

391-3-1-.03 PERMITS. AMENDED.

(1) CONSTRUCTION (SIP) PERMIT:

- (a) Any person prior to beginning the construction or modification of any facility which may result in air pollution shall obtain a permit for the construction or modification of such facility from the Director.
- (b) The application for a construction permit shall be made on forms supplied by the Director, and shall be signed by the applicant. Such application shall be filed with the Director well in advance of any critical date involved in the construction or modification of such facility, so that adequate time will be available for review, discussion, and revision where necessary. Said application shall include and/or be accompanied by all pertinent information as the Director may require for a full evaluation of the proposed construction or modification of the facility, such as: process flow diagrams; plot plans; description of control devices; description of the proposed new or modified operation; type of operation; raw materials and chemicals to be used; the finished products; type, quantity and peak output of fuels to be used; the amount of combustible waste that will be generated and the method of disposing of same; characteristics and amounts of emissions into the atmosphere; engineering reports, plans, and specifications; time schedules and reports of progress; records; and related information.
- (c) The permit for the construction or modification of any facility shall be issued upon a determination by the Director that the facility can reasonably be expected to comply with all the provisions of the Act and the rules and regulations promulgated thereunder.

(2) OPERATING (SIP) PERMIT:

- (a) Any person operating a facility or performing an activity which is not exempted under 391-3-1-.03(6) from which air contaminants are or may be emitted shall obtain an Operating (SIP) Permit from the Director.
- (b) Application for an operating permit must be made within thirty (30) days after commencement of normal operations. Said application for an operating permit shall be accompanied by such plans, specifications, and other information deemed necessary by the Director to make full evaluation of the performance of the facility. If any of the necessary information cannot be provided within the required time, the application shall include a schedule, subject to the approval of the Director, for submission of all such information as soon as practicable.
- (c) An operating permit will be issued upon evidence satisfactory to the Director of compliance with the provisions of the Act and the rules and regulations

promulgated thereunder. Said permit shall specify the conditions under which the facility shall be operated in order to comply with the Act and rules and regulations. As a condition for the issuance of an operating permit, the Director may require the applicant to conduct performance tests and monitoring and provide reports concerning operations, to demonstrate compliance with the Act and the rules and regulations. Such tests and monitoring shall be conducted, and such required reports submitted, in accordance with methods and procedures approved by the Director.

- (d) The Director may grant a temporary operating permit for such period of time and under such conditions as he shall specify in the permit, in order to allow the applicant a reasonable period of time in which to correct deficiencies in any existing facility. The temporary operating permit shall specify a schedule for bringing the existing facility into compliance with the Act and rules and regulations in the shortest practical time period.
 - (e) Not federally approved
 - (f) Any person operating a facility or performing an activity from which air contaminants are or may be emitted, may be required to obtain a Permit by Rule, a Generic Permit or a Part 70 Permit from the Director in addition to an Operating (SIP) Permit.
 - (g) Under penalty law, the holder of any Air Quality Permit must adhere to the terms, limitations, and conditions of that permit and subsequent revisions of that permit.
 - (h) The limitations, controls, and requirements in federally enforceable operating permits are permanent, quantifiable, and otherwise enforceable as a practical matter.
 - (i) Prior to the issuance of any federally enforceable operating permit, EPA and the public will be notified and given a chance for comment.
- (3) RECREATION, SUSPENSION, MODIFICATION OR AMENDMENT OF PERMITS:
- (a) Any permit issued by the Director shall be subject to periodic review and the Director may revoke, suspend, modify or amend any permit issued, for cause, including but not limited to, the following:
 1. Violation of any condition of said permit, or failure to comply with a final order of the Director;
 2. Failure to comply with any applicable rules or regulations in effect pursuant to this Chapter;

3. Obtaining a permit by misrepresentation, or failure to disclose fully all relevant facts, or failure to inform the Division of modifications affecting emissions;
 4. Modifications which affect emissions. In the event of modification, amendment, suspension or revocation of a permit, the Director shall serve written notice of such action on the permit holder and shall set forth in such notice the reason for the action.
 5. The Director may amend any permit to establish an emission limitation based on existing equipment design and reasonable operation and maintenance practices. Such limitations shall not allow emissions greater than those allowed by other provisions and emission limits specified elsewhere in the Rules, Chapter 391-3-1.
- (4) **PERMITS NOT TRANSFERABLE.** A permit is not transferable from one person to another nor from one facility to another facility.
- (5) **PERMITS PUBLIC RECORDS.** Except as to information required to be kept confidential by O.C.G.A. Section 12-9-19, as amended all applications for construction permits and operating permits shall be public records.
- (6) **EXEMPTIONS.** Unless otherwise required by the Director, permits shall not be required for the following source activities. These exemptions may not be used to lower the potential to emit below “major source” thresholds or to avoid any “applicable requirement” (i.e., NSPS, NESHAP, etc.) as defined in 40 CFR Part 70.2.
- (a) **Mobile Sources.** Mobile sources, such as automobiles, trucks, buses, locomotives, airplanes, boats and ships, whether or not designated as subject to mandatory inspection, maintenance, or emission requirements pursuant O.C.G.A. Section 12-9-40, et seq., as amended, the Georgia Motor Vehicle Emission Inspection and Maintenance Act. This exemption relates only to the requirement for a permit issued under the Act, not to any other requirement under the Act, and in no way affects any requirement for a permit, license, or a certificate under any other law. This limited exemption from the permit requirements of the Act shall in no way affect the applicability of any other requirement related to mobile sources, or any other requirement or limitation which may affect mobile sources.
 - (b) **Combustion Equipment.**
 1. Fuel-burning equipment having a total heat input capacity of less than 10 million BTU's per hour burning only natural gas, LPG and/or distillate fuel oil containing 0.50% sulfur by weight or less.

2. Fuel-burning equipment rated at less than 5 million BTU's per hour burning a wood or fossil fuel.
3. Any fuel-burning equipment with a rated input capacity of 2.5 million BTU's per hour or less.
4. Equipment used for cooking food for immediate human consumption.
5. Blacksmith forges.
6. Clean steam condensate and steam relief vents.
7. Funeral homes and crematories of any size.
8. Air curtain destructor used for land clearing at a construction site.
9. Open burning.
10. Small incinerators operating as follows:
 - (i) less than 8 million BTU's per hour input, firing types 0, 1, 2 and/or 3 waste; or
 - (ii) less than 8 million BTU's per hour input with no more than 10% pathological (type 4) waste by weight combined with types 0, 1, 2 and/or 3 waste; or
 - (iii) less than 4 million BTU's per hour heat input firing type 4 waste

11. Stationary engines.

- (i) Burning natural gas, LPG, gasoline, dual fuel, or diesel fuel which are used exclusively as emergency generators; or
- (ii) Burning natural gas, LPG, and/or diesel fuel and used for peaking power (including emergency generators used for peaking power) where the peaking power use does not exceed 200 hrs/yr. except in the counties of Banks, Barrow, Bartow, Butts, Carroll, Chattooga, Cherokee, Clarke, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Floyd, Forsyth, Fulton, Gordon, Gwinnett, Hall, Haralson, Heard, Henry, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Newton, Oconee, Paulding, Pickens, Pike, Polk, Putnam,

Rockdale, Spalding, Troup, Upson, and Walton where such engines with a rated capacity equal to and greater than 100 kilowatts are not exempt; or

(iii) Used for other purposes provided that the total horsepower of all non-gasoline burning engines combined are less than 1500 engine horsepower and no individual engine operates for more than 1000 hours-per-year.; or

(iv) Used for other purposes provided that the total horsepower of all gasoline burning engines combined are less than 225 horsepower and no individual engine operates for more than 1000 hours-per-year.

