



FAQ: Rule 202 – Exemptions to Rule 201
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Agricultural Operations

Q: *Are agricultural operations exempt from APCD permit?*

A: There are two paths that need to be addressed. First, AG diesel engines rated at 50 bhp or greater are required to be registered with the District and are required to comply with the State mandated Air Toxics Control Measure. See [this page](#) for more details regarding engine registration. Second, under State law (SB 700), a source of air pollution (e.g., irrigation pump engines) used in the production of crops or the raising of fowl or animals may require a permit from the APCD. The permit exemption thresholds are set forth in Section D.3 of Rule 202. The Rule 202.D.3 exemption does not apply to sources required to obtain a federal Title V operating permit. See [this page](#) for more information on agricultural permits. Equipment that is not directly used in agricultural operations requires a District permit unless otherwise exempt (for example: a winery requires a permit, a diesel standby generator engine greater than 50 brake-horsepower used to maintain power for an administrative building or packaging operation would require a permit).

Construction

Q: *In Section D.16, does the 25-ton limit include fugitive dust emissions associated with the construction operation?*

A: Yes. The 25-ton threshold applies to all pollutants (except carbon monoxide) emitted during the construction process. Also, the 25-ton threshold applies to each pollutant and is not aggregated.

Construction Engines

Q: *Who is responsible to get the permit or a PERP for a construction engine, the contractor or the source?*

A: Ultimately the stationary source will be held accountable for the permitting or registering in the PERP of construction engines. The APCD recommends that sources put something in their request for bids or contracts requiring that all construction engines be registered in the PERP or be permitted.

Construction – Projected Actual Emissions and Offsets

Q1: *How are fugitive dust emissions calculated when mitigation techniques are used?*

A1: The potential to emit is determined taking into account the dust mitigation techniques. These assessments are done on a case-by-case basis using the best available emission calculations tools (typically using EPA's AP-42).

Q2: *At what point would the 25 tons per year offset requirement for construction equipment be necessary?*

A2: Offsets are required prior to exceeding the 25 tpy projected actual emissions threshold. That is why the term "projected" is used.

Q3: *There is a concern that an interpretation might be made that includes all construction projects within a stationary source for the 25-ton total. For example, a water line project and/or construction of a building within a large stationary source, not requiring an ATC, are subject to this 25-ton cap. This is analogous with other construction projects occurring in Santa Barbara County (e.g., Housing developments, large parking structures, or UCSB construction projects).*

A3: The basis for determining if a construction activity is subject to offsets under the Rule 202.D.16 provision is based on whether the construction is part of a project that requires an ATC permit.

Q4: *Can the offset provisions be applied on a project or facility basis?*

A4: No. The requirement is for construction equipment used to construct a stationary source that requires an ATC. Rule 202.D.16 text is essentially the same as the prior Rule 202.F.3 that it replaced. Stationary sources may opt to tally the total stationary source construction emissions on a project or facility basis, but the offset requirement is triggered on a stationary source basis; not on a project or facility basis.

Q5: *A person proposes to build a new stationary source that requires an Authority to Construct. The construction emissions have a projected actual NOx emission rate in excess of 25 tons per year and the post-construction stationary source will have a potential to emit of 40 tons of NOx per year. What are the emission offset implications for such a project?*

A5: Per Rule 202.D.16, construction offsets are required for the project because the actual projected emission rate is in excess of 25 tons per year. The ATC permit will document the source of emission reduction credits to be used to offset this construction emission offset liability. For the operational phase, offsets are triggered per Rule 802.E. Emission reduction credits applied to the construction phase offset liability may also be used to offset the operational phase liability (this assumes that there are no restrictions on the use of the ERCs and that the construction phase was completed).

Construction – Well Drilling

Q: *Is drilling an oil & gas well considered construction?*

A: No. Emissions associated with drilling operations are not considered as construction.

De minimis – Exemption

Q: *How does the de minimis exemption (202.D.6) work?*

A: The de minimis exemption was revised for clarification:

- The term “emission unit” was added to clarify that the exemption applies to the project in the broadest sense, not to individual components of equipment such as a single valve or a single flange.
- The exemption has been expanded to apply to the addition of new equipment.
- The emission thresholds were revised to a daily, rather than hourly basis and apply only to emissions increases, rather than all changes.
- The baseline date was removed since the NEI calculation was eliminated in the NSR rules.
- The aggregate tally is simply the sum of the individual de minimis events.
- Aggregate emissions are zeroed out once the de minimis tally is added to the permit and the potential to emit for the source.

