

Permitting Working Group

October 25, 2024

Rule 317.1 Exclusion Plans

Permitting Working Group

Purpose and Agenda

- Presentation of detailed permitting topics
 - Open discussion
 - Establish permitting expectations and guidance
 - Identify potential issues that staff had not yet considered
 - Goal – Improve understanding, clarify, and streamline permitting process for both staff and public
- Agenda
 - Rule 317.1 Exclusion Plans
 - New Health Risk Assessment Tool



Rule 317.1

Background

- Clean Air Act Nonattainment Fees for 8-Hour Ozone Standards
- Adopted June 7, 2024
- Established Clean Air Act Section 185 Fee requirements
 - Applies to Severe or Extreme ozone nonattainment areas when the area fails to attain a NAAQS by the applicable attainment date
 - Fee applies to federal Major Stationary Sources of NO_x and/or VOC (ozone precursors)
 - Fees required until attainment
- Full regulatory background presented at June 2024 Governing Board meeting
 - Webcast (@1:58:55): <https://www.aqmd.gov/home/news-events/webcast/live-webcast?ms=UeHieemQEZc>

Rule 317.1

Pathways

- Introduce concepts for lower emitting facilities to begin examining applicable permitting and exclusion pathways
- Each facility will have their case-by-case scenarios
 - Major Source status
 - Permitted Potential to Emit (PTE)
 - Actual emissions
 - Industry Source Category
- Business decisions will drive exclusion approach, if applicable
 - Depends on eligibility and business feasibility
 - Multiple compliance approaches
 - Requires enforceable permit conditions
 - Likely requires reduction or cap of actual emissions or potential to emit
- Permitting of air pollution control equipment to follow existing process



Major Stationary Sources

- What is a NO_x/VOC Major Source?
 - Facility with potential to emit or actual emissions of 10 tons or more per year of NO_x or VOC emissions
- Details to consider for Rule 317.1 and Major Source applicability
 - Title V permitting status – Existing Title V facility or Initial Title V application pending
 - Facilities with enforceable limit for Title V exclusion, but PTE greater than 10 tons
 - Recent Annual Emission Reports
 - Applicable Major Source Emissions – Rule 317(c)(13)
 - Fugitive Emissions – Industry Source Categories
 - 40 CFR 70.2 – second paragraph of Major Source definition
 - <https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-70/section-70.2>
- Future workshop to discuss all aspects of Rule 317.1 applicability
 - Today - Rule 317.1 Exclusion Plan process