(v) For the purpose of this subsection, the following definitions shall apply:

(I) An “emergency generator” means a generator whose function is to provide back-up power when electric power from the local utility is interrupted and which operates for less than 500 hours per year except in the counties of Banks, Barrow, Bartow, Butts, Carroll, Chattooga, Cherokee, Clarke, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Floyd, Forsyth, Fulton, Gordon, Gwinnett, Hall, Haralson, Heard, Henry, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Newton, Oconee, Paulding, Pickens, Pike, Polk, Putnam, Rockdale, Spalding, Troup, Upson, and Walton where such generator operates less than 200 hours-per-year.

(II) “Used for peaking power” means used to reduce the electrical power requirements on the local utility grid. This could be for supplying power during the local utility’s peak demand periods, or for peak shaving by the facility.

12. Boiler water treatment operations.
13. Fire fighter or other emergency/safety equipment used to train fire fighters.
14. Temporary stationary engines used to generate electricity that are used to replace main stationary engines during periods of maintenance or repair (provided the actual and potential emissions of the temporary sources do not exceed that of the main sources.)
15. Temporary fuel-burning equipment (i.e., boilers) that are used to replace main fuel-burning equipment during periods of maintenance or repair (provided the actual and potential emissions of the temporary sources do

not exceed that of the main sources.) Temporary fuel-burning equipment that remains at a location for more than 180 consecutive days is no longer considered to be a temporary boiler. Temporary fuel-burning equipment that replaces temporary fuel-burning equipment at a location and is intended to perform the same or similar function will be included in calculating the consecutive time period.

(c) Storage Tanks

1. All petroleum liquid storage tanks storing a liquid with a true vapor pressure of equal to or less than 0.50 psia as stored.
2. All petroleum liquid storage tanks with a capacity of less than 40,000 gallons storing a liquid with a true vapor pressure of equal to or less than 2.0 psia as stored.
3. All petroleum liquid storage tanks with a capacity of less than 10,000 gallons storing petroleum liquid.
4. Pressurized vessels designed to operate in excess of 30 psig storing a petroleum fuel.
5. Gasoline storage and handling equipment at loading facilities handling less than 20,000 gallons per day or at vehicle dispensing facilities.
6. Portable drums and barrels provided that the volume of each container does not exceed 550 gal.
7. All chemical storage tanks used to store a chemical with a true vapor pressure of less than or equal to 10 millimeters of mercury.

(d) Agricultural Operations.

1. Farm equipment used for soil preparation, livestock handling, crop tending and harvesting and for other farm related activities.
2. Herbicide and pesticide mixing and application activities for on site use.

(e) Maintenance, Cleaning & Housekeeping.

1. Heating, air conditioning and ventilation systems not designed to remove air contaminants generated by or released from process or fuel-burning equipment.

2. Routine housekeeping activities such as painting buildings, roofing or paving parking lots, all clerical activities and all janitorial activities.
3. Maintenance activities such as: vehicle repair shops, brazing, soldering and welding equipment, carpenter shops, electrical charging stations, grinding and polishing operations maintenance shop vents, miscellaneous non-production surface cleaning, preparation and painting operations.
4. Miscellaneous activities such as: aerosol spray cans; air compressors; cafeteria vents; copying, photographic and blueprint machines; decommissioned equipment; dumpsters; fire training activities; fork lifts; railroad flares; refrigerators; space heaters.
5. Cold storage refrigeration equipment.
6. Vacuum-cleaning systems used exclusively for industrial, commercial, or residential housekeeping purposes.
7. Equipment used for portable steam cleaning.
8. Blast-cleaning equipment using a suspension of abrasive in water and any exhaust system or collector serving them exclusively.
9. Portable blast-cleaning equipment.
10. Laundry dryers, extractors, or tumblers for fabric cleaned with only water solutions of bleach or detergents.
11. Non-Perchloroethylene Dry-cleaning equipment with a capacity of 100 pounds per hour or less of clothes.
12. Cold cleaners having an air/vapor interface of not more than 10 square feet and that do not use a halogenated solvent.
13. Steam sterilizers.
14. Portable equipment used for the on site painting of buildings, towers, bridges and roads.
15. Non-routine clean out of tanks and equipment for the purposes of worker entry or in preparation for maintenance or decommissioning.
16. Equipment used for the washing or drying of fabricated products

provided that no VOCs are used in the process and that no oil or solid fuels are burned.

17. Devices used exclusively for cleaning metal parts or surfaces by burning off residual amounts of paint, varnish, or other foreign material, provided that such devices are equipped with afterburners.

18. Fresh water cooling towers provided that the total potential emissions from the entire source remain below 10 tons per year of any single hazardous air pollutant and below 25 tons per year of any combination of hazardous air pollutants.

(f) Laboratories and Testing.

1. Laboratory equipment used exclusively for chemical or physical analyses;

2. Sampling connections used exclusively to withdraw materials for testing and analysis, including air contaminant detectors and vent lines;

3. Vacuum producing devices;

4. Research and development facilities, quality control testing facilities and/or small pilot projects, where combined daily emissions from all operations are below all of the following thresholds:

(i) Less than 125 pounds per day of carbon monoxide;

(ii) Less than 0.8 pounds per day of lead;

(iii) Less than 50 pounds per day of particulate matter, PM₁₀, or sulfur dioxide;

(iv) Less than 50 pounds per day of nitrogen oxides or VOCs except in the Counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, or Rockdale, where less than 15 pounds per day of nitrogen oxides; or VOCs; and

(v) Less than 5 pounds per day of any single hazardous air pollutant and less than 12.5 pounds per day of any combination of hazardous air pollutants.

(g) Pollution Control.

1. Sanitary wastewater collection and treatment systems, except incineration equipment.
2. On site soil or groundwater decontamination units.
3. Bioremediation operations.
4. Garbage compactors and garbage handling equipment
5. Municipal Solid Waste Landfills which meet the following criteria:

(i) The total design capacity of the landfill is less than or equal to 2.756 million tons (2.5 million megagrams) or 3.27 million cubic yards (2.5 million cubic meters) of solid waste; and

(ii) The emissions of VOC are less than 25 tons per year for landfills located within Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, or Rockdale counties; and

(iii) The emissions of nitrogen oxides (NO_x) from operations other than the final control device are less than 25 tons per year for landfills located within Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, or Rockdale counties.

