

TITLE 42

STATIONARY SOURCE PLANT SITE EMISSION LIMITS

**Section 42-0010 Policy**

LRAPA recognizes the need to establish a more definitive method for regulating increases and decreases in air emissions of permit holders. However, except as needed to protect ambient air quality standards, prevention of significant deterioration increments and visibility, LRAPA does not intend to: limit the use of existing production capacity of any air quality permittee; cause any undue hardship or expense to any permittee who wishes to use existing unused productive capacity; or create inequity within any class of permittees subject to specific industrial standards that are based on emissions related to production.

**Section 42-0020 Applicability**

1. Plant Site Emission Limits (PSELs) will be included in all Air Contaminant Discharge Permits (ACDP) and LRAPA Title V Operating Permits, except as provided in section 42-0020(3), as a means of managing airshed capacity by regulating increases and decreases in air emissions. Except as provided in Section 42-0060 or 42-0070, all ACDP and Title V sources are subject to PSELs for all regulated pollutants. LRAPA will incorporate PSELs into permits when issuing a new permit or renewing or modifying an existing permit.
2. The emissions limits established by PSELs provide the basis for:
  - A. Assuring reasonable further progress toward attaining compliance with ambient air standards;
  - B. Assuring compliance with ambient air standards and Prevention of Significant Deterioration increments;
  - C. Administering offset and banking programs; and
  - D. Establishing the baseline for tracking the consumption of Prevention of Significant Deterioration Increments.
3. PSELs are not required for:
  - A. Pollutants that will be emitted at less than the de minimis emission level listed in LRAPA Title 12 from the entire source,
  - B. Short Term Activity and Regulated Source ACDPs, or
  - C. Hazardous air pollutants as listed in Section 44-020 Table 1; Early Reduction High Risk Pollutants listed in Section 44-060 Table 2; or Accidental Release Substances listed in Section 44-160 Table 3.
4. Generic PSELs may be used for any category of ACDP or Title V permit.

**Section 42-0030 Definitions**

The definitions in LRAPA Title 12 and this rule apply to this title. If the same term is defined in this rule and LRAPA Title 12, the definition in this rule applies to this title.

**Criteria for Establishing Plant Site Emission Limits**

**Section 42-0040 Generic annual PSEL**

1. Sources with capacity less than the Significant Emission Rate (SER) will receive a Generic PSEL unless they have a netting basis and request a source specific PSEL under 42-0041.
2. A Generic PSEL may be used for any pollutant that will be emitted at less than the SER. The netting basis for a source with a generic PSEL is zero (0).

**Section 42-0041 Source specific annual PSEL**

1. For sources with potential to emit less than the SER, that request a source specific PSEL, an initial source specific PSEL will be set equal to the Generic PSEL.
2. For sources with potential to emit greater than or equal to the SER, an initial source specific PSEL will be set equal to the source's potential to emit or netting basis, whichever is less.
3. If an applicant wants an annual PSEL at a rate greater than the netting basis, the applicant must:
  - A. Demonstrate that the requested increase over the netting basis is less than the SER  
or
  - B. For increases equal to or greater than the SER over the netting basis, but not subject to New Source Review (LRAPA Title 38):
    - 1) If located within an area designated as nonattainment in LRAPA Title 52, obtain offsets and demonstrate a net air quality benefit in accordance with Section 40-0090.
    - 2) If located within an area designated as maintenance in LRAPA Title 52, either:

- (a) Obtain offsets and demonstrate a net air quality benefit in accordance with Section 40-0090;
  - (b) Obtain an allocation from an available growth allowance in accordance with the applicable maintenance plan; or
  - (c) For carbon monoxide, demonstrate that the source or modification will not cause or contribute to an air quality impact equal to or greater than 0.5 mg/m<sup>3</sup> (8 hour average) and 2 mg/m<sup>3</sup> (1-hour average).
- 3) If located within an attainment or unclassifiable area, conduct an air quality analysis, in accordance with Section 40-0050-1 through (3) and 40-0060.
  - 4) For federal major sources demonstrate compliance with AQRV protection in accordance with Section 40-0070.
- C. For increases equal to or greater than the SER over the netting basis and subject to New Source Review (Title 38), demonstrate that the applicable New Source Review requirements have been satisfied.

