

## APPENDIX D

# APPLICATION AND PERMIT STREAMLINING OPPORTUNITIES

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## Introduction

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This appendix summarizes various opportunities for streamlining Title V applications and Title V permits. The Title V application process has been substantially streamlined by AQMD. The majority of this streamlining is reflected in the Title V application forms available on the AQMD website at <http://www.aqmd.gov/titlev/Title%20V%20Forms.html>, by calling the AQMD Public Information Center at 909-396-2550 or by coming by the AQMD Headquarters located at 21865 Copley Dr, Diamond Bar. Title V applicants automatically receive the benefit of this streamlining simply by utilizing the streamlined application forms. Streamlining of Title V permits, on the other hand, is generally an optional program element initiated by the applicant when filing Title V applications. Other than resolving conflicting requirements, AQMD typically will not conduct permit streamlining on a facility's behalf unless the facility has requested it in a Title V application. AQMD's streamlining efforts are noted below. Each Title V facility should identify and request the specific streamlining elements that will simplify its Title V permit.

AQMD's streamlining procedures are based on the concepts described in the following EPA documents:

- *White Paper for Streamlined Development of (40 CFR) Part 70 Permit Applications*, July 10, 1995 (*White Paper Number 1*)
- *White Paper Number 2 for Improved Implementation of the (40 CFR) Part 70 Operating Permits Program*, March 5, 1996 (*White Paper Number 2*)

AQMD's streamlining efforts are designed to accomplish the following objectives:

- Require only necessary information pertaining to Title V applicability, emissions data, and insignificant emission units in Title V applications;
- Provide for referencing applicable requirements and other existing information in Title V applications and permits;
- Provide guidance for sources subject to rules pending SIP approval; and
- Identify and consolidate redundant and conflicting permit requirements.

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## Application Streamlining

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### **What Areas Of Application Streamlining Have Been Incorporated Into AQMD's Title V Application Forms?**

- Designation as a Title V facility
- Emissions data  
AQMD is not requiring submittal of emission data in association with Title V applications.
- Trivial activities  
Trivial activities that are not subject to any applicable requirements do not need to be included in Title V applications.

- Rule 219-exempt equipment  
Rule 219-exempt equipment that is subject to source-specific rules (such as rules in Regulation XI) may be described in generic categories in most cases rather than specifically identifying each individual equipment item.
- Certification of compliance  
AQMD is not requiring applicants to submit documentation of compliance, although such documentation must be available upon request and documentation must be provided for any sources that are not in compliance.
- Referencing applicable requirements  
AQMD's Title V application forms include checklists of commonly applicable requirements for the various source categories. Applicable requirements that are not included in the checklists can be incorporated by reference.

### **Can A Facility Certify Compliance Based Upon AQMD Rules Pending SIP Approval By EPA Rather Than On The SIP-Approved Versions?**

For purposes of initial Title V applications, a facility may certify compliance based on locally-adopted rules which have been submitted to EPA for incorporation into the SIP but which have not yet been acted upon by EPA.<sup>43</sup> However, annual certification of compliance must be made with respect to the requirements in the currently active Title V permit.

## **Permit Streamlining**

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### **May A Title V Permit Contain References To Specific Applicable Requirements Or Other Existing Information That Is On Record With AQMD?**

EPA, ARB, and AQMD published test methods and protocols, and calculation procedures may be incorporated into Title V permits by reference provided they are clear and unambiguous and permit enforceability is not compromised. Additionally, in lieu of placing all existing information and requirements of a rule in the permit, a Title V permit may reference an applicable rule as long as the information is current and readily available and the manner in which the referenced rule applies to the emission unit is not ambiguous. Emission limits must be explicitly stated in the permit and will not be incorporated by reference. All emission limits, work practice standards, monitoring, recordkeeping, and reporting requirements must be in the Title V permit.

### **How Will AQMD Resolve Conflicting Permit Requirements?**

AQMD is reviewing the permit conditions common to various source categories in preparation for implementation of Regulation XXX. Staff will correct the

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<sup>43</sup> Provided there is a formal agreement between EPA and AQMD regarding the applicable rule.

conflicting conditions<sup>44</sup> identified during this process. If an applicant subsequently identifies any additional conflicting requirements, they will be addressed on a case-by-case basis.

### **May An Applicant Request Streamlining Of Multiple Redundant Or Overlapping Requirements?**

Some emission units may be subject to multiple requirements that are closely related or redundant. For instance, a boiler may be subject to a federal NSPS as well as the local Rule 1146. Facilities may request streamlined conditions to simplify the permit conditions and compliance. The mechanism for requesting streamlined conditions in a Title V permit is an application for change of condition and a permit shield. The application for change of condition may be filed in conjunction with an application for initial permit or renewal permit. Such streamlining applications will be processed as a significant permit revision.

In accordance with the permit shield, compliance with a streamlined condition will be deemed compliance with the underlying requirements whether or not the emission unit is actually in compliance with the specific underlying requirement. However, if a facility is found to be in violation of a streamlined condition, it may be subject to enforcement action for violation of each underlying requirement.

