1.0 Purpose

This rule specifies emissions units that are not required to obtain an Authority to Construct or Permit to Operate. This rule also specifies the recordkeeping requirements to verify the exemption and outlines the compliance schedule for emissions units that lose the exemption after installation.

2.0 Applicability

This rule shall apply to any source that emits or may emit air contaminants.

3.0 Definitions

3.1 Clean Produced Water: as defined in Rule 1020.

3.2 Emissions Unit: as defined in Rule 2201.

3.3 HAP: a hazardous air pollutant listed in Section 112(b) of the federal Clean Air Act or the lists prepared by the California Air Resources Board pursuant to Section 44321 of the California Health and Safety Code that have OEHHA approved health risk values.

3.4 HAP Source: an emissions unit that is subject to an emissions limitation, a performance standard, work practice standard, or other requirements under an applicable provision of any of the following regulations:

3.4.1 National Emission Standards for Hazardous Air Pollutants (NESHAPS), Maximum Achievable Control Technology (MACT) standard, or other requirements promulgated pursuant to Section 112 of the federal Clean Air Act (42 U.S. Code, 7401, et. seq.).

3.4.2 Airborne Toxic Control Measures (ATCM) adopted by the California Air Resource Board in accordance with requirements of Section 39658 of the California Health and Safety Code.

3.4.3 A rule contained in Regulation VII (Toxic Air Pollutants) of the District Rules and Regulations.
3.5 Indirect heat transfer system: A heat transfer system in which the products of combustion do not come into direct contact with the material being heated.

3.6 Low Emitting Unit: An emissions unit with an uncontrolled emissions rate of each air contaminant,

3.6.1 Less than or equal to two pounds per day or,

3.6.2 If greater than two pounds per day, is less than or equal to 75 pounds per year.

3.7 NSPS Source: an emissions unit that is subject to an emissions limitation, performance standard, work practice standard, or other requirements under an applicable provision of 40 CFR, Part 60, New Source Performance Standards (NSPS).

3.8 Portable Emissions Unit: as defined in Rule 2280.

3.9 Reconstructed Stationary Source: a Reconstructed Stationary Source as defined in Rule 2201, or a Reconstruction as defined in 40 CFR Part 60 Subpart A.

3.10 Roadmix: a mixture of tank bottoms from crude oil storage tanks, material from crude oil spills, or other crude-oil-containing soil mixed with aggregates and soils, that is used as a base or cover material for roads, parking lots, berms, tank and well locations, or similar applications.

3.11 Routine Replacement: as defined in Rule 2201.

3.12 Stationary Source: as defined in Rule 2201.

3.13 True Vapor Pressure: as defined in Rule 4623.

3.14 Unloading Rack: any aggregate or combination of equipment or control equipment that unloads organic liquid into a storage tank from tank trucks, trailers, or railroad tank cars. The unloading rack is the portion of the connection system from the connection at the inlet of the organic liquid pump to and including the hose and connector at the delivery tank.

4.0 Precluded Source Categories

No Authority to Construct or Permit to Operate shall be required for the following source categories that are specifically precluded from District permitting requirements by state or federal law:
4.1 Any structure designed for and used exclusively as a dwelling for not more than four families and any incinerator used exclusively in connection with such structure (Health and Safety Code Section 42310(b) and (c)).

4.2 Barbecue equipment that is not used for commercial purposes, (Health and Safety Code Section 42310(d)).

4.3 Motor vehicles as defined by the Vehicle Code of the State of California (Health and Safety Code, Section 42310(a)), but not including any emissions unit mounted on such vehicle, that would otherwise require a permit under the provisions of the District Rules and Regulations.

4.4 Locomotives, airplanes, and watercraft used to transport passengers or freight. This exemption is not intended to apply to equipment used for the dredging of waterways or to equipment used in pile driving adjacent to or in waterways.