**Section 42-0042 Short Term PSEL**

- 1. For sources located in areas with established short term SER (LRAPA Title 12 Table 3), PSELs are required on a short term basis for those pollutants that have a short term SER. The short term averaging period is daily, unless emissions cannot be monitored on a daily basis. The averaging period for short term PSELs can never be greater than monthly.
  - A. For existing sources, the initial short term PSEL will be set as:
    - 1) the lesser of the short term capacity or the current permit's short term PSEL, if each is greater than or equal to the short term SER; or
    - 2) the generic PSEL, if either the short term capacity or the current short term PSEL is less than the short term SER.
  - B. For new sources, the initial short term PSEL will be zero (0).
- 2. If an applicant wants a short term PSEL at a rate greater than the initial short term PSEL, the applicant must:
  - A. Demonstrate that the requested increase over the initial short term PSEL is less than the significant emission rate (Note: In this case new sources would get a generic PSEL); or
  - B. For increases equal to or greater than the SER over the initial short term PSEL:

- 1) Obtain offsets and demonstrate a net air quality benefit in accordance with Section 40-0090;
  - 2) Obtain an allocation from an available growth allowance in accordance with the applicable maintenance plan; or
  - 3) For carbon monoxide, demonstrate that the source or modification will not cause or contribute to an air quality impact equal to or greater than 0.5 mg/m<sup>3</sup> (8 hour average) and 2 mg/m<sup>3</sup> (1 hour average).
  - 4) For federal major sources, demonstrate compliance with air quality related values (AQRV) protection in accordance with Section 40-0070.
3. Once the short term PSEL is increased pursuant to section 2 of this rule, the increased level becomes the initial short term PSEL for future evaluations.

**Section 42-0043 General Requirements for all PSEL**

1. No PSEL may allow emissions in excess of those allowed by any applicable federal or state regulation or by any specific permit conditions unless the source meets the specific provisions of Section 32-0400 (Alternative Emission Controls).
2. Source specific PSELs may be changed pursuant to LRAPA's rules for permit modifications when:
  - A. Errors are found or better data is available for calculating PSELs
  - B. More stringent control is required by a rule adopted by the Commission; or
  - C. LRAPA modifies a permit pursuant to Section 37-0084, Modification of a Permit, or OAR 340-218-0200, Reopenings.
3. Annual PSELs are established on a rolling 12 consecutive month basis and will limit the source's potential to emit.
4. In order to maintain the netting basis, permittees must maintain either a Standard ACDP or an LRAPA Title V Operating Permit. A request by a permittee to be assigned any other type of an ACDP sets the netting basis at zero upon issuance of the other type of permit.

**Section 42-0045 Unassigned Emissions**

1. Purpose. The purpose of unassigned emissions is to track and manage the difference in the quantity of emissions between the netting basis and what the source could emit based on the facility's current physical and operational design.
2. Establishing unassigned emissions.
  - A. Unassigned emissions equal the netting basis minus the source's current PTE, minus any banked emission reduction credits. Unassigned emissions are zero if this result is negative.

- B. Unused capacity created after the effective date of this rule due to reduced potential to emit that is not banked or expired emission reduction credits (Section 41-0030), increase unassigned emissions on a ton for ton basis.
- 3. Maximum unassigned emissions
    - A. Except as provided in paragraph (C) of this section, unassigned emissions will be reduced to not more than the SER (LRAPA Title 12 Table 2) on July 1, 2013 and at each permit renewal following this date.
    - B. The netting basis is reduced by the amount that unassigned emissions are reduced.
    - C. In an AQMA where the EPA requires an attainment demonstration based on dispersion modeling, unassigned emissions are not subject to reduction under this rule.
  - 4. Using unassigned emissions
    - A. Unassigned emissions may be used for internal netting to allow an emission increase at the existing source in accordance with the permit.
    - B. Unassigned emissions may not be banked or transferred to another source.
    - C. Emissions that are removed from the netting basis are unavailable for netting in any future permit actions.
  - 5. Upon renewal, modification or other reopening of a permit after July 1, 2008 the unassigned emissions will be established with an expiration date of July 1, 2013 for all unassigned emissions in excess of the SER. Each time the permit is renewed after July 1, 2013 the unassigned emissions will be established again and reduced upon the following permit renewal to no more than the SER for each pollutant in LRAPA Title 12 Table 2.