- Text was added to clarify that only the increase is reviewed and netting out is not allowed. For obvious reasons, an emissions unit which was previously added as a de minimis in the aggregate and which is subsequently removed, may zero itself out.
- Exclusion added for equipment subject to an Air Toxic Control Measure for consistency with 202.D.7. (Stationary Source Permit Exemption).
- Text was added to clarify that the de minimis calculations are based on uncontrolled potential to emit. Prior reference to air pollution control equipment was deleted.
- A documentation requirement, including supporting calculations, was added to address problems encountered during APCD audits of exemption claims.

De Minimis – Changes to Units Previously Subject to BACT

Q: *What if a source makes a de minimis change to an emission unit previously subject to BACT requirements? Is the de minimis change still subject to the prior BACT requirements?*

A: Yes. Once an emissions unit is subject to BACT, then any subsequent modifications to that emissions unit or process are subject to BACT. This applies to de minimis changes and equivalent routine replacements that may not require a permit.

- Example 1: A source using solvents in their process has previously installed a thermal oxidizer to control emissions due to flashing off of the solvent. BACT was triggered previously and a performance standard of 98% control was established. If the source wishes to expand production that results in an increase of emissions of the controlled process, then those new emissions are subject to this existing BACT performance standard.
- Example 2: An oil and gas processing line previously triggered BACT for fugitive hydrocarbon (FHC) emissions and implemented an APCD-approved Inspection and Maintenance Program along with low-emissions technology valves and connectors. If the source wishes to modify this processing line by adding new FHC components, then the new FHC components that are added are subject to BACT standards. If the addition was de minimis pursuant to Rule 202, the BACT standards in the existing permit shall be implemented by the source. If the new FHC components are subject to the permit process and the applicable NSR BACT threshold is not exceeded, then the BACT standards listed in the existing permit shall be implemented by the source. If the applicable NSR BACT threshold is exceeded, then a new BACT review is required.

De Minimis – Degreasers

Q: *Can a degreaser be de minimis per Rule 202?*

A: To be exempt as a de minimis modification, the uncontrolled potential to emit of ROCs must be less than 2.4 pounds per day. The key is the term potential to emit (defined in Rule 102). The question is how to determine the maximum capacity to emit ROCs from the degreaser. The APCD's view is that the maximum uncontrolled potential to emit from a degreaser will always be greater than 2.4 pounds per day of ROC. As such, degreasers should not be claimed as de minimis under Rule 202.

De Minimis – Examples

Q: *What are some examples of how the de minimis exemption applies?*

A: At industry request, the APCD reviewed de minimis reports from a large oil and gas facility that includes offshore platforms. Tracking of additions was accomplished on a standardized form, was not onerous and did not result in any single or cumulative exceedance of the de minimis threshold at the onshore facility or on the platforms. The following examples clarify how the de minimis exemption is applied:

1. *An owner of an existing offshore oil and gas platform wishes to expand their existing gas compression system. There will be many new components (valves and connectors) in hydrocarbon service. Emissions will be 2.1 pounds per day of ROC (the potential to emit is based on controlled emission factors since the new components will be subject to the existing I&M program which is included in a federally enforceable permit).*

All the new components are part of an existing emissions unit, the gas compression system, and are all used to determine whether the exemption applies. The modification is considered de minimis and is exempt from permit. The emissions increase of 2.1 pounds per day is added to the source's de minimis aggregate tally.

2. *A new source wishes to add a solvent wipe cleaning workstation to the facility. The uncontrolled actual emissions are estimated to be 2.0 pounds per day (0.26 tons per year) of ROCs. The plant manager requests that the workstation qualify for the de minimis exemption.*

The de minimis exemption does not apply to new sources (see definition of New Source in Rule 102). However, the Section D.7 (Stationary Source Permit Exemption) may be applicable since the actual emissions will be below one ton per calendar year.