5.0 District Permit Exemptions

An Authority to Construct or Permit to Operate shall not be required for an emissions unit covered under District Exempt Source Categories listed in Sections 6.0 or 7.0, unless one or more of the following is true:

5.1 The source is a NSPS source;

5.2 The source is a HAP source;

5.3 The APCO makes a determination that a permit shall be required because the source may not operate in compliance with all District rules and regulations; or

5.4 The owner specifically requests a Permit to Operate.

6.0 District Exempt Source Categories

Except as required by Section 5.0, no Authority to Construct or Permit to Operate shall be required for an emission unit specified below. All other equipment within that source category shall require an ATC or PTO.
6.1 Combustion and Heat Transfer Systems

6.1.1 Steam generators, steam superheaters, water boilers, water heaters, steam cleaners, and closed indirect heat transfer systems that have a maximum input heat rating of 5,000,000 Btu per hour (gross) or less and is equipped to be fired exclusively with natural gas, liquefied petroleum gas, or any combination thereof provided the fuel contains no more than five percent by weight hydrocarbons heavier than butane (as determined by test method ASTM E-260-73) and no more than 0.75 grains of total sulfur per 100 standard cubic feet of gas (as determined by test method ASTM D-1072-80).

6.1.2 Piston type internal combustion engines with a manufacturer's maximum continuous rating of 50 braking horsepower (bhp) or less.

6.1.3 Gas turbine engines with a maximum heat input rating of 3,000,000 Btu per hour or less at ISO Standard Day Conditions.

6.1.4 Equipment used exclusively for space heating, other than boilers.

6.1.5 Multiple chambered or equivalent incinerators used to destroy animals from a wildlife habitat for the sole purpose of disease control, as authorized by a public official.

6.2 Cooling Towers: Water cooling towers that have a circulation rate of less than 10,000 gallons per minute, and that are not used for cooling of process water, water from barometric jets, or water from barometric condensers.

6.3 Graphic Arts Equipment: Printing, coating, or laminating facility with a total graphic arts material usage of

6.3.1 Less than or equal to two gallons per any day or,

6.3.2 If greater than two gallons per day, is less than or equal to 30 gallons per year.

6.3.3 Graphic arts materials are any ink, coating, adhesive, fountain solution, thinner, retarder, or cleaning solution.

6.4 Food Processing Equipment

6.4.1 Equipment, excluding charbroilers subject to Rule 4692 and boilers, used in eating establishments or other retail establishments for the purpose of preparing food for human consumption.

6.4.2 Mixers and blenders used in bakeries where the products are edible and intended for human consumption.
6.4.3 Ovens at bakeries provided that the total production from the bakery is less than 1,000 pounds of product per operating day and the oven is fired solely on natural gas and the oven has a rating less than 5 MMBtu per hour.

6.4.4 Smokehouses for preparing food in which the maximum horizontal inside cross-sectional area does not exceed 20 square feet.

6.5 Plastic/Rubber Processing: Emissions units used exclusively for the extruding or the compression molding of rubber products or plastics, where no plasticizer or blowing agent is present.

6.6 Storage Equipment: Containers, reservoirs, or tanks used exclusively for:

6.6.1 The storage or processing of clean produced water as represented in Figure 1 as being below the oil/water line.

6.6.2 The storage of crude oil with 0.8762 specific gravity or higher (30ºAPI or lower) as measured by test method API 2547 or ASTM D-1298-80, and having a capacity of 100 bbl or less, and is not subject to a VOC control requirement of Rule 4623.

6.6.3 The storage of crude oil with specific gravity lower than 0.8762 (greater than 30ºAPI) as measured by test method API 2547 or ASTM D-1298-80, and existing before June 1, 1989, having a capacity of 100 bbl or less, and is not subject to a VOC control requirement of Rule 4623. This exemption shall not apply to a new tank installed after June 1, 1989.

6.6.4 The storage of organic material with a capacity of 250 gallons or less where the actual storage temperature does not exceed 150ºF.