(h) Industrial Operations.

1. Concrete block, brick plants, concrete products plants, and ready mix concrete plants producing less than 125,000 tons per year of product.
2. Small aluminum scrap metal reclaimers (non-smelters).
3. Any of the following processes or process equipment which are electrically heated or which fire natural gas, LPG or distillate (#2) fuel oil at a maximum total heat input rate of not more than 10 million BTU's per hour.
 - (i) Furnaces for heat treating glass or metals, the use of which does not involve molten materials, oil-coated parts, or oil quenching.
 - (ii) Porcelain enameling furnaces or porcelain enameling drying ovens.

- (iii) Kilns for firing ceramic ware.
 - (iv) Crucible furnaces, pot furnaces, or induction melting and holding furnaces with a capacity of 1,000 pounds or less each, in which sweating or distilling is not conducted and in which fluxing is not conducted utilizing free chlorine or fluoride derivatives, or ammonium compounds.
 - (v) Bakery ovens and confection cookers.
 - (vi) Feed mill or grain mill ovens.
 - (vii) Surface coating drying ovens.
4. Grain, metal, or mineral extrusion process.
 5. Equipment used exclusively for rolling, forging, pressing, stamping, spinning, or extruding either hot or cold metals or plastic such as drop hammers or hydraulic presses for forging or metalworking.
 6. Die casting machines.
 7. Equipment used exclusively for sintering of glass or metals, but not exempting equipment used for sintering metal-bearing ores, metal scale, clay, fly ash, or metal compounds.
 8. Equipment for the mining and screening of uncrushed native sand and gravel.
 9. Ozonization process or process equipment.
 10. Electrostatic powder coating booths with an appropriately designed and operated particulate control system.
 11. Equipment used for the application of a hot melt adhesive.
 12. Equipment used exclusively for mixing and blending water-based adhesives and coating at ambient temperatures.
 13. Equipment used for compression, molding and injection of plastics.
 14. Wood products operations in the following SIC categories (combustion equipment and coatings operations are not included in this exemption):

- (i) 2426 Dimensional Hardwood Lumber Mills
- (ii) 2431 Lumber Millwork
- (iii) 2434 Wood Kitchen Cabinets
- (iv) 2439 Structural Wood Trusses
- (v) 2441 Wood Boxes
- (vi) 2448 Wood Pallets
- (vii) 2449 Wood Containers
- (viii) 2499 Miscellaneous Wood Products

15. Industrial process equipment used exclusively for educational purposes at educational institutions.

(i) Other

1. Facilities where the combined emissions from all non-exempt source activities [i.e., not listed in 391-3-1-.03(6)(a)-(h)] are below the following for all pollutants:

- (i) 50 tons per year of carbon monoxide;
- (ii) 300 pounds per year of lead total; with a 3.0 pound per day maximum emission;
- (iii) 20 tons per year of particulate matter, PM₁₀, or sulfur dioxide;
- (iv) 20 tons per year of nitrogen oxides or VOCs except in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, or Rockdale, where less than 5 tons per year of nitrogen oxides or VOCs is exempted; and
- (v) 2 tons per year total with a 15 pound per day maximum emission of any single hazardous air pollutant and less than 5 tons per year of any combination of hazardous air pollutants.

2. Facilities where the combined emissions from all source activities are

below the thresholds in “1” above for one or more pollutants, are not required to list those pollutants in the permit application.

3. Cumulative modifications not covered in an existing permit to an existing permitted facility where the combined emission increases (excluding any contemporaneous emission decreases, i.e., “netting” is not allowed) from all nonexempt modified activities are below the following thresholds for all pollutants:

(i) 25 tons per year of carbon monoxide;

(ii) 150 pounds per year total with a 1.5 pound per day maximum emission of lead;

(iii) 10 tons per year of particulate matter, PM₁₀ or sulfur dioxide;

(iv) 10 tons per year of nitrogen oxides or VOCs except in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, or Rockdale, where less than 2.5 tons per year of nitrogen oxides or VOCs is exempted; and

(v) 2 tons per year total with a 15 pound per day maximum emission of any single hazardous air pollutant and less than 5 tons per year of any combination of hazardous air pollutants.

4. As an alternative to subparagraph 3, cumulative modifications not covered in an existing permit to an existing permitted facility where the combined emissions increases, including any contemporaneous emission decreases (i.e., "netting is allowed") from all nonexempt modified activities are less than 10 tons per year of particulate matter and PM₁₀. For the purpose of this subparagraph, "contemporaneous" means within that period beginning on the date of issuance of the most recent permit through the date of reissuance of such permit. This shall exclude any amendment to such permit unless such amendment incorporates the previously exempted modification(s) in which case the amendment shall be considered a reissuance of such permit for the purpose of this subparagraph. Facilities using this exemption shall maintain records of all emissions increases and decreases and shall notify the Division, in writing, within 7 days after making any modification covered by this subparagraph. The Division may require the use of a Division approved form for tracking the emissions increases and decreases. If a facility elects to use this subparagraph in lieu of subparagraph 3, it shall not use subparagraph 3 with respect to particulate matter and PM₁₀ until such time that all modifications exempted from SIP permitting under subparagraph 4 have been incorporated into the permit. A facility may use subparagraph 3 with respect to any pollutant other than particulate matter and PM₁₀ while using this

subparagraph. Only the following facilities are eligible for this exemption:

(i) Facilities with an SIC code of 1422 or 1423 that are not a major source subject to the provisions of 391-3-1-.03(10) (i.e., a minor or synthetic minor source).

5. Changes in a process or process equipment which do not involve installing, constructing, or reconstructing an emission unit or the primary air cleaning device of an air pollution control system provided that such changes do not result in the increase of emissions from any emission unit or the emissions of a pollutant not previously emitted. Examples of such changes in a process or process equipment include the following:

(i) Change in the supplier or formulation of similar raw materials, fuels, or paints and other coatings;

(ii) Changes in product formulations;

(iii) Change in the sequence of the process;

(iv) Change in the method of raw material addition;

(v) Change in the method of product packaging;

(vi) Change in process operating parameters;

(vii) Replacement of a fuel burner in a boiler with a more efficient burner; or

(viii) Lengthening a paint drying oven to provide additional curing time.

5. Sources of minor significance as specified by the Director.

6. Sources for which there is no applicable emission limit, standard or other emission requirement established under, by, or pursuant to the Act.

(j) Construction Permit Exemption for Pollution Control Projects.