3. *An existing source has documented ten de minimis increases with a resulting aggregate de minimis tally of 23.00 pounds per day of ROC. A new de minimis modification is being planned that will put the source over the 24.00 pound per day aggregate de minimis limit. What options are available to the operator?*

A number of options are available. They include:

- (a) submit an ATC permit application for modification at hand (keeping the de minimis aggregate tally alone).
- (b) zero out the de minimis aggregate by submitting a combined ATC permit application to add the 23.00 pounds per day of ROC to the source's PTE. Depending on the prior PTE for the source, offsets may or may not be required from the Source Register. The modification at hand can then occur as de minimis and the aggregate tally is restarted.
- (c) permanently remove from service one or more of the equipment items that comprised the ten inputs into the aggregate tally. Other than including the aggregate de minimis increases into the source's PTE, this is the only valid way to decrease the aggregate tally. In essence, the prior de minimis increase(s) ends up "zeroing" itself out, thus no netting occurs.

4. *A source will be installing an emission control device (e.g., a fixed-bed carbon adsorption unit) to an existing permitted process line to reduce the issuance of ROC compounds. The plant manager requests that this modification be considered de minimis since emissions from the process will be reduced.*

The modification does not qualify for the de minimis exemption and an ATC permit is required pursuant to Rule 201.D. Equipment used to eliminate or reduce or control the issuance of air contaminants do not qualify for permit exemption. The only exception is for emission control equipment directly attached to equipment exempt under Rule 202 (re: Section D.12).

5. *An existing source wishes to replace an emissions unit with an equivalent emissions unit. The potential to emit of both emission units are the same (e.g., 20 pounds per day). Is this a de minimis modification?*

No. The purpose of the de minimis exemption is to exempt small emission increases from the requirements of the permit process. As such, only the increase of the new or modified equipment is evaluated. In this example, the replacement itself exceeds the de minimis threshold by an order of magnitude.

De Minimis – Operational Changes

Q: *Does the de minimis exemption apply to operational changes such as an increase in solvent usage or production rate or hours of operation?*

A: No. The de minimis exemptions only applies to physical changes at existing stationary sources.

De Minimis – Reducing the Aggregate

Q: *In the De Minimis exemption, what does the last sentence of part (b) mean (“Any increase shall be reduced to the extent it is included in the source’s potential to emit”)?*

A: This sentence allows a source to reduce its aggregate de minimis tally. The process to do this is to submit a combined ATC permit application to the APCD. These emissions are then added to the source’s PTE calculation, and are subtracted from the source’s de minimis aggregate tally. If the source already triggers emission offsets or if this newly added PTE results in the emission offset threshold being exceeded, then the source will need to offset the increase using ERCs from the Source Register.

De Minimis – Uncontrolled PTE

Q: *What does the term “uncontrolled potential to emit” mean?*

A: Uncontrolled PTE means that the effect of a control device (or any other method for the removal of an affected pollutant) is not taken into account when determining what the potential emissions are. As such, the “control efficiency” is assumed to be zero for the purposes of rule applicability. For example, one would need to assume zero control (or removal) efficiency if the following equipment was used with the requested modification: vapor recovery systems, baghouses, carbon adsorption units, thermal oxidizers, electrostatic precipitators, refrigeration units, wet scrubbers, sulfur treating units, catalytic controls systems and flares.