#### ***Example:***

A source operates an emission unit subject to a NO<sub>x</sub> emission standard of 30 ppm with an averaging time of one hour and a second NO<sub>x</sub> standard of 40 ppm with an averaging time of 15 minutes. The higher limit of 40 ppm may not be subsumed by the 30 ppm standard because the 40 ppm limit is for a shorter averaging time. However, the facility may elect to accept a single hybrid condition limiting NO<sub>x</sub> emissions to 30 ppm with an averaging time of 15 minutes in order to simplify the associated monitoring requirements.

Assume the unit violates the hybrid limit. It could also be subject to enforcement action for violating any of the applicable subsumed or underlying requirements as documented on their permit. Depending on the emissions monitored, the facility could be subject to the following violations:

1. If the highest monitored values were 35 ppm over 15 minutes and 28 ppm over one hour, then the facility would be liable for one violation for exceeding the streamlined emission limit of 30 ppm averaged over 15 minutes.
2. If the highest monitored values were 39 ppm over 15 minutes and 35 ppm over one hour, then the facility would be liable for two separate violations: one violation for exceeding the streamlined emission limit of 30 ppm averaged over 15 minutes; and one for exceeding the underlying emission limit of 30 ppm averaged over one hour.

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<sup>44</sup> For the purposes of this discussion, "conflicting conditions" are defined as multiple conditions which simultaneously apply to a common source but with which it is not possible to simultaneously operate in compliance.

3. If the highest monitored values were 45 ppm over 15 minutes and 38 ppm over one hour, then the facility would be liable for three separate violations: one violation for exceeding the streamlined emission limit; one violation for exceeding the underlying 30 ppm emission limit averaged over one hour; and one violation for exceeding the underlying 40 ppm emission limit averaged over 15 minutes.

Note that streamlined conditions must ensure compliance with BACT and NSR requirements. The monitoring requirements that best assures compliance with the streamlined emission limit must be used. The recordkeeping and reporting requirements associated with the streamlined monitoring requirements may be used. However, the streamlined monitoring, recordkeeping, and reporting (MRR) requirements must be compatible with the conditions they support, including both streamlined and subsumed emission limits, if applicable. For example, an MRR condition specifying monitoring of emissions of a particular toxic solvent would be inadequate to support a VOC emission limit. Testing and MRR requirements and quality assurance/quality control and emission calculation procedures required pursuant to Regulation XX - Regional Clean Air Incentives Market (RECLAIM) may not be subsumed by streamlined conditions. Other testing or MRR requirements may, however, be subsumed into Regulation XX requirements provided the Regulation XX requirements ensure compliance with the subsumed conditions.

A facility may choose to base a streamlined condition on a requirement which is not federally enforceable (i.e., is not included in SIP). However, in doing so, the condition will become federally enforceable.

### **What Criteria Are Applicable To The Streamlining Of Redundant Or Conflicting Requirements?**

Only emission limits, work practice standards, and MRR requirements can be streamlined. Under permit streamlining process, AQMD is not allowed to:

- Weaken requirements designed to address a particular health concern by lengthening averaging time or otherwise; and
- Streamline test methods or requirements required by an AQMD-developed NESHAP rule, e.g. Rule 1469.

In cases where one of the existing requirements is more stringent than the other requirements, the streamlined limit will be based on the most stringent limit. Otherwise, the streamlined requirement will be constructed as a hybrid of the most stringent components of the subsumed requirements. The criteria for evaluating stringency include:

- Numerical value of the emission limits with all limits expressed on the same basis (i.e., the same units);
- The effective dates of the emission limits;
- The averaging times on which compliance determinations are based for each limit;
- The test methods specified for compliance verification with each limit;

- Multiple requirements which collectively limit mass emissions (e.g., a condition limiting VOC content of a coating and a second condition limiting daily coating consumption) may be considered collectively for purposes of streamlining emission limits; and
- A condition limiting emissions of a specific compound may be streamlined into a condition limiting emissions of a broader class of compounds provided the streamlined condition ensures compliance with the underlying compound-specific requirement.

See EPA's March 5, 1996 "White Paper Number 2 for Improved Implementation of the (40 CFR) Part 70 Operating Permit Program" for additional information.

### **What Must Be Included In An Application For Permit Streamlining?**

- Completed Forms 400-A and 500-D.
- A completed 400-E Series Equipment Specific form, for a change of permit conditions for each item of equipment affected by the streamlined conditions.
- Specification of the change of permit condition requested.
- Permit fee required by Rule 301 (c) and (i) for a change of permit conditions.
- A side-by-side comparison of all requirements included in the streamlining proposal, and a determination of the most stringent requirement. If it is not obvious which requirement is more stringent, provide documentation to prove it.
- A proposed set of streamlined conditions using either the most stringent requirement, or a hybrid of the requirements that is at least as stringent as the each of the underlying requirements.
- A certification of compliance with the streamlined conditions. Use the same format as found on Form 500-A2, Section II, but refer to the proposed streamlined conditions.
- If the facility is not yet in compliance with the streamlined conditions, a non-compliant operation report and compliance plan with Form 500-C2.