Projects listed in subparagraph 391-3-1-.01(qqqq)1. through 8. of these rules are exempt from the requirement to obtain a construction (SIP) permit as specified in paragraph 391-3-1-.03(1) of this rule provided that the project is not subject to the provisions of paragraph 391-3-1-.02(7), Prevention of Significant Deterioration of Air Quality, or the nonattainment new source review permitting requirements of

subparagraph 391-3-1-.03{8}(c). The Director has the authority to rebut the presumption that projects listed in subparagraphs (qqqq)1. through 8. are environmentally beneficial in accordance with the criteria specified in subparagraph (qqqq) and thus exempt from the requirement to obtain a construction (SIP) permit. Owners and operators of projects exempt from the requirement to obtain a construction (SIP) permit under this subparagraph (6)(j) shall obtain an operating permit or amendment under either paragraph 391-3-1-.03(2) or 391-3-1-.03(10) of this rule, whichever is applicable, prior to commencement of operation of the project.

(7) **COMBINED PERMITS AND APPLICATIONS.** The Director may combine the requirements of and the permits for construction and operation (temporary or otherwise) into one permit. He may likewise combine the requirements of and applicants for construction and operating permits into one application.

(8) **PERMIT REQUIREMENTS:**

(a) Each application for a permit to construct a new stationary source or modify an existing stationary source shall be subjected to a preconstruction or premodification review by the Director. The Director shall determine prior to issuing any permit that the proposed construction or modification will not cause or contribute to a failure to attain (as expeditiously as practicable) or maintain any ambient air quality standard, a significant deterioration of air quality, or a violation of any applicable emission limitation or standard of performance or other requirement under the Act or this Chapter (391-3-1). Each person applying to the Director for a permit to construct a new stationary source or modify an existing stationary source shall provide information required by the Director to make such determination.

(b) In addition to any other requirement under the Act, or this Chapter (391-3-1), no permit to construct a new stationary source or modify an existing stationary source shall be issued unless such proposed source meets all the requirements for review and for obtaining a permit prescribed in Title I, Part C of the Federal Act, and Section 391-3-1-.02(7) of these Rules.

(c) In addition to any other requirement under the Act or this Chapter (391-3-1), no permit to construct a new or modified major stationary source [to be located in any area of the State determined and designated by the U. S. EPA Administrator or the Director as not attaining a National Ambient Air Quality Standard or in areas contributing to the ambient air levels of such pollutants in such areas of nonattainment] shall be issued unless the following provisions are met. The provisions of 391-3-1-.02(7) apply to projects subject to this subparagraph as specified in subparagraph (g) of this paragraph.

1. The Director determines that by the time the source is to commence operation, sufficient offsetting emissions reductions have been obtained,

such that total allowable emissions from existing sources in the non-attainment area or areas designated by the Director as contributing to ambient air levels of such pollutants in the non-attainment area, from new or modified sources which are not major emitting facilities, and from the proposed source, will be sufficiently less than total emissions from existing sources allowed prior to the application for such permit to construct or modify, so as to represent (when considered together with other air pollution control measures legally enforced in such area or region) reasonable further progress (as defined in Section 171 of the Federal Act); and

2. The proposed source is required to comply with the lowest achievable emission rate; and
3. The owner or operator of the proposed new or modified source has demonstrated that all major stationary sources owned or operated by such person (or by an entity controlling, controlled by, or under common control with such person) in this State, are subject to emission limitations and are in compliance, or on a schedule for compliance, with all applicable emission limitations and standards under the Act; and
4. An analysis (by the person proposing such construction or modification) of alternative sites, sizes, production processes and environmental control techniques for such proposed source demonstrates to the satisfaction of the Director that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its proposed location, construction or modification; and
5. The State's Implementation Plan (approved by the Administrator pursuant to the Federal Act) is being carried out in the nonattainment area or an area designated by the Director as contributing to the ambient air levels of any such pollutant in a non-attainment area in which the proposed source is to be constructed or modified in accordance with the requirements of Title I, Part D of the Federal Act.
6. The offset baseline for determining credits for emission reductions at a source is the applicable emission limits in this Chapter or the actual emissions, in tons per year, at the time the application to construct is filed, whichever is less. The time period used to calculate the baseline emissions shall be the 24 month period immediately preceding the date the application to construct is filed. The Division may allow the use of a different time period upon a determination that such period is more representative of normal source operation.

7. (i) Emission reductions achieved by shutting down an existing source or permanently curtailing production or operating hours below baseline levels may be credited, provided that the work force to be affected has been notified of the proposed shutdown or curtailment. Source shutdowns and curtailments in production or operating hours occurring prior to the date of the new source application may be used for offset credits if the applicant can establish that the shutdown or curtailment of production occurred less than one year prior to the date of permit application and the proposed new source is a replacement for the shutdown in whole or in part.

(ii) In addition, emissions reduction achieved by shutting down an existing emission unit or curtailing production or operating hours may be generally credited for offsets if they meet the requirements in subparagraphs (I) and (II) of this subparagraph:

(I) Such reductions are surplus, permanent; quantifiable, and federally enforceable.

(II) The shutdown or curtailment occurred after the last day of the base year for the most recently submitted attainment demonstration, maintenance plan, reasonable further progress plan, or rate of progress plan, For purposes of this paragraph; the Division may choose to consider a prior shutdown or curtailment to have occurred after the last day of the base year if the projected emissions inventory used to develop the attainment demonstration; maintenance plan, reasonable further progress plan, or rate of progress plan explicitly includes the emissions from such previously shutdown or curtailed emission units. However in no event may credit be given for shutdowns that occurred before August 7, 1977.

(iii) Emission reductions achieved by shutting down an existing emission unit or curtailing production or operating hours and that do not meet the requirements in subparagraph (7)(ii)(II) of this subparagraph may be generally credited only if:

(I) The shutdown or curtailment occurred on or after the date the construction permit application is filed; or

(II) The applicant can establish that the proposed new emissions unit is a replacement for the shutdown or curtailed emissions unit, and the emissions reductions

achieved by the shutdown or curtailment met the requirements of subparagraph 7(ii)(I) of this subparagraph.

