



South Coast Air Quality Management District

Notice of Rule Applicability for Rule 317.1 – Clean Air Act Nonattainment Fees for 8-Hour Ozone Standards

ATTN: Owners and operators of a Major Stationary Source

REASON FOR RECEIVING NOTICE OF RULE APPLICABILITY

Your facility has been identified as a Major Stationary Source¹ subject to Rule 317.1 – Clean Air Act Nonattainment Fees for 8-Hour Ozone Standards (Rule 317.1) and may be required to pay applicable nonattainment fees (*facilities with more than one facility ID may receive multiple notices*). This identification was based on your facility's potential to emit (PTE) exceeding 10 tons per year for NOx VOC or both or Title V status. This designation was based on your facility's collective PTE from equipment at your facility or the current Title V status.

The federal Clean Air Act requires major stationary sources in certain areas that do not attain the National Ambient Air Quality Standard (NAAQS) for ozone by their assigned attainment dates to either reduce their emissions by 20% from a baseline amount or pay a fee based upon a prescribed formula each year until the NAAQS is attained.² These fees are initiated in the calendar year after a NAAQS attainment date and are based on emissions reported to South Coast AQMD's Annual Emissions Reporting program. The NAAQS attainment date for the 1997 8-hour ozone standard was June 15, 2024, and ozone levels remain above the federal standard.³ Rule 317.1 implements these Clean Air Act requirements for the 1997 and 2008 8-hour ozone standards.

NEXT STEPS

If your facility is a Major Stationary Source, you are subject to Rule 317.1. Facilities subject to Rule 317.1 are required to report emissions from permitted equipment as well as unpermitted sources such as architectural coatings, clean air solvents, charbroilers and deep fat fryers to the Annual Emissions Reporting program and are advised to maintain records for this purpose. Nonattainment fee will be assessed for emissions in 2025 (and future years) relative to baseline emissions in 2024.

If you believe that your facility is not a Major Stationary Source or would like to voluntarily take an enforceable limit to avoid being subject to the rule, the following two options are available:

Option 1: For a facility electing to challenge rule applicability pursuant to Rule 317.1(d)(6), please complete the following and submit to Rule317.1@aqmd.gov:

- Rule 317.1 Request for Non-Applicability Determination and supporting documentation
- Supporting documentation should provide verifiable evidence that a facility is not a Major Stationary Source. Examples of documentation may include permits and permit records, or compliance records signed and certified by the Responsible Official. Failure to provide adequate documentation will result in a facility remaining subject to the rule.

Please respond no later than **Thursday, February 6, 2025.**⁴

¹ Rule 317.1 defines a Major Stationary Source as a facility that emits or has the potential to emit VOC and/or NOx emissions equal to or greater than 10 tons per year. Available at <https://www.aqmd.gov/docs/default-source/rule-book/reg-iii/rule-317-1.pdf>

² Section 185 of the Clean Air Act. Available at <https://www.govinfo.gov/content/pkg/USCODE-2013-title42/html/USCODE-2013-title42-chap85-subchapI-partD-subpart2-sec7511d.htm>

³ U.S. EPA Proposed Finding of Failure to Attain: <https://www.federalregister.gov/documents/2024/08/15/2024-17573/finding-of-failure-to-attain-the-1997-8-hour-ozone-standards-california-los-angeles-south-coast-air>

⁴ Pursuant to Rule 317.1 paragraph (d)(6), a facility that elects to challenge rule applicability shall provide evidence to the Executive Officer to demonstrate that the facility does not meet the definition of Major Stationary Source no later than 90 days after a notice was issued.



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The Executive Officer will review the evidence submitted and other available data, and notify the owner or operator the final decision regarding the challenge submitted. The owner or operator shall remain subject to the rule unless and until the Executive Officer notifies the owner or operator that the facility is not subject to this rule.

Option 2: For a facility electing to take a federally enforceable limit through a Rule 317.1 Exclusion Plan pursuant to Rule 317.1(e)(3) to no longer meet the definition of a Major Stationary Source, please complete the following and submit to Rule317.1@aqmd.gov:

- Application Form(s) for a Rule 317.1 Exclusion Plan⁵
- Application Form(s) for a Title V Permit Revision⁶

All application forms can be obtained here: <https://www.aqmd.gov/home/permits/permit-application-forms>

REGULATORY WORKSHOP

To assist with questions regarding the rule, applicability, facility obligations, and fee calculations, South Coast AQMD will be hosting a Regulatory Workshop on **December 5, 2024 at 1:00pm**. The Workshop will additionally provide an overview of Rule 317.1, Annual Emissions Reporting, instructions to complete the Rule 317.1 Request for Non-Applicability Determination, an overview of the Rule 317.1 Exclusion Plan process, and opportunity to ask questions.

Join Zoom Webinar Meeting - from PC or Laptop
<https://scaqmd.zoom.us/j/97559313527>
Zoom Webinar ID: 975 5931 3527 (applies to all)
Teleconference Dial In +1 669 900 6833
One tap mobile +16699006833, 975 5931 3527#

MORE INFORMATION

Rule 317.1: <https://www.aqmd.gov/docs/default-source/rule-book/reg-iii/rule-317-1.pdf>

For questions regarding Rule 317.1 requirements, please contact Kalam Cheung at (909) 396-3281 or kcheung@aqmd.gov.

For questions regarding the Rule 317.1 Exclusion Plan, please contact your facility's permit engineer.

For questions regarding Annual Emissions Reporting, please call the hotline at (909) 396-3660 or email the AER program at aer@aqmd.gov.

⁵ Rule 317.1 Exclusion Plans are subject to fees specified in Rule 306 – Plan Fees. Approval of the Rule 317.1 Exclusion Plan will be based on, but not limited to the following criteria: Demonstration that the facility's most recent five calendar years of emission do not exceed 8 tons per year for either VOC or NOx and acceptance of the following condition(s): (i) Limits to facility's total VOC and/or NOx emission; (ii) Monthly recordkeeping of applicable VOC/NOx emissions; (iii) Notify the Executive Officer if the facility's annual applicable emissions exceed the major stationary source threshold and; (iv) Continue to report actual emissions and maintain records.

⁶ Permit revisions are subject to fees specified in Rule 301 – Permitting and Associated Fees.