6.6.5 The unheated storage of organic material with an initial boiling point of 302ºF or greater as measured by test method ASTM D-86.

6.6.6 The storage of fuel oils or non-air-blown asphalt with 0.9042 specific gravity or higher (25ºAPI or lower) as measured by test method API 2547 or ASTM D-1298-80.

6.6.7 The storage of petroleum distillates used as motor fuel with 0.8251 specific gravity of higher (40ºAPI or lower) as measured by test method API 2547 or ASTM D-1298-80 and having a capacity of 19,800 gallons (471 bbl) or less;

6.6.8 The storage of refined lubricating oils.

6.6.9 The storage of liquefied gases in unvented (except for emergency pressure relief valves) pressure vessels.
6.6.10 The storage of produced fluids in portable tanks, to be used for less than six months at any one (1) location and is not subject to a VOC control requirement of Rule 4623.

6.6.11 Mobile transport, delivery, or cargo tanks on vehicles for delivery of VOCs.

6.7 Transfer Equipment

6.7.1 Loading Racks (as defined in Rule 1020 (Definitions)) and unloading racks that are:

6.7.1.1 Used exclusively for the transfer of less than 4,000 gallons per day of:

6.7.1.1.1 Unheated organic materials with an initial boiling point of 302ºF or greater as measured by test method ASTM D-86, or

6.7.1.1.2 Fuel oil with 0.8251 specific gravity or higher (40ºAPI or lower) as measured by test method API 2547 or ASTM D-1298-80.

6.7.1.2 Used exclusively for the transfer of:

6.7.1.2.1 Crude oil, asphalt, or residual oil stored in tanks not required to be permitted in accordance with this rule; or

6.7.1.2.2 Crude oil with 0.8762 specific gravity or higher (30ºAPI or lower) as measured by test method API 2547 or ASTM D-1298-80.

6.7.1.3 Attached to an organic material delivery vehicle and used exclusively for the transfer of crude oil, asphalt, or residual oil.

6.7.2 Equipment used exclusively for the transfer of refined lubricating oil.

6.8 Surface Coating Operations

6.8.1 Application equipment for architectural surface coatings used for commercial or residential applications. Architectural surface coating is defined as any coating applied to stationary structures and their appurtenances, to mobile homes, to pavements, or to curbs. This exemption does not apply to coating application equipment used in the manufacturing of architectural components
and appurtenances that are coated before their installation as part of a structure.

6.8.2 Surface coating operations, except for powder coating operations, which use less than one quart of coating per day or less than eight gallons of coating per year.

6.8.3 Powder coating operations that use less than five pounds of coating material per day or less than fifty pounds of coating material per year.

6.9 Solvent Cleaning Operations

Unheated, nonconveyorized cleaning equipment (not including the control enclosures):

6.9.1 With an open surface area of 10.0 square feet or less, and internal volume of 92.5 gallons or less;

6.9.2 Using only organic solvents with an initial boiling point of 248°F or greater as determined by ASTM 1078-78; and

6.9.3 From which less than 25 gallons of solvent per year are lost to the atmosphere from all such equipment at the stationary source. Solvent lost shall not include solvent that is recycled or disposed of properly. Any person claiming exemption pursuant to this section shall maintain adequate monthly records to substantiate their exempt status.

6.10 Brazing, soldering, or welding equipment.

6.11 Equipment used exclusively to compress or hold dry natural gas. Any internal combustion engine or other emissions unit associated with the operation that would otherwise require a written permit is not exempt.

6.12 Fugitive emissions sources such as valves and flanges associated with an emissions unit that is exempt from a written permit.

6.13 Unvented (except for emergency pressure relief valves) pressure vessels associated with an emissions unit that is exempt from a written permit.

6.14 Fugitive emissions sources and pressure vessels that are associated with an emissions unit for which a written permit is required shall be included as part of such emissions unit. A separate permit for the fugitive source or pressure vessel is not required.