8. No emission offset credit may be allowed for replacing one VOC compound with another of less reactivity.
9. Procedures relating to the permissible location of offsetting emissions shall be followed which are at least as stringent as those contained in 40 CFR, Part 51, Appendix S, Section IV.D.
10. Offset credit for an emission reduction can be claimed to the extent that the Director has not relied on it in issuing any other permit or has not relied on it in demonstrating attainment of reasonable further progress.
11. The Director may elect not to consider fugitive emissions, to the extent they are quantifiable, in calculating the potential to emit from a stationary source or modification in determining whether the source is major and the source does not belong to any of the following categories:
 - (i) Coal cleaning plants (with thermal dryers);
 - (ii) Kraft pulp mills;
 - (iii) Portland cement plants;
 - (iv) Primary zinc smelters;
 - (v) Iron and steel mills;
 - (vi) Primary aluminum ore reduction plants;
 - (vii) Primary copper smelters;
 - (viii) Municipal incinerators capable of charging more than 250 tons of refuse per day;
 - (ix) Hydrofluoric, sulfuric, or nitric acid plants;
 - (x) Petroleum refineries;
 - (xi) Lime plants;
 - (xii) Phosphate rock processing plants;

- (xiii) Coke oven batteries;
- (xiv) Sulfur recovery plants;
- (xv) Carbon black plants (furnace process);
- (xvi) Primary lead smelters;
- (xvii) Fuel conversion plants;
- (xviii) Sintering plants;
- (xix) Secondary metal production plants;
- (xx) Chemical process plants;
- (xxi) Fossil-fuel boilers (or combination thereof) totaling more than 250 million British thermal units per hour heat input;
- (xxii) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;
- (xxiii) Taconite ore processing plants;
- (xxiv) Glass fiber processing plants;
- (xxv) Charcoal production plants;
- (xxvi) Fossil fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input;
- (xxvii) Any other stationary source category which as of August 7, 1980, is being regulated under Section 111 or 112 of the Act.

12. Offsets:

- (i) The owner or operator of a new or modified major stationary source may comply with any offset requirement in effect under this subsection for increased emissions of any air pollutant only by obtaining emission reductions of such air pollutants from the same source or other sources in the same nonattainment area, except that the Director may allow the owner or operator of a source to obtain such emission reductions in another nonattainment area if:

- (I) The other area has an equal or higher nonattainment classification than the area in which the source is located; and
- (II) Emissions from such other area contribute to a violation of the national ambient air quality standard in the nonattainment area in which the source is located.

Such emission reductions shall be, by the time a new or modified source commences operation, in effect and enforceable and shall assure that the total tonnage of increased emissions of the air pollutant from the new or modified source shall be offset by an equal or greater reduction, as applicable, in the actual emissions of such air pollutant from the same or other sources in the area.

- (III) Such emission reductions Shall be, by the time a new or modified source commences operation, in effect and enforceable and shall assure that the total tonnage of increased emissions of the air pollutant from the new or modified source shall be offset by an equal or greater reduction, as applicable, in the actual emissions of such air pollutant from the same or other sources in the area.
- (ii) Emission reductions otherwise required by the Federal Act shall not be creditable as emissions reductions for purposes of any such offset requirement. Incidental emission reductions which are not otherwise required by the Federal Act shall be creditable as emission reductions for such purposes if such emission reductions meet the requirements of subparagraph (8)(c)(1).
- (iii) In order to be used as an offset under this subsection, emission reductions must satisfy the criteria in section (13), subsections (a) and (b).
- (iv) At least 30 days prior to commencement of operation of the new or modified stationary source permitted under this subparagraph, the owner or operator shall provide documentation to the Division of the possession of sufficient offsets required under subparagraph (c)1 and as specified under subparagraph (c)13, 14, or 15, whichever is applicable, as follows:

(I) If offsets are obtained from the Emission Reduction Credit Banking Program specified under paragraph 391-3-1-.03(13), the owner or operator shall submit an application or applications for Use of Emission Reduction Credits as required under 391-3-1-.03(13)(f) using forms specified by the Division. If said offsets are not currently owned by the owner or operator, the current owner/operator must submit an application or applications to Transfer Ownership of Emission Reduction Credits as required under 391-3-1-.03(13)(g) using forms specified by the Division simultaneously with or prior to submittal of the application or applications to withdraw Emission Reduction Credits.

(II) If offsets are not obtained from the Emission Reduction Credit banking program, the owner or operator shall submit the following information. (If offsets are obtained from one or more enforceable mechanisms, items I through VI shall be submitted for each enforceable mechanism.):

I. The name of the permittee that generated the offsets.

II. The name of the plant or facility at which the offsets were generated.

III. The address (street address, city, state, zip code, and county) of the plant or facility at which the offsets were generated. (This should be for the physical location of the plant or facility.)

IV. Identification of the enforceable mechanism (permit number and date of issuance, permit amendment number and date of issuance, or date of permit revocation) that resulted from creation of the offsets.

V. The number of offsets from the permit, permit amendment, or permit revocation identified in IV, above, that will be used for the new or modified stationary source permitted under this subparagraph

VI. If the offsets were created by an owner or operator other than the owner or operator which will be using the offsets for the new or modified stationary source permitted under this paragraph, a letter from the owner or operator that created the offsets shall be submitted to the Division stating that the offsets have been

transferred to the owner or operator that will be using the offsets, the date of such transfer, the number of offsets transferred, and the information contained in I through IV above.

(v) Reserved

(vi) When multiple new or modified emissions units are permitted at the same time but commence operation on different dates, the documentation required under subparagraph (iv) and (v) shall be submitted to the Division at least 30 days prior to commencement of each new or modified emissions unit in order to demonstrate that adequate offsets have been obtained for each new or modified emissions unit prior to commencement.

13. Additional Provisions for ozone Nonattainment Areas for Counties that were Formerly Part of the 1-hour Ozone Non-Attainment Area.

- (i) In Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale counties, the terms "major source" and "major stationary source" include 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 25 tons per year of volatile organic compounds or nitrogen oxides. Any physical change that would occur at a stationary source not qualifying as a major stationary source as defined in this subparagraph shall be considered a "major stationary source" if the change would constitute a major stationary source by itself.
- (ii) Increased emissions of volatile organic compounds or nitrogen oxides resulting from any physical change in, or change in the method of operation of, a stationary source located in these counties shall not be considered de minimis for purposes of determining the applicability of the permit requirements established by this subsection unless the net emissions increase of such air pollutant from such source does not exceed 25 tons when aggregated over any period of five consecutive calendar years which includes the calendar year in which such increase occurred.
- (iii) In the case of any major stationary source located in these counties which emits or has the potential to emit less than 100 tons of

volatile organic compounds or nitrogen oxides per year, whenever any change (as described in Section 111(a)(4) of the Federal Act) at that source results in any increase (other than a de minimis increase) in emissions of volatile organic compounds or nitrogen oxides from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a modification for purposes of this subsection, unless the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic compounds or nitrogen oxides from other operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1. If the owner or operator does not make such election, such change shall be considered a modification for such purposes. In applying this subsection in the case of any such modification, the best available control technology (BACT), as defined by the Federal Act, shall be substituted for the lowest achievable emission rate (LAER).

- (iv) In the case of any major stationary source located in these counties which emits or has the potential to emit more than 100 tons of volatile organic compounds or nitrogen oxides per year, whenever any change (as described in Section 111(a)(4) of the Federal Act) at that source results in any increase (other than a de minimis increase) in emissions of volatile organic compounds or nitrogen oxides from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a modification for purposes of this subsection, except that if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic compounds or nitrogen oxides from other operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1, the requirements of this subsection concerning lowest achievable emission rate (LAER) shall not apply.
- (v) For purposes of satisfying the emission offset requirements of this subsection, the ratio of total emission reductions of volatile organic compounds or nitrogen oxides to total increased emissions of such air pollutant shall be at least 1.3 to 1 for emission offsets external to the contiguous area under common control at which the proposed new emission point is located.

