APPENDIX I

FEDERAL CLEAN AIR ACT SECTION 182(e)(2) –

AUTHORITY FOR OFFSET EXEMPTION
Appendix I:

Federal Clean Air Act Section 182(e)(2)

FEDERAL CLEAN AIR ACT AMENDMENTS OF 1990 -
OFFSET EXEMPTION AUTHORITY SECTION 182 (e)(2)
(AS OF APRIL 24, 2001)

(e) Extreme Areas.- Each State in which all or part of an Extreme Area is located
hall, with respect to the Extreme Area, make the submissions described under
subsection (d) (relating to Severe Areas), and shall also submit the revisions to the
applicable implementation plan (including the plan items) described under this
subsection. The provisions of clause (ii) of subsection (c)(2)(B) (relating to reductions
of less than 3 percent), the provisions of paragraphs (6), (7) and (8) of subsection
(c) (relating to de minimus rule and modification of sources), and the provisions of
clause (ii) of subsection (b)(1)(A) (relating to reductions of less than 15 percent) shall
not apply in the case of an Extreme Area. For any Extreme Area, the terms "major
source" and "major stationary source" includes (in addition to the sources described
in section 302) any stationary source or group of sources located within a contiguous
area and under common control that emits, or has the potential to emit, at least 10 tons
per year of volatile organic compounds.

1 Offset requirement.- For purposes of satisfying the offset requirements
pursuant to this part, the ratio of total emission reductions of VOCs to total increased
emissions of such air pollutant shall be at least 1.5 to 1, except that if
the State plan requires all existing major sources in the nonattainment area to use
best available control technology (as defined in section 169(3)) for the control of volatile
organic compounds, the ratio shall be at least 1.2 to 1.

2 Modifications.- Any change (as described in section 111(a)(4)) at a major
stationary source which results in any increase in emissions from any discrete
operation, unit, or other pollutant emitting activity at the source shall be
considered a modification for purposes of section 172(c)(5) and section 173(a), except
that for purposes of complying with the offset requirement pursuant to section
173(a)(1), any such increase shall not be considered a modification if the owner or
operator of the source elects to offset the increase by a greater reduction in
emissions of the air pollutant concerned from other discrete operations, units, or
activities within the source at an internal offset ratio of at least 1.3 to 1. The offset
requirements of this part shall not be applicable in Extreme Areas to a modification of
an existing source if such modification consists of installation of equipment required to
comply with the applicable implementation plan, permit, or this Act.