Derated Engines – Certifications and Enforceable Deratings

- Q1: *My derated engines have been previously listed on a SBCAPCD PTO. Will I need to have additional derating certifications or power rating tests performed on my engine under the revised rules?*
- A1: If the engine deratings are (1) not enforceable and (2) not APCD-approved on a Permit to Operate, then submittal of the documentation may be necessary. It is suggested that sources with engines in this category work closely with the Engineering Division staff to determine what information needs to be submitted and what information is already on file with the APCD.
- Q2: *If the engine manufacturer re-issues an engine nameplate to reflect the engine's new continuous brake horsepower rating with an orifice plate or some other kind of physical limiting method, can the rating on the re-issued nameplate be considered to be the engine's rated brake horsepower?*
- A2: No, the APCD will use the engine manufacturer's originally issued nameplate as the engine's brake horsepower rating, unless the APCD issues a PTO for the derated engine. For the purpose of Rule 333 applicability, the APCD will consider an engine that has an enforceable derating, that has been certified, and is subject to a PTO to have a modified rated brake horsepower based on the derated brake horsepower figure.
- Q3: *My company has several unpermitted derated engines. Do I need to submit certification documentation to substantiate the engine deratings?*
- A3: Yes. If a permit is required for the ICEs, then certification documentation will need to be submitted. The APCD needs to issue PTOs for derated engines that would otherwise require a permit to ensure that the engine deratings are enforceable and maintained. The derating certification data needs to be submitted with the PTO application. It is suggested that sources with engines in this category work closely with the Engineering Division staff to determine acceptable material that needs to be submitted with the application.
- Q4: *My engine has an orifice plate inserted between the carburetor and the engine's intake manifold. There is a tab on the orifice plate that clearly shows the size of the orifice. Is this sufficient to show my engine is properly derated?*
- A4: To be considered a derated engine, all the steps must be completed. The engine must be certified as derated by procedures approved by the APCD, must have a District permit and the orifice plate's tab must be stamped correctly. We have physically checked orifice plates and found that they can deteriorate overtime. Thus, it is necessary that the orifice plate actually be in compliance with the specifications as well as being marked with its appropriate size.
- Q5: *I believe my company derated engines from 75 brake horsepower to < 50 brake horsepower. But, there are no permits for them to reflect their deratings because they have always been exempt under the 500 brake horsepower exemption provision. How do I obtain a concurrence from the APCD that these engines are derated?*
- A5: These engines will require permits under the requirements of Rule 202. Information on the deratings should be submitted with the applications for Permit to Operate. Depending on the method of derating and past derating certification documentation, additional analysis may be required.

Derated Engines – Permitting Requirements

Q: *Will my derated engine need to be permitted?*

A: Yes, unless the engine rated brake horsepower before the derating was such that the engine would not require a permit.

- Example 1: A diesel engine with an original manufacturer's nameplate rating of 48 brake horsepower is derated to 40 brake horsepower. Under Rule 202.F.1.e, the engine with the original manufacturer's nameplate rating of 48 brake horsepower was exempt. Thus, the derated engine is exempt.
- Example 2: A spark ignition engine with an original manufacturer's nameplate rating of 75 brake horsepower is derated to 40 brake horsepower. Under Rule 202.F.1.f, the engine had an original rating of 75 brake horsepower, which is above the 50 or greater brake horsepower permitting threshold. Thus, the derated engine requires a Permit to Operate (PTO).
- Example 3: A spark ignition engine with an original manufacturer's nameplate rating of 25 brake horsepower is derated to 15 brake horsepower and it is located at a source that requires engines in the > 20 to < 50 brake horsepower to be permitted. Under Rule 202.F.1.f, the engine with an original rating of 25 brake horsepower is not exempt. Thus, the derated engine requires a PTO.
- Example 4: A source has eleven spark ignition engines only. These engines are derated. Each of the engine's original equipment manufacturer (OEM) nameplate ratings (before derating) is 40 brake horsepower. Thus, a tally of the OEM nameplate ratings for these engines equals 440 brake horsepower (11 engines times 40 brake horsepower/engine). Since the aggregate exceeds 400 brake horsepower, all engines need a permit. The owner or operator cannot permit just 2 engines derated to 10 brake horsepower so the aggregate becomes 380 [(2 engines times 10 brake horsepower/engine) + (9 engines times 40 brake horsepower/engine)] and get an exemption for the other 9 engines. Once the requirement to permit all engines in the > 20 to < 50 brake horsepower range has been triggered, they shall not become exempt by the application of the derated brake horsepower ratings. Ratings of engines permanently removed will be excluded from new aggregate totals assessed pursuant to Authority to Construct modifications.

Diesel Fuel

Q: *Does the storage and transfer of diesel fuel #2 require a permit?*

A: No. Section V.2 (Storage and Transfer Equipment and Operations) exempts diesel #2 since it's API gravity is less than 40 degrees API and it's a refined fuel oil.

Equipment "Stacking"

Q: *How is it determined that equipment is "stacked" or "used in the same process"?*

A: The APCD uses the engineering basis and system demands to determine that equipment is "stacked" or "used in the same process." Such analysis will involve looking at the equipment's or system's maximum energy needs or demands under a worst-case scenario.