14. Additional Provisions for Ozone Non-Attainment Areas for Counties that were Not Formerly Part of the 1-hour Ozone Non-Attainment Area.

- (i) In Bartow, Carroll, Hall, Newton, Spalding, and Walton counties,

the terms “major source” and “major stationary source” include 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 100 tons per year of volatile organic compounds or nitrogen oxides. Any physical change that would occur at a stationary source not qualifying as a major stationary source as defined in this subparagraph shall be considered a “major stationary source” if the change would constitute a major stationary source by itself.

- (ii) Any physical change in or change in the method of operation of a major stationary source located in these counties that results in a net emissions increase of volatile organic compounds or nitrogen oxides equal to or exceeding 40 tons per year of such air pollutant shall be considered a modification when determining the applicability of the permit requirements established by this subsection. "Net emissions increase" shall have the meaning defined in subparagraph (8)(g)1(iii) of this rule.
- (iii) Reserved.
- (iv) For purposes of satisfying the emission offset requirements of this subsection, the ratio of total emission reductions of volatile organic compounds or nitrogen oxides to total increased emissions of such pollutants shall be at least 1.15 to 1 for emission offsets external or internal to the contiguous area under common control at which the proposed new emission point is located.

15. Additional Provisions for Electrical Generating Units Located in Areas Contributing to the Ambient Air Level of Ozone in the Metropolitan Atlanta Ozone Nonattainment Area.

(i) In Banks, Butts, Chattooga, Clarke, Dawson, Floyd, Gordon, Haralson, Heard, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Oconee, Pickens, Pike, Polk, Putnam, Troup and Upson counties, the terms “major source” and “major stationary source” include any stationary source or group of sources located within a contiguous area and under common control, containing an electrical generating unit, and that emits, or has the potential to emit, at least 100 tons per year of nitrogen oxides. Any physical change that would occur at a stationary source not qualifying as a major stationary source as defined in this subparagraph shall be considered a “major stationary source” if the change would

constitute a major stationary source by itself.

(ii) Any physical change in or change in the method of operation at a major stationary source in these counties that results in a net emissions increase of nitrogen oxides equal to or exceeding 40 tons per year of such air pollutant from the the installation or modification of one or more electrical generating units shall be considered a modification when determining the applicability of the permit requirements established by this subsection. "Net emissions increase" shall have the meaning defined in subparagraph (8)(g)1(iii) of this rule.

(iii) In the case of any new electrical generating unit or modified existing electrical generating unit located at a new or modified major stationary source in these counties, the best available control technology (BACT), as defined by the Federal Act, shall be substituted for the lowest achievable emission rate (LAER).

(iv) For purposes of satisfying the emission offset requirements of this subsection, the ratio of total emission reductions of nitrogen oxides to total increased emissions of such pollutant from the new or modified electrical generating units shall be at least 1.1 to 1 for emission offsets external or internal to the contiguous area under common control at which the proposed new or modified major stationary source is located.

(v) Reserved.

(vi) Reserved.

(vii) For the purpose of this subsection, "electrical generating unit" means a fossil fuel fired stationary boiler, combustion turbine, or combined cycle system that serves a generator that produces electricity for sale.

Place holder

NOTE: This was in the August 22, 2007 submission, and approved for revision, however, these are not in the compilation. Underline text was to be added. Not sure what happen to them, looks like they were in the 2001 compilation. .03(8)(e) was revised in July 10, 2001 FR. .03(8)(f) was revised in December 2, 1999 FR and .03(8)(d) was deleted in March 8, 1995 FR. The August 22, 2007 revisions state" Rule 391-3-1-.03, paragraph (8) thereof relating to, "Permit Requirements," subparagraph (e) thereof, is hereby amended by striking subparagraph (e) in its entirety and inserting in lieu thereof a new subparagraph (e) to read as follows:"

(e) The Director shall, upon analysis of the ambient air in the State, determine, and so designate, those areas of the State, if any, which are not attaining any National Ambient Air Quality Standards specified under the Federal Act, and any area contributing to the ambient air level of any such pollutant (for which such a standard has been established) in such areas of non-attainment. The Director's analyses, determinations, and designations hereunder shall be used for the purpose of implementing the requirements of this section, shall be continuing, and shall be conducted in a manner sufficient to meet the requirements of Title 1, Part D of the Federal Act.

1. The counties of Banks, Butts, Carroll, Chattooga, Clarke, Dawson, Floyd, Gordon, Haralson, Heard, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Oconee, Pickens, Pike, Polk, Putnam, Troup, and Upson, have been determined by the Director as areas contributing to the ambient air level of ozone in the metropolitan Atlanta ozone non-attainment area which consists of the counties of Barrow, Bartow, Carroll, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Hall, Henry, Newton, Paulding, Rockdale, Spalding, and Walton. No permit to construct a new or modified major stationary source in this area shall be issued unless such proposed source meets all the requirements of subsection (8)(c).

(g) The following provisions of paragraph 391-3-1-.02(7) apply to projects subject to the permitting requirements of subparagraph (c) of this paragraph with respect to those pollutants subject to subparagraph (c).

1. 391-3-1-.02(7)(a)2. Definitions, with the following exceptions and additions:

(i) The definition of "Major Stationary Source" does not apply.

(ii) Within the definition of "Major Modification,"

(I) The date within the "capable of accommodating" provision shall be December 21, 1976; and

(II) Paragraphs 40 CFR 52.21 (b)(2)(iii)(j) and (k) do not apply.

(iii) The definition of "Net Emissions Increase," as it pertains to subparagraphs 8(c)14.(ii) and (c)15.(ii) of this rule, shall have the meaning defined in 40 CFR 51.165(a)(1)(vi) with the following exceptions:

(I) In lieu of (a)(1)(vi)(A)(1), the following shall apply: The increase in emissions from a particular change or change in the method of operation at a stationary source pursuant to paragraph

52.21 (a)(2)(iv) as adopted in subparagraph (7)(a)3. of this rule; and

(II) In (a)(1)(vi)(A)(2), baseline actual emissions shall be determined as provided in subparagraph (7)(a)2.(i) of this rule, except that subparagraphs (7)(a)2.(i)(I)III and (7)(a)2.(i)(II)IV do not apply.

(iv) To the definition of "Secondary Emissions," the following sentence is added: "Secondary emissions must be specific, well defined, quantifiable, and impact the same general area as the stationary source or modification which causes the secondary emissions."

(v) The definition of "Significant" does not apply.