6.15 Pits and ponds as defined in Rule 1020 (Definitions).
6.16 Portable Emissions Units: a portable emissions unit for which a written permit is otherwise required, shall be exempt from the permitting requirements provided that all of the following conditions are met:

6.16.1 The emissions unit has a valid registration obtained in accordance with the provisions of Rule 2280 (Portable Equipment Registration), the Statewide Portable Equipment Registration Program (California Code of Regulation Title 13, Article 5, Sections 2450-2465), or other equipment registration program approved by the APCO; and

6.16.2 The portable emissions unit is not subject to the District's Title V permitting requirements (Rule 2520).

6.17 Roadmix manufacturing and application operations

6.17.1 Roadmix manufacturing operations, provided that

6.17.1.1 The roadmix is used exclusively on properties owned or operated by the company which operates the roadmix manufacturing operation and generated the roadmix feedstock, excluding aggregates, and

6.17.1.2 The roadmix feedstock does not contain refined hydrocarbons.

6.17.1.3 Notwithstanding the provisions of Section 6.17.1.1, an exempt roadmix manufacturing operator may donate roadmix material to non-profit organizations.

6.17.2 Roadmix application operations.

6.18 Laboratory testing equipment and quality control testing equipment used exclusively for chemical and physical analysis, provided

6.18.1 Emissions from such equipment do not exceed 2.0 pounds per day or 75 pounds per year, and

6.18.2 The equipment is not a HAP source.

6.19 Low Emitting Units, except those which belong to a source category listed in Sections 6.1 through 6.18, shall not require an Authority to Construct or Permit to Operate.

6.19.1 Low Emitting Units, which belong to a source category listed in Sections 6.1 through 6.18, shall require an Authority to Construct or Permit to Operate unless they are specifically exempted in the applicable source category section.
6.19.2 Notwithstanding Sections 6.19 and 6.19.1, Low Emitting Units, with uncontrolled HAP emissions that may cause a significant health risk to the public, shall require an Authority to Construct or Permit to Operate.

7.0 District Exempt Activities

No Authority to Construct or Permit to Operate shall be required for the following activities:

7.1 Routine replacement of a whole or partial emissions unit where the replacement part is the same as the original emissions unit in all respects except for the serial number and the action does not create a reconstructed Stationary Source.

7.2 The venting of California Public Utility Commission quality natural gas from pipelines and compressors for the sole purpose of pipeline and compressor repair and or maintenance, providing that such emissions consist solely of residual natural gas that is vented after the equipment is isolated or shut down and that the residual amounts have been reduced as much as practical prior to venting.

7.3 Repairs or maintenance not involving structural changes to any emissions unit for which a permit has been granted (Health and Safety Code, Section 42310(f)).

7.4 The detonation of explosives for research and development activity, provided the quantity of explosives detonated does not exceed 100 pounds per day and 1,000 pounds per year at a single stationary source.

7.5 Pilot tests for soil remediation projects, provided that all of the following conditions are met.

7.5.1 The sole purpose of the pilot test is to determine the VOC concentration in the soil in order to design or size the appropriate control equipment for the soil remediation project;

7.5.2 The pilot test will not last more than five days; and

7.5.3 The effluent gas stream from the pilot test is controlled by either carbon canisters, a thermal or catalytic incinerator, or an IC engine.

8.0 Administrative Requirements

Recordkeeping shall be required to verify or maintain any exemption for which the exemption is based on a throughput or emissions limitation. Such records shall be retained for at least two years and provided to the APCO upon request.

9.0 Compliance Schedule
The owner or operator of an emissions unit that was exempt from written permits at the time of installation, which becomes subject to the provisions of Rule 2010 (Permits Required), through loss of exemption, shall submit an application for a Permit to Operate within six months from the date of adoption of this rule and shall not be subject to Rule 2201 (New and Modified Stationary Source Review Rule), until such time that the emissions unit is modified.