Pre-Application Process

Rule 317.1 Exclusion Plans

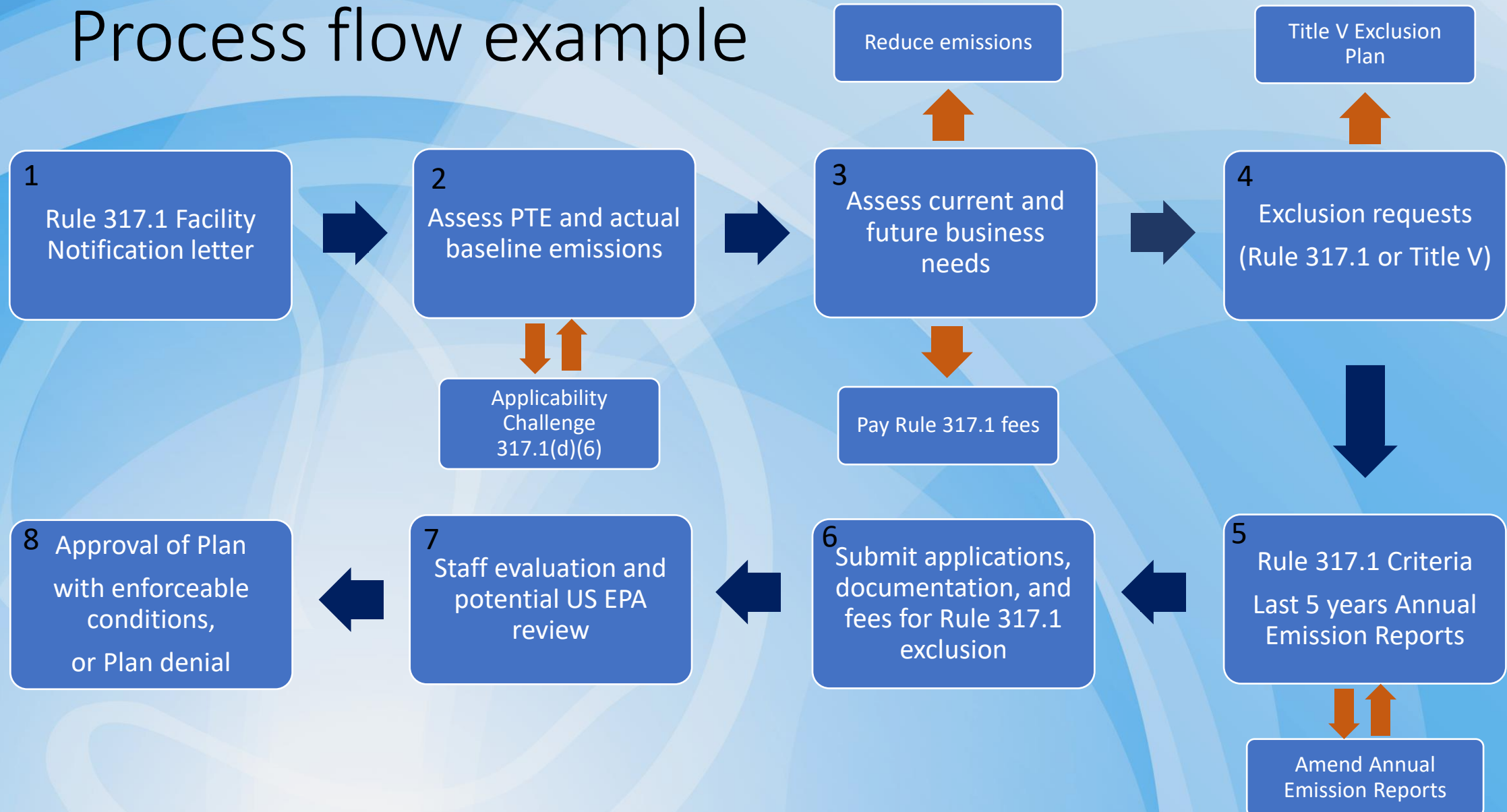
- Determine Eligibility
 - Detailed in Rule 317.1 Staff Report p 2-16
 - <https://www.aqmd.gov/docs/default-source/Agendas/Governing-Board/2024/2024-jun7-024.pdf?sfvrsn=4>
 - Review basis of Rule 317.1 applicability
 - Opportunity to appeal applicability - Rule 317.1 (d)(6)
- Annual Emission Reports (AERs)
 - Requiring less than 80% of major source thresholds for previous five years
 - Amend and finalize AERs BEFORE submitting exclusion plans
 - Ensure fugitive emissions are quantified, if applicable
- Title V exclusion differs from Rule 317.1 exclusion
 - Title V exclusion can accomplish Rule 317.1 exclusion
 - Longer processing times, permit evaluation and conditions, and additional fees process
- Discuss facility specific scenarios with permitting engineer
 - Permitting Staff List: <https://www.aqmd.gov/nav/contact/permitting-staff>

Plan Application Process

- Submit Forms
 - Form 400-A, Form 400-CEQA, Form 317.1 (in development)
 - Potential Title V revision application
- Submit applicable Plan fees in Rule 306
 - Title V facilities will require revision fees
- Include documentation to verify basis of exclusion request
- If approved, Plan will require:



Process flow example



Next Steps

- Staff is seeking input to streamline permitting process
 - Address facility specific issues and questions prior to application submittals
- Rule 317.1 facility applicability notifications in progress
- More information to be provided at Rule 317.1 Workshop
- Contacts
 - Permitting Engineer
 - <https://www.aqmd.gov/nav/contact/permitting-staff>
 - AER team - (909) 396-3660 or aer@aqmd.gov
 - Rule 317.1 team – Kalam Cheung (909) 396-3281 or kcheung@aqmd.gov