

**RULE 202. EXEMPTIONS TO RULE 201. (Adopted 10/18/1971, revised 5/1/1972 and 6/27/1977, readopted 10/23/1978, revised 12/7/1987, 1/11/1988, 1/17/1989, 7/10/1990, 7/30/1991, 11/05/1991, 3/10/1992, 5/10/1994, 6/28/1994, ~~and~~ 4/17/1997, and [date of revised rule adoption])**

**A. Applicability**

An Authority to Construct or Permit to Operate shall not be required for equipment, operations, and activities described herein.

**B. Exceptions**

Notwithstanding any exemption created by this ~~Rule~~rule, any:

1. ~~Equipment~~Equipment, activity or operations proposed by an applicant for use as an Emission Reduction Credit is not exempt.
2. Emission unit that functions for distributed electrical generation and is not certified under the regulations of the Air Resources Board is not exempt.

[...]

**D. General Provisions**

[...]

5. Temporary Equipment

A permit shall not be required for temporary equipment where the projected actual aggregate emissions of all affected pollutants do not exceed 1 ton (except carbon monoxide, which shall not exceed 5 tons) and the use of each individual piece of equipment does not exceed one 60 day period in any consecutive 12 month period. Such equipment shall also meet one of the following requirements:

- a. the temporary equipment is not part of an existing operating process of a stationary source; or
- b. the temporary equipment replaces equipment that has qualified for a breakdown pursuant to Rule 505.

To qualify for this exemption, the owner or operator shall submit a written request to the Control Officer, who shall make a determination in writing approving or denying the request. This request shall identify the temporary equipment, its location, any equipment being replaced, and shall include the emission calculations and assumptions that demonstrate that the equipment meets the exemption criteria. The temporary project may commence as soon as the written request has been made, however, project commencement with equipment that is later found ineligible for the exemption shall constitute a violation of the District's Rules and Regulations. This exemption shall not apply to equipment used for the specific purpose to control emissions of ~~Hazardous Air Pollutants~~ Toxic Air Contaminants. The owner or operator shall pay any applicable fee pursuant to Rule 210.

[...]

7. Stationary Source Permit Exemption

A permit shall not be required for any new, modified or existing stationary source if the uncontrolled actual emissions of each individual affected pollutant from the entire stationary source are below 1.00 ton per calendar year, unless:

[. . .]

Each owner or operator ~~who desires seeking~~ this exemption shall submit ~~an a written request to the Control Officer, who shall make a determination in writing approving or denying the request exemption request form and obtain written concurrence from the District. A fee shall be assessed as specified in~~ The owner or operator shall pay any applicable fee pursuant to Rule 210 (Schedule F).

[. . .]

11. Where an exemption is described in this ~~Rule rule~~ for a general category of equipment, the exemption shall not apply to any component which otherwise would require a permit under the provisions of these Rules and Regulations.

[. . .]

15. For the purposes of the exemptions set forth in F.1.e; F.1.f; F.1.g; and G.1, the ratings of all engines or combustion equipment used in the same process shall be accumulated to determine whether these exemptions apply.

16. Notwithstanding any exemption in these rules and regulations, if the combined emissions from all construction equipment used to construct a stationary source which requires an Authority to Construct have a projected actual in excess of 25 tons of any pollutant, except carbon monoxide, in a 12 month period, the owner of the stationary source shall provide offsets as required under the provisions of Rule 804 and shall demonstrate that no ambient air quality standard would be violated.

17. No additional permit shall be required at a stationary source in the District for equipment permitted by the District for various location uses provided the following conditions are met:

a. The owner or operator of the equipment has a valid Permit to Operate issued by the District that specifically denotes the equipment as being usable at various locations within the District and that the terms and conditions of the Permit to Operate are fully complied with.

b. The equipment is not used to replace equipment which is part of an existing process at the stationary source.

c. The equipment is used for repair and maintenance related purposes only.

d. The stationary source reports all uses (including the start and end dates) and associated emissions for each use under this exemption to the APCD in their next annual report (or semi-annual report for Part 70 sources).

[. . .]