(vi) "Lowest achievable emission rate" or "LAER" means, for any source, the more stringent rate of emissions is based on the following:

(I) The most stringent emission limitation which is contained in the implementation plan of any State for such class or category of stationary source, unless the owner or operator of the proposed stationary source demonstrates that such limitations are not achievable; or

(II) The most stringent emission limitation which is achieved in practice by such class or category of stationary sources. This limitation, when applied to a modification, means the lowest achievable emission rate for the new or modified emission units within the stationary source. In no event shall the application of this term permit a proposed new or modified stationary source to emit any pollutant in excess of the amount allowable under applicable new source standards of performance.

2. 391-3-1-.02(7)(a)3 .• Applicability procedures. with the following exception:

(i) The term "significant amount" in subparagraph (7)(a)3. shall mean an increase that is not considered de minimis as specified in 391-3-1-.03(8)(c)13.(ii) or that is considered as a modification as specified in 391 - 3-1-.03(8)(c)14.(ii) or 15.(ii).

3. 391-3-1-.02(7)(a)4.

4. 391-3-1-.02(7)(b)14 .• Public participation.

5. 391-3-1-.02(7)(b)15 .• Source obligation. with the following exception:

(i) The term "significant amount" in subparagraph (7)(b) 15. (i)(V) shall mean an increase that is not considered de minimis as specified in 391 -3-1-.03(8)(c) 13.(ii) or that is considered as a modification as specified in 391-3-1-.03(8)(c)14.(ii) or 15.(ii).

6. 391-3-1-.02(7)(b)21 • Actual PALs, with the following exception:

(i) Under the provision for "Setting the 10-year actual PAL level" specified in paragraph 40 CFR 52.21 (aa)(6). the amount added to the baseline actual emissions shall be the amount that is considered de minimis as specified in 391-3-1-.03(8)(c)13.(ii) or that is considered not to be a modification as specified in 391-3-1-.03(8)(c)14.(ii) or 15.(ii).

(9) Not Federally approved.

(10) Not Federally approved.

(11) Permit by Rule.

(a) General Requirements.

1. Accepting a Permit by Rule does not exempt that facility from the obligation to apply for and obtain a Construction (SIP) Permit and/or an Operating (SIP) Permit unless specifically exempted in the permit by rule. Complying with the requirements of a Permit by Rule does not relieve a facility of having to comply with other requirements of the Rules.

2. The permitting authority may, after notice and opportunity for public participation, issue a Permit by Rule covering numerous similar sources. Any Permit by Rule shall identify criteria and standards by which sources may qualify for the Permit by Rule. Any facility wishing to operate under a Permit by Rule shall certify that in writing to the permitting authority, unless specifically exempted from this requirement in the specific Permit by Rule. To sources that qualify, the permitting authority shall grant the conditions and terms of the Permit by Rule by Certification letter. Notwithstanding the shield provisions of 40 CFR part 70.5 (6)(f), the source shall be subject to enforcement action for operation without a Part 70 Permit if the source is later determined not to qualify for the conditions and terms of the Permit by Rule.

3. It is the responsibility of any facility accepting a "Permit by Rule" to submit a report within 15 days following the last day of any month in which the facility exceeds the annual limit during the previous 12 months or monthly limit during the previous month. The report shall include the following:

(i) Facility name, ID, and location.

(ii) The "Permit by Rule" name, number and applicable limits.

- (iii) A summary of the records showing the exceedance along with an explanation.
 - (iv) What the facility plans to do to prevent future occurrences.
- (b) Permit by Rule Standards.
- 1. Fuel-burning equipment burning natural gas/LPG and/or distillate oil.
 - (i) Notwithstanding any other provision of these Rules, this standard applies to facilities with external combustion fuel burning equipment rated at less than or equal to 100 million BTU per hour, with a potential to emit in excess of the Part 70 major source threshold, without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Facilities for which the only source of regulated air pollutants from external combustion fuel-burning equipment (excluding turbines) is from equipment permitted to burn natural gas/LPG and/or distillate oil exclusively shall be deemed to have a Permit by Rule if the conditions in paragraph (I) and (II) are met. Facilities that have potential emissions of greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraphs (I) and (II) shall obtain a Part 70 Permit. All facilities located in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale, which were granted a Permit by Rule by certification letter dated prior to January 1, 2004 and which seek to continue to operate under this Permit by Rule, shall submit a new written certification of compliance with revised paragraphs (I) and (II) by no later than October 31, 2004.
 - (I) Monitoring and Record keeping. A log of the monthly fuel use must be kept. The total fuel usage for the previous twelve consecutive months must be included in each month's log. Consumption of distillate oil shall be recorded in gallons, consumption of LPG shall be recorded in gallons and consumption of natural gas shall be recorded in cubic feet. This log shall be kept for five years from the date of last entry. The log shall be available for inspection or submittal to the Division.
 - (II) Fuel Usage. Facility fuel usage shall be limited to 900 million cubic feet of natural gas (or 7.0 million gallons of

LPG) and 1.6 million gallons of distillate oil during any twelve consecutive months except in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale, where fuel usage shall be limited to 300 million cubic feet of natural gas (or 1.5 million gallons of LPG) and 500,000 gallons of distillate oil during any twelve consecutive months.

2. Fuel-burning equipment burning natural gas/LPG and/or residual oil.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with external combustion fuel burning equipment rated at less than or equal to 100 million BTU per hour, with a potential to emit in excess of the Part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Facilities for which the only source of regulated air pollutants from external combustion fuel burning equipment is from equipment permitted to burn only natural gas/LPG and/or residual fuel oil exclusively shall be deemed to have a Permit by Rule if the conditions in paragraph (I) and (II) are met. Facilities that have potential emissions greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraphs (I) and (II) shall obtain a Part 70 Permit. All facilities located in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale, which were granted a Permit by Rule by certification letter dated prior to January 1, 2004 and which seek to continue to operate under this Permit by Rule, shall submit a new written certification of compliance with revised paragraphs (I) and (II) by no later than October 31, 2004.

(I) Monitoring and Record keeping. A log of the monthly fuel use must be kept. The total fuel usage for the previous twelve consecutive months must be included in each month's log. Consumption of residual fuel oil shall be recorded in gallons, consumption of LPG shall be recorded in gallons and consumption of natural gas shall be recorded in cubic feet. This log shall be kept for five years past the date of last entry. The log shall be available for inspection or submittal to the Division.

(II) Fuel Usage. Annual facility fuel usage shall be limited to

1,000 million cubic feet of natural gas (or 7.5 million gallons of LPG) and 400,000 gallons residual fuel oil during any twelve consecutive months except in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, or Rockdale, where fuel usage shall be limited to 300 million cubic feet of natural gas (or 1.5 million gallons of LPG) and 200,000 gallons of residual fuel oil.

3. On-Site Power Generation.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in excess of the Part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Facilities that operate internal combustion engines for purposes of generating emergency power, peaking power, and/or temporary on-site power and where such equipment burns natural gas/LPG, #1 fuel oil (kerosene/JP4 or JP5) and/or #2 fuel oil/diesel exclusively shall be deemed to have a Permit by Rule if the conditions in paragraph (I) and (II) are met. Facilities that have potential emissions of greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraphs (I) and (II) shall obtain a Part 70 Permit. All facilities located in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale, which were granted a Permit by Rule by certification letter dated prior to January 1, 2004 and which seek to continue to operate under this Permit by Rule, shall submit a new written certification of compliance with revised paragraphs (I) and (II) by no later than October 31, 2004.

(I) Monitoring and Recordkeeping. A log of the monthly total horsepower-hours for the facility based on the number of hours of operation of each unit per month times the maximum horsepower rating of that unit must be included in each month's log. The total horsepower-hours for the previous twelve consecutive months must be included in each month's log. This log shall be kept for five years from the date of last entry. The log shall be available for inspection or submittal to the Division.

(II) Power Production Limits. A facility's power generation is

limited to a total of no more than 6.7 million horsepower-hours during any twelve consecutive months except in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale counties, where the total is no more than 1.675 million horsepower-hours during any twelve consecutive months.

4. Concrete Mixing Plants.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in excess of the Part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Concrete mixing plants shall be deemed to have a Permit by Rule if the conditions in paragraph (I) and (II) are met. Facilities that would otherwise have potential emissions of greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraphs (I) and (II) shall obtain a Part 70 Permit.

(I) Monitoring and Recordkeeping. A log of the monthly production must be kept. The total production for the previous twelve consecutive months must be included in each month's log. This log shall be kept for five years from the date of last entry. The log shall be available for inspection or submittal to the Division.

(II) Annual Production. Production on the plant site shall be limited to 600,000 cubic yards during any twelve consecutive months.

5. Hot mix asphalt plants.

(i) Notwithstanding any other provision of these Rules, this standard applies to hot mix asphalt facilities, with a potential to emit in excess of the Part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Hot mix asphalt plants shall be deemed to have a Permit by Rule if the conditions in paragraph (I) and (II) are met. Facilities that would otherwise have potential emissions of greater than major source thresholds or are not able to meet the conditions in paragraphs (I) and (II) shall obtain a Part 70 Permit. All facilities located in the counties of

Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale, which were granted a Permit by Rule by certification letter dated prior to January 1, 2004 and which seek to continue to operate under this Permit by Rule, shall submit a new written certification of compliance with revised paragraphs (I) and (II) by no later than October 31, 2004.

(I) Monitoring and Recordkeeping.

I. New asphalt plants (which commenced construction or modification after June 11, 1973) permitted to burn natural gas/LPG and/or distillate oil only shall maintain a monthly log of production and hours of operation. The total production and hours of operation for the previous twelve consecutive months must be included in each month's log. These logs shall be kept for five years from the date of last entry and shall be available for inspection and/or submittal to the Division.

II. New and existing asphalt plants permitted to burn natural gas/LPG, distillate oil, and residual oil in any combination shall maintain a monthly log of production, hours of operation and monthly fuel use. The total production, hours of operation and fuel oil usage for the previous twelve consecutive months must be included in each month's log. Fuel oil certifications showing sulfur content equal to or less than 1.5% shall also be maintained. These logs and certifications shall be kept for five years from the date of last entry and shall be available for inspection and/or submittal to the Division.

(II) Annual Production.

I. New asphalt plants (which commenced construction or modification after June 11, 1973) permitted to burn natural gas/LPG and/or distillate oil only shall limit:

A. Production to 400,000 tons during any twelve consecutive months; and

- B. Operations to 3000 hours during any twelve consecutive months.
- II. New and existing asphalt plants permitted to burn natural gas/LPG, distillate oil, and residual oil in any combination shall limit:
- A. Production to 200,000 tons during any twelve consecutive months;
 - B. Fuel sulfur content to less than or equal to 1.5%;
 - C. Operation to 3000 hours during any twelve consecutive months; and
 - D. Fuel oil usage to 678,000 gallons during any twelve consecutive months.
- III. New asphalt plants (which commenced construction or modification after June 11, 1973) permitted to burn natural gas/LPG and/or distillate oil only, which are located in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding and Rockdale shall limit:
- A. Production to 300,000 tons during any twelve consecutive months; and
 - B. Operations to 3000 hours during any twelve consecutive months.
- IV. New and existing asphalt plants permitted to burn natural gas/LPG, distillate oil, and residual oil in any combination, which are located in the counties of Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding and Rockdale shall limit:
- A. Production to 125,000 tons during any twelve consecutive months;
 - B. Fuel sulfur content to less than or equal to 1.5%;

- C. Operation to 3000 hours during any twelve consecutive months; and
- D. Fuel oil usage to 250,000 gallons during any twelve consecutive months.

6. Cotton ginning operations.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in excess of the Part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Cotton ginning operations shall be deemed to have a Permit by Rule if the conditions in paragraph (I) and (II) are met. Facilities that have potential emissions greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraphs (I) and (II) shall obtain a Part 70 Permit.

(I) Monitoring and Record keeping. A log of the monthly production must be kept. The total production for the previous twelve consecutive months must be included in each month's log. This log shall be kept for five years from the date of last entry. The log shall be available for inspection or submittal to the Division.

(II) Annual Production. Production shall be limited to 65,000 standard bales of cotton during any twelve consecutive months.

7. Coating and/or gluing operations.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in amounts equal to or exceeding the Part 70 and Part 63 major source thresholds without existing federally enforceable permit conditions limiting the source to below Part 70 or Part 63 major source thresholds. This standard applies only to facilities:

(I) Where the actual VOC emissions from coating and/or gluing operations represent at least 90 percent of the plant wide actual VOC emissions; and

(II) Where the actual HAP emissions from coating and/or gluing operations represent at least 90 percent of the plant wide actual HAP emissions or where the actual HAP emissions from non-coating and non-gluing operations are less than 1.0 tons per year.

(ii) This standard establishes federally enforceable conditions limiting the potential to emit for VOC and HAPs. Coating and/or gluing operations shall be deemed to have a Permit by Rule if the conditions in one of the following paragraphs (I), (II), (III) or (IV) are met. Facilities that have potential emissions of greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraphs (I), (II), (III), or (IV) and the remainder of this subsection shall obtain a Part 70 Permit. In accordance with the General Requirements in subparagraph (11)(a)2., the owner or operator of a facility wishing to operate under this Permit-by-Rule must also declare which of the four options are going to be met.

(I) The owner or operator of the source shall consume less than 20,000 pounds of any VOC and/or HAP containing materials during any twelve consecutive months. A log of the monthly consumption of VOC and/or HAP containing material must be kept. The total consumption for the previous twelve consecutive months must be included in each month's log. Records for materials (including but not limited to coatings, thinners, and solvents) shall be recorded in pounds. These records shall be maintained and made readily available for inspection for a minimum of five years upon date of