth in the non-attainment area.

(ii) The Banked Credit Agreed Rate is an emission rate more restrictive than RACT which is mutually agreed to by the director and an air contaminant source for the purpose of establishing a Banked Credit. This emission level is in no way related to BACT or LAER. Only sources in existence at the time of a non-attainment State Implementation Plan Revision for an area are eligible to establish a Banked Credit Agreed Rate.

(iii) The following limitations apply to the issuance of a permit for construction or modification for sources using Banked Credit Agreed Rate:

(A) All Banked Credits in a given non-attainment area shall become void upon official reclassification of that area as an attainment area.

(B) An increase in pounds per hour shall be offset by a Banked Credit of that amount. The Banked Credit Account will be reduced by that amount.

(C) The owner or operator shall demonstrate by air quality modeling or other methods that there is a net air quality benefit in the non-attainment area, taking into account

emissions credits used to offset them.

(D) A Banked Credit shall not be used until the Banked Credit Agreed Rate level of control is attained by the source involved and demonstrated through a source test or through another method acceptable to the director.

(E) The Banked Credit Agreed Rate shall be contained in the State Implementation Plan as the legally enforceable standard for the air contaminant source. If the source electing to use Banked Credits must reduce emissions to achieve the Banked Credit Agreed Rate level approved a compliance schedule shall be included in the State Implementation Plan revision.

## 2. Emission offsets.

(i) For major sources, a larger than one-to-one offset of emissions of the non-attainment pollutant, based on both allowable and actual emissions, shall be employed. This offset must result in a net improvement in predicted air quality for the pollutant in the area under the influence of emissions from new or modified major sources and insure that reasonable further progress shall not be hindered.

(ii) All or any portions of the offsets shall be consummated up to 180 days after operation of the new source commences and demonstrated through a source test or through another method acceptable to the director.

(iii) The reductions shall come from sources in the emission inventory used in the approved control strategy for the non-attainment area State Implementation Plan Revision.

(iv) The amount of the proposed reduction shall be sufficient to offset both the emission increases directly associated with the proposed source construction or modification and those emissions attributed to permitted minor sources of the same owner or operator that have come into the area since the last reasonable further progress milestone was

met.

3. Construction of new major sources or major modifications that have insufficient emission offsets or Banked Credits to meet the requirements of Paragraphs (e)(2)d.1 and (e)(2)d.2. The director may issue a construction permit to proposed new or modified sources provided the sources' emissions will not prevent reasonable further progress in the non-attainment area or will not prevent the ambient air quality standards from being met. Completed applications from sources qualifying for this provision will be processed in the order received by the Bureau. (Existing sources will not be required to offset any emissions resulting from permitting of a source for which no emission offsets or Banked Credits were provided.)

4. Combination of the provisions of paragraphs (e)(2)d.1, (e)(2)d.2 and (e)(2)d.3. of this section.

e. A source is identified as a major source for each pollutant as indicated below:

1. A major source for SO<sub>2</sub> is a source with uncontrolled emissions of more than 100 tons per year and allowable emissions (based on BACT) greater than any of the following:

Fifty (50) tons per year;  
One thousand (1000) lbs per day;  
One hundred (100) lbs per hour.

2. A major source for carbon monoxide is a source with uncontrolled emissions of greater than 1000 tons per year and allowable emissions (based on BACT) greater than any of the following:

Fifty (50) tons per year;  
One thousand (1000) lbs per day;  
One hundred (100) lbs per hour.

3. A major source for particulate matter is any source with uncontrolled emissions of more than 100 tons per year and allowable emissions of greater than 5 tons per year, 1000 lbs per day, or 100 lbs per hour (based on BACT).

Piecemeal construction is cumulative.

When an air contaminant source's new or modified allowable emissions equal or exceed the

above levels, it becomes a major source.