## F. Internal Combustion Engines

1. A permit shall not be required for internal combustion engines if any of the following conditions is satisfied:
  - a. Engines used in aircraft and in locomotives;
  - b. Engines used to propel marine vessels, except vessels associated with a stationary source which shall be regulated as specified under the provisions of Regulation VIII.
  - c. Engines used to propel vehicles, as defined in Section 670 of the California Vehicle Code, but not including any engine mounted on such vehicles that would otherwise require a permit under the provisions of these Rules and Regulations.
  - d. Spark ignition piston-type internal combustion engines used exclusively for emergency electrical power generation or emergency pumping of water for flood control or firefighting if the engine operates no more than 200 hours per calendar year, and where a record is maintained and is available to the District upon request; the record shall list the identification number of the equipment, the number of operating hours on each day the engine is operated and the cumulative total hours.
  - e. Compression ignition engines with a rated brake horsepower of less than 50 ~~or less~~. No compression ignition engine otherwise subject to permit shall be exempt because it has been derated.
  - f. Spark ignition piston-type internal combustion engines with a ~~manufacturer's maximum rating of 100~~ rated brake horsepower of less than 50. ~~or less or gas turbine engines with a maximum heat input rate of 3 million British thermal units per hour or less at standard conditions, except if the total horsepower of individual spark ignition piston type internal combustion engines less than 100 brake horsepower but greater than 20 brake horsepower at a stationary source, as defined in Rule 102, exceeds 500 bhp in which case the individual engines are not exempt. Notwithstanding the previous sentence, none of the individual engines in the range of less than 50 but greater than 20 rated brake horsepower are exempt if such engines at a stationary source have a total rated brake horsepower rating of 400 or greater.~~  
No spark ignition piston-type internal combustion engine otherwise subject to permit shall be exempt because it has been derated. Spark ignition piston-type internal combustion engines exempt under other provisions of Section F and permitted spark ignition piston-type internal combustion engines do shall not count toward the 500-400 bhp-rated brake horsepower aggregate limit.
  - g. Gas turbine engines with a maximum heat input rating of 3 million British thermal units per hour or less at standard conditions. No gas turbine engine otherwise subject to permit shall be exempt because it has been derated. For the purposes of this section, power generating microturbines fired on natural gas which meets General Order 58-A of the Public Utility Commission that have been certified by the Air Resources Board to meet the applicable distributed generation standards certified by a current Air Resources Board Executive Order are not subject to the provisions of Section D.15 if the potential annual emissions of each affected pollutant does not exceed 1 ton (except carbon monoxide, which shall not exceed 5 tons).
2. A permit shall not be required for portable engines registered in the Statewide Registration Program, pursuant to California Code of Regulations, title 13, section 2451 *et seq.* and Health and Safety Code Section 41753 *et seq.* Notwithstanding this provision, the requirements of Section

[draft of April 2, 2008]

~~F.3-D.16 shall apply to such portable engines and the requirements of Section F.6 shall apply to such portable engines used in the outer continental shelf. All operators using this permit exemption shall comply with the State Portable Equipment Registration Program and Air Resources Board-issued registration. In addition, all operators using this permit exemption in the outer continental shelf shall comply with the California Code of Regulations, title 13, sections 2456, 2457, and 2459 requirements for use in State Territorial Waters.~~

3. ~~A permit shall not be required for engines used in construction activities. However, if the combined emissions from all construction equipment used to construct a stationary source which requires an Authority to Construct have the potential to exceed 25 tons of any pollutant, except carbon monoxide, in a 12 month period, the owner of the stationary source shall provide offsets as required under the provisions of Rule 804 and shall demonstrate that no ambient air quality standard would be violated.~~
4. A permit shall not be required for engines used for aircraft shows or to power amusement rides at seasonal or special occasion shows, fairs, expositions, circuses or carnival events, provided that the duration of such event is less than 18 days in any calendar year.
54. A permit shall not be required for engines with a rated brake horsepower of less than 50 bhp used:
  - a. for military tactical support operations including maintenance and training for such operations;
  - b. to power temperature and humidity control systems on cargo trailers used to transport satellites and space launch equipment;
  - c. exclusively for space launch facility support and which power hoists, jacks, pulleys, and other cargo handling equipment permanently affixed to motor vehicles or trailers pulled by motor vehicles.
65. ~~A permit shall not be required for drilling specialty equipment used in state waters or in the outer continental shelf provided the emissions from such equipment are less than 25 tons per stationary source of any affected pollutant during any consecutive 12 month period. To qualify for this exemption, the owner or operator of the stationary source shall submit a written request to the Control Officer, who shall make a determination in writing approving or denying the request. The owner or operator shall pay any applicable fee pursuant to Rule 210. For specialty equipment emergency use, operations may commence as soon as the written request has been made; however, operation of equipment which is later found ineligible for the exemption shall constitute a violation of the District's Rules and Regulations.~~
76. An internal combustion engine which powers an item of equipment identified as exempt in any other part of this ~~Rule~~ rule is not exempt unless the engine qualifies for an exemption pursuant to this rule.