- Example 1: A design basis is such that ten 1 million British thermal units per hour (MMBtu/hr) boilers can be required at any one time. For this case, we would consider that equivalent to a single 10 MMBtu/hr boiler.
- Example 2: A source installs two 1 MMBtu/hr boilers that are fired exclusively on natural gas. One is for primary use and one is standby. The design heat demand is 1 MMBtu/hr. Thus, the boilers in this configuration are not considered to be used in the same process (stacking).
- Example 3: An electric generator has two 30 brake horsepower internal combustion engines that drive a single shaft concurrently. The power demands are such that both engines typically need to run simultaneously or may occasionally need to be run concurrently. The configuration is considered to be used in the same process and a total rating of 60 brake horsepower would be used for determining permitting applicability (but Rule 333 would not be applicable).

Exempt Emissions and NSR

Q: *Are exempt emissions included in the New Source Review applicability process?*

A: Emissions from exempt equipment are used in the New Source Review process for determining whether a source is a Major Source or Major Modified Source (as defined in Rule 102). In these cases, the potential to emit from the exempt equipment is added to potential to emit from the equipment subject to permit. If the combined emissions exceed the applicability threshold for either a Major Source or a Major Modified Source, then the source is classified as such and the resulting requirements are applied to the source. This same procedure is used to assess whether a Title V Operating Permit is required.

Exemption Records

Q: *Do I need to keep records for exempt equipment?*

A: Yes. Under the General Provisions (Section D.1) records that **clearly** demonstrate that the exemption threshold has not been exceeded are required. This may include manufacturer data sheets documenting an emission unit's maximum design rating/capacity and emission calculations showing the applicable mass emission thresholds (e.g., the aggregate exemption limits for each equipment category). It is the source's responsibility to ensure these records are clear and unambiguous. Failure to keep plain and easily understood records may result in loss of exemption status.

Gatekeepers – Emission Basis

Q: *Do the gatekeeper clauses in Rule 202 include permitted and exempt emissions? Are they based on potential to emit or actuals?*

A: The gatekeepers are only assessed based on the exempt emission sources. The basis for showing compliance with the gatekeeper limit is discussed in Section D.2. Actual emissions may be used provided the owner/operator keeps material use records in a manner approved by the Control Officer. Otherwise, the potential to emit of the emission units is used.

Gatekeepers – Equipment Category

Q: *Do the gatekeepers in each section (e.g. 25 tpy in Section G. and 10 tpy in Section H.) apply to each of the equipment categories listed in each section (e.g., H.1)?*

A: Each line item within a section is a separate equipment category. For example, item L.1. Heat exchangers is an equipment category, separate from item L.2. However, shell-and-tube heat exchangers are *not* a different equipment category than fin-fan heat exchangers.

Gatekeepers – Thresholds

Q: *How are the gatekeeper emission exemption thresholds applied?*

A: Gatekeepers (e.g., the 10 ton per calendar year gatekeeper in Section K – Food Processing and Preparation Equipment) apply to each of the equipment categories listed in each section. For example, in Section K there are seven equipment categories (K.1 through K.7), each of which are subject to a 10 ton per calendar year gatekeeper.

General Category Exemptions

Q: *For Section D.11 of Rule 202, please provide an example of how exemptions for the general category do not work?*

A: One example would include large gas-fired turbine that acts a prime mover for a compressor of dry natural gas. Section L (General Utility Equipment and Operations), Item (7) exempts “Compressors of, and holding tanks for, dry natural gas”. Section D.11 does not allow a source to claim an exemption for the prime mover of the compressor itself. In this case, the gas-turbine would be subject to permit.

Health Risk Assessment

Q: *Does the Health Risk Assessment referred to in Section D.13 pertain to a Health Risk Assessment performed pursuant to the requirements of AB 2588?*

A: The Health Risk Assessment referred to in 202.D.13 is not the health risk assessment performed pursuant to the requirements of AB 2588, but is the Health Risk Assessment required by the permitting engineering evaluation for an APCD permit (204.E.6).

Loss of Exemption Status

Q: *Once an exemption is removed from Rule 202 for existing equipment, the equipment owner/operator must submit a PTO application to the APCD within 90 days from the date of the Rule 202 revision. If an application is submitted after 90 days, the fees are doubled and an NOV is issued. Is NSR also triggered?*

A: No.

Marine Vessels

Q: *Under Section F.1.b (Internal Combustion Engines), do marine vessels include crew boats serving oil platforms?*

A: Yes, however since crew and supply boats are associated with a permitted stationary source (oil and gas platforms) they are not exempted by this provision and are subject to the provisions of Regulation VIII.