"Uncontrolled emissions" as used above means the capability at maximum capacity to emit a pollutant in the absence of air pollution control equipment. "Air pollution control equipment" includes control equipment which is not, aside from air pollution control laws and regulations, vital to production of the normal product of the source or to its normal operation. Annual uncontrolled emissions shall be based on the maximum annual rated capacity of the source, unless the source is subject to enforceable permit conditions which limit the annual hours of operation. Enforceable permit conditions on the type or amount of materials combusted or processed may be used in determining the uncontrolled emission rate of a source.

f. An increase in emissions from a new or modified air contaminant source (all sources at a given plant location) is deemed to significantly impact on air quality within the nonattainment area when it contributes to air quality in the following amounts or more:

<i>Pollutant</i>	<i>Annual</i>	<i>24-hour</i>	<i>3-hour</i>	<i>8-hour</i>	<i>1-hour</i>
Sulfur dioxide	1 ug/m <sup>3</sup>	5 ug/m <sup>3</sup>	25 ug/m <sup>3</sup>		
Particulate matter	1 ug/m <sup>3</sup>	5 ug/m <sup>3</sup>			
Carbon monoxide			0.5mg/m <sup>3</sup>	2 mg/m <sup>3</sup>	

g. The director shall not issue a permit to any major source in or significantly impacting a nonattainment area unless all other sources owned or operated by the applicant anywhere in the state are in compliance or on approved compliance schedule.

h. Regardless of the specific emission limitations contained in this Section, all sources identified in Section 4-41, Rule 18.2 of these regulations shall comply with the standards set pursuant to Section 4-41, Rule 18.2.

- i. For existing fuel-burning equipment, credit shall be based on the allowable emissions under the applicable State Implementation Plan for the type of fuel being burned at the time the application for an installation permit for the proposed construction or modification is filed. If the existing source commits to switch to a cleaner fuel at some future date, emissions offset credit based on the allowable (or actual) emissions for the fuels involved is not acceptable, unless the permit and subsequent permits and certificates of operation are conditioned to require the use of a specified alternative control measure which would achieve the same degree of emissions reduction should the source switch back to a dirtier fuel at some later date. The director, or the board where appropriate, should ensure that adequate long-term supplies of the new fuel are available before granting emissions offset credit for fuel switches.
- j. Emissions reductions achieved by shutting down an existing source or permanently curtailing production or operating hours below baseline level may be credited, provided that the work force to be affected has been notified of the proposed shutdown or curtailment. Source shutdowns and curtailments in production or operating hours occurring prior to the date the new source application is filed generally may not be used for emissions offset credit. However, where an applicant can establish that it shut down or curtailed production after August 7, 1977, or less than one (1) year prior to the date of permit application, whichever is earlier, and the proposed new source is a replacement for the shutdown or curtailment, credit for such shutdown or curtailment may be applied to offset emissions from the new source.
- k. All emission reduction claimed as offset credit shall be legally enforceable.
- l. Procedures relating to the permissible location of offsetting emissions shall be followed which are at least as stringent as those set out in 40 CFR Part 51 Appendix S, section IV.D.
- m. Credit for an emissions reduction can be claimed to the extent that the bureau, or the board where appropriate, has not relied on it in issuing any permit under regulations approved or has not relied on it in demonstrating attainment or reasonable further progress.
- n. Approval to construct shall not relieve any owner or operator of the responsibility to comply fully with applicable provisions of the plan and any other requirements under local, state or federal law. At such time that a

particular source or modification becomes a major stationary source or major modification solely by virtue of a relaxation in any enforcement limitation which was established after August 7, 1980, on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction on hours of operation, then the requirements of this section shall apply to the source or modification as though construction had not yet commenced on the source or modification.

(Code 1968, Sec. 4-6; Ord. No. 6021, Sec. 10, 3-4-69; Ord. No. 6221, Sec. 63, 9-29-70; Ord. No. 6502, Sec. 7 through 18,20,21, 10-3-72; Ord. No. 6838 Secs. 5-8, 1-14-75; Ord No. 7098, Secs. 5, 6,9-22, 10-5-76; Ord; No. 7335, Sec. 3, 3-7-78; Ord. No. 7719, Sec. 3, 9-2-80; Ord. No. 8086, Secs. 1-3, 12-21-82)

**Cross reference**-Businesses, trades and occupations, Ch. 11.

THIS IS THE FEDERALLY APPROVED REGULATION AS OF MAY 8, 1990

	DATE SUBMITTED to EPA	DATE APPROVED by EPA	FEDERAL REGISTER
Original Reg	JUL 20, 1989	MAY 8, 1990	55FR19066
1 <sup>st</sup> REVISION	AUG 16, 1995	FEB 18, 1997	62FR7163
2 <sup>nd</sup> REVISION	SEPT 18, 2018	APR 06, 2020	85FR19093