[Note: The APCD relocated the Rule 201.D.2 provision here and revised the exemption.]

7. ~~A permit shall not be required for~~ Notwithstanding any exemption in these rules and regulations, equipment used for the dredging of waterways, except during emergencies declared by public officials in accordance with state law, or equipment, including associated marine vessels, used in for pile driving adjacent to or in waterways, or cable and pipe-laying vessels/barges or and derrick barges, shall obtain an Authority to Construct and a Permit to Operate when if the potential to emit of such equipment per stationary source is less equal to or greater than 25 tons per year of any affected pollutant during any consecutive 12 month period. The Control Officer shall not require Best Available Control Technology for such sources if federal law preempts this requirement. To qualify for this exemption, the owner or operator of the stationary source shall submit a written

request for exemption to the Control Officer, who shall make a determination in writing approving or denying the request. The request shall identify the equipment, its location, and shall include the emission calculations and assumptions that demonstrate that the equipment meets the exemption criteria. The owner or operator shall pay any applicable fee pursuant to Rule 210. Alternatively, an owner or operator of the stationary source may qualify for an exemption from the New Source Review provisions of Regulation VIII by obtaining an Authority to Construct and Permit to Operate which limits the potential to emit of such equipment to less than 25 tons per year of any affected pollutant during any consecutive 12 month period.

8. For purposes of Regulation VIII, the following shall not be subject to New Source Review: Marine vessel engines (propulsion engines, auxiliary engines and permanently affixed support engines) associated with construction, maintenance, repair and/or demolition activities at a stationary source provided the duration of the activities do not exceed 12 consecutive months and the potential to emit of such engines per stationary source is less than 10 tons per stationary source of oxides of nitrogen, oxides of sulfur, reactive organic compounds or particulate matter. To qualify for this exemption, the owner or operator of the stationary source shall submit a written request for exemption to the Control Officer, who shall make a determination in writing approving or denying the request. The request shall identify the marine vessels, project activities, duration, and shall include the emission calculations and assumptions demonstrating that the engines meet the exemption criteria. The owner or operator shall pay any applicable fee pursuant to Rule 210. Alternatively, an owner or operator of the stationary source may qualify for an exemption by obtaining an Authority to Construct and Permit to Operate which limits the potential to emit of such equipment to less than 10 tons per year. Such Authority to Construct/Permit to Operate shall be exempt from Regulation VIII.

#### **G. Combustion Equipment (Other than Internal Combustion Engines)**

Notwithstanding the listed exemptions, any collection of articles, machines, equipment or other contrivances within each listed equipment category at a stationary source that has aggregate emissions in excess of 25 tons per calendar year of any affected pollutant is not exempt.

1. Combustion equipment with a maximum heat input of less than or equal to two (2) million British thermal units per hour is exempt from permit requirements if fired exclusively with one of the following:
  - a. Natural or produced gas which meets General Order 58-A of the Public Utility Commission,
  - b. Liquefied petroleum gas, which meets Gas Processors Association Standards,
  - c. A combination of natural or produced and liquefied petroleum gas, meeting the requirements of subdivisions (a) and (b) above.

Combustion equipment with a maximum heat input rate of 1 million British thermal units per hour or less is exempt and does not count towards the 25 tons per calendar year stationary source exemption threshold listed above in this paragraph, provided the equipment is fired exclusively with fuel listed above in a, b, or c listed above in this paragraph. No combustion equipment otherwise subject to permit shall be exempt because it has been derated.

2. Combustion equipment (other than internal combustion engines) which provides heat energy to any item of equipment identified as exempt in any other part of this ~~Rule~~rule, is not exempt unless fired exclusively with one of the fuels listed in G.1.a., G.1.b., or G.1.c. the combustion equipment is exempt as specified in G.1.

[. . .]