#### **Section 42-0060 Plant Site Emission Limits for Sources of Hazardous Air Pollutants**

- 1. LRAPA may establish PSELs for hazardous air pollutants (HAPs) if an owner or operator:
  - A. Elects to establish a PSEL for combined HAPs emitted for purposes of determining emission fees as prescribed in OAR 340 division 220; or
  - B. Asks LRAPA to create an enforceable PTE limit.
- 2. PSELs will be set only for individual or combined HAPs and will not list HAPs by name. The PSEL will be set on a rolling 12 month basis and will be either:
  - A. The generic PSEL if the permittee proposes a limit less than that level; or
  - B. The level the permittee establishes necessary for the source if greater than the generic PSEL.
- 3. The Alternative Emissions Controls (Bubble) provisions of Section 32-100 do not apply to emissions of HAPs.

#### **Section 42-0070 Plant Site Emission Limits for Insignificant Activities**

1. For purposes of establishing PSELS, emissions from categorically insignificant activities listed in LRAPA Title 12 are not considered under Section 42-0020, except as provided in section 3. of this rule.
2. For purposes of establishing PSELS, emissions from aggregate insignificant emissions listed in LRAPA Title 12 are considered under Section 42-0020.
3. For purposes of determining New Source Review or Prevention of Significant Deterioration applicability under LRAPA Title 38, emissions from insignificant activities are considered.

**Section 42-0080 Plant Site Emission Limit Compliance**

1. The permittee must monitor pollutant emissions or other parameters that are sufficient to produce the records necessary for demonstrating compliance with the PSEL.
2. The frequency of the monitoring and associated averaging periods must be as short as possible and consistent with that used in the compliance method.
3. Annual and Short-term PSEL Monitoring and Recordkeeping:
  - A. For annual PSELS, the permittee must monitor appropriate parameters and maintain all records necessary for demonstrating compliance with the annual PSEL at least monthly and be able to determine emissions on a rolling 12 consecutive month basis.
  - B. For short term PSELS, the permittee must monitor appropriate parameters and maintain all records necessary for demonstrating compliance with any short term PSEL at least as frequently as the short term PSEL averaging period.
4. The applicant must specify in the permit application the method(s) for determining compliance with the PSEL. LRAPA will review the method(s) and approve or modify, as necessary, to assure compliance with the PSEL. LRAPA will include PSEL compliance monitoring methods in all permits that contain PSELS.
5. Depending on source operations, one or more of the following methods may be acceptable:
  - A. Continuous emissions monitors,
  - B. Material balance calculations,
  - C. Emissions calculations using approved emission factors and process information,
  - D. Alternative production or process limits, and
  - E. Other methods approved by LRAPA.

6. When annual reports are required, the permittee must include the emissions total for each consecutive 12 month period during the calendar year, unless otherwise specified by a permit condition.

**Section 42-0090 Combining and Splitting Sources**

1. When two or more sources combine into one source:
  - A. The sum of the netting basis for all the sources is the combined source netting basis.
  - B. The combined source is regulated as one source, except:
    - 1) The simple act of combining sources, without an increase over the combined PSEL, does not subject the combined source to New Source Review.
    - 2) If the combined source PSEL, without a requested increase over the existing combined PSEL, exceeds the combined netting basis plus the SER, the source may continue operating at the existing combined source PSEL without becoming subject to New Source Review until an increase in the PSEL is requested or the source is modified. If an increase in the PSEL is requested or the source is modified, LRAPA will evaluate whether New Source Review applies.
2. When one source is split into two or more separate sources:
  - A. The netting basis and the SER for the original source is split amongst the new sources as requested by the original permittee.
  - B. The split of netting basis and SER must either:
    - 1) Be sufficient to avoid New Source Review for each of the newly created sources or
    - 2) The newly created source(s) that become subject to New Source Review must comply with the requirements of LRAPA Title 38 before beginning operation under the new arrangement.
3. The owner of the device or emissions unit must maintain records of physical changes and changes in operation occurring since the baseline period.