Ovens and Furnaces

Q: *Several sections (e.g., Sections R & T) list ovens and/or furnaces. Does it matter if the devices are fossil-fuel fired or electrically heated?*

A: Yes. Fossil fuel fired equipment that is an integral part of the oven/furnace's design still needs to comply with Section G (Combustion Equipment).

Portable Equipment

Q: *What kinds of equipment are affected by the statewide portable equipment registration rule? Is rental equipment exempt?*

A: Equipment eligible for statewide registration includes portable engines used for well drilling, service or workover rigs, power generation, pumps, compressors, diesel pile-driving hammers, welding, cranes, wood chippers, dredges and military tactical support engines. Construction equipment could include such items as welders, and many of the portable units, such as cranes. An unregistered piece of equipment that does not meet the temporary limits for emissions or time must get a permit. In addition, equipment registered in the statewide registration program that is operated as part of a stationary source must get a District permit (see the District's [guidelines](#) for operating PERP registered engines at stationary sources for more information). Rental equipment is treated like any other equipment and does not qualify for any exemption based only on the fact that it is rented.

Prohibitory Rules and Exemptions

Q: *If an emission unit is exempt from permit, is it still subject to Regulation III requirements?*

A: Yes. For example, the general standards such as nuisance and sulfur content of fuels would apply even though the emission unit may be exempt pursuant to Rule 202.

Repair and Maintenance

Q: *In Section D.8, the exemption for routine repair and maintenance of permitted equipment, what does the statement "...maintenance does not include operation" mean?*

A: This means that processes and activities that are part of normal operation of a source do not qualify for this exemption. Examples include: degreasers used in the production of a product; general solvent wipe cleaning activities required as part of standard production activities (e.g., cleaning of oil leaks from process equipment).

Replacements – Fees

Q: *Rule text requires notification for equivalent routine replacements. Will a fee be charged for covering the APCD's review of such notices, including those sources on cost reimbursable basis?*

A: No for fee based permits. Yes, for sources whose fees are structured on a cost reimbursable basis.

Replacements – Notification

Q: *Rule text indicates that the APCD must be notified of equivalent routine replacements. What type of notification is required for identical replacements?*

A: No notification is required if the routine replacement is identical, i.e. same make and model. However, the source must maintain records demonstrating the replacement is routine and identical. See P&P 6100.073 to see if the replacement qualifies as "routine".

Routine Replacement

Q: *The APCD implements the concept of “routine replacements” and follows the USEPA’s concept that the emission unit does not regain or increase capacity or have its expected useful life extended and there is no increase in emissions. Why would anyone perform a replacement, routine or otherwise, if it were to not “extend the expected useful life of an emission unit” (i.e., for what other reasons than to extend the life of a device do you replace it or a component)?*

A: Per USEPA guidance, determinations of what is considered “routine” will be made on a case-by-case basis. Over time our experience in making such determinations should make the distinctions between what is and what is not routine easier to understand. All emission units have “expected” useful lives. See P&P 6100.073 to see if the replacement qualifies as “routine”.

Semiconductor – Photoresist Operations

Q: *Are photoresist equipment and operations exempt from permit per Section S.3 of Rule 202?*

A: No. Section S of Rule 202 pertains to “Printing and Reproduction Equipment and Operations”. Photoresist operations do not fall into this classification. Section T (*Semiconductor and Electronic Manufacturing Equipment and Operations*) of Rule 202 is where an exemption for photoresist operations would reside if there was one.

Solvent Wipe Cleaning Exemption Recordkeeping

Q: *As an operator of a large complex with several stationary sources and several facilities, am I permitted to track solvent use on a facility basis?*

A: Yes, as long as each facility solvent use is totaled for the stationary source for determining compliance with the Rule 202.U thresholds. Rule 202.U has an overall 10 tons per year threshold. Rule 202.U.2 has a solvent tank area aggregate threshold of 10 square feet for tanks with less than 1 square foot of area. And, Rule 202.U.3 has a wipe cleaning threshold of 55 gallons per year.

Designation of facilities and facility numbers are a construct of the APCD permitting process. Facilities are a subset of stationary sources. Thus, if an operator of a large complex desired to track solvent usage on a facility basis, the APCD would not have a concern, provided the operator properly aggregates all of the facility solvent usage and tank area data within the stationary source and is able to provide the stationary source data in support of exemption claims.

Structural change

Q: *Rule Section 202.D.8 indicates a permit is not required for repair or maintenance of permitted equipment not involving structural changes. What is a structural change and why isn’t it defined in the rule?*

A: Rule text language is taken from the Health and Safety Code (Section 42310) and therefore has specific statutory use. In general, structural change refers to any change to an existing piece of permitted equipment that affects, or may affect the issuance of air quality contaminants.

Temporary Equipment

Q: *Please clarify the temporary equipment exemption. What is the distinction between the 60-day period limit and the consecutive 12-month period? For adding up the emissions for a source to comply with the 1-ton limit, do we total all the temporary equipment emissions or do we treat each emissions unit separately with its own emission limit?*

A: The 60-day period applies to individual emission units and limits any one unit from operating under the exemption for any time period exceeding 60 days. This 60-day period must be within a consecutive time frame and is not intended to allow for sporadic use throughout the year. The 12-month consecutive time period ensures that the intent of the exemption is maintained by disallowing use of the same emission unit for a 120-day period if the calendar year basis was used. The 1-ton limit applies all emission units within a consecutive 12-month period.

Temporary Equipment – Examples

Q: *Examples of temporary activities that qualify for the temporary equipment exemption (202.D.5) include, but are not limited to:*

- A: This exemption only applies to existing permitted stationary sources. Examples include:
- ICE's from cranes, welders, jack hammers, etc. used during the demolition of a source or part of a source.
 - Replacement or use of equipment during a breakdown situation.
 - Demonstration equipment being used to determine feasibility (not lab test equipment).
 - Any short-term, one-time project that requires equipment that pollutes is eligible if it meets the 1 ton criteria of all affected pollutants. The Portable Equipment Registration Rule is intended to handle portable equipment that emits more and is used for longer periods of time.
 - While written notification is required, the project may commence as soon as notification is made without waiting for approval from the APCD. However, if a project commences with equipment that is later found not eligible for the exemption, the commencement will constitute a violation of the APCD's Rules and Regulations

Temporary Equipment – Method for Determination Compliance with the 60-day and 1 ton per 12 Months Provision

Q: *Can the APCD clarify how the 60-day provision works in practice? That is, how compliance with the rule's 60-day and 1 ton per 12 months' provisions are determined?*

A: This exemption only applies to existing permitted stationary sources. The 60-day time period is a continuous period starting the first day the equipment is used. Once started, the 60-day period is not stopped and re-started. The equipment may be used any time within the 60-day period and may leave and return to the site. Compliance with 60-day requirement is based on the start date. Compliance with the 1-ton requirement is based on a compilation of the consecutive 12-month emissions as provided in the company's written exemption requests. Multiple temporary projects are allowable within the consecutive 12-month period provided (1) the aggregate 1-ton threshold is not exceeded, (2) the equipment is not used for more than 1 project, and (3) each individual project is not used for more than 60 consecutive days.

Temporary Equipment – Short Term Use

Q: *Does the Temporary Equipment exemption (Section D.5) include short term operation of permitted equipment in a way that is not permitted, say a short term trial of equipment limits, or a “fault finding” search to determine why equipment can’t quite meet BACT requirements under certain conditions?*

A: No. The exemption is for new equipment only at existing stationary sources. Testing, shake-down and debugging activities for compliance with BACT standards is why the APCD has a Source Compliance Demonstration Period during the construction phase (i.e., with ATC permit issuance). Once the source has a Permit to Operate, they may seek administrative relief via APCD Regulation V (Variances).

Various Location Equipment Exemption

Q: *What is the basis for the various equipment exemption under Rule 202.D.17?*

A: This allows for the use of permitted “various locations” equipment at existing stationary sources where the equipment is not owned by the stationary source using the equipment. The intent of this exemption is to allow for the use of equipment for repair or maintenance related activities without the need for the stationary source owner or operator to comply with the New Source Review regulations. The equipment owner or operator will have a District Permit to Operate that specifically states that the equipment can be used at various locations and has conditions related to District notification and other restrictions of use. The type of activities envisioned for this exemption primarily includes tank degassing equipment and tank bottoms dewatering equipment.