**I. Coatings Applications Equipment and Operations**

The following listed coating applications equipment and operations is exempt from permit requirements. Notwithstanding the listed exemptions, any collection of articles, machines, equipment or other contrivances within each listed equipment category at a stationary source that has aggregate emissions in excess of 10 tons per calendar year of any affected pollutant is not exempt.

[...]

- 5. ~~Polyurethane powder~~ Powder coating operations, provided the powder coating material reactive organic compound content is equal to or less than five percent, by weight.

[...]

**K. Food Processing and Preparation Equipment**

The following listed food processing and preparation equipment is exempt from permit requirements. Notwithstanding the listed exemptions, any collection of articles, machines, equipment or other contrivances within each listed equipment category at a stationary source that has aggregate emissions in excess of 10 tons per calendar year of any affected pollutant is not exempt.

[...]

- 7. Fermentation, aging, and bottling process operations conducted at wineries, breweries, distilleries and similar facilities, provided the projected actual emissions from such operations for each individual affected pollutant from the entire stationary source are below 1.00 ton per calendar year. To qualify for this exemption, the owner or operator shall submit a written request to the Control Officer, who shall make a determination in writing approving or denying the request. The owner or operator shall pay any applicable fee pursuant to Rule 210.

[...]

**L. General Utility Equipment and Operations**

The following listed general utility equipment and operations is exempt from permit requirements. Notwithstanding the listed exemptions, any collection of articles, machines, equipment or other contrivances within each listed equipment category at a stationary source that has aggregate emissions in excess of 10 tons per calendar year of any affected pollutant is not exempt.

[...]

- 15. Notwithstanding G.2 of this rule, portable steam cleaning/pressure washing equipment with maximum heat input rating less than 1 million ~~Btu/hr~~ British thermal units per hour fired exclusively on diesel fuel.
- 16. Notwithstanding G.2 of this rule, portable water heaters used exclusively for underwater diving activities with a maximum heat input rating less than 1 million British thermal units per hour fired exclusively on diesel fuel.

[...]

**P. Miscellaneous Equipment and Operations**

The following miscellaneous equipment and operations is exempt from permit requirements. Notwithstanding the listed exemptions, any collection of articles, machines, equipment or other

contrivances within each listed equipment category at a stationary source that has aggregate emissions in excess of 10 tons per calendar year of any affected pollutant is not exempt.

[. . .]

14. For purposes of Regulation VIII, the following shall not be subject to New Source Review: Marine vessel engines (propulsion engines, auxiliary engines and permanently affixed support engines) associated with launch vehicle recovery operations for the Missile Defense Agency's Airborne Laser program provided the potential to emit is less than 5 tons per year of oxides of nitrogen, oxides of sulfur, reactive organic compounds or particulate matter. To qualify for this exemption, the owner or operator of the stationary source shall submit a written request for exemption to the Control Officer, who shall make a determination in writing approving or denying the request. The request shall identify the marine vessels, project activities, duration, and shall include the emission calculations and assumptions demonstrating that the engines meet the exemption criteria. The owner or operator shall pay any applicable fee pursuant to Rule 210. Alternatively, an owner or operator of the stationary source may qualify for an exemption by obtaining an Authority to Construct and Permit to Operate which limits the potential to emit of such equipment to less than 5 tons per year. Such Authority to Construct/Permit to Operate shall be exempt from Regulation VIII.

[. . .]

#### **U. Solvent Application Equipment and Operations**

The following solvent application equipment and operations is exempt from permit requirements. Notwithstanding the listed exemptions, any collection of articles, machines, equipment or other contrivances within each listed equipment category at a stationary source that has aggregate emissions in excess of 10 tons per calendar year of any affected pollutant is not exempt.

[. . .]

3. Equipment used in wipe cleaning operations, provided that the solvents used do not exceed 55 gallons per year per stationary source.

To qualify for this exemption, the owner or operator shall maintain records of the amount (gallons per year) of solvents used at the stationary source for each calendar year.

These records shall be ~~kept maintained on site~~ for ~~a minimum of at least~~ 3 years and be made available to the District on request. Thereafter, the records shall be maintained either on site or readily available for expeditious inspection and review for an additional 2 years. Solvents meeting the criteria of 2.b. or c. above do not contribute to the 55 gallons per year per stationary source limitation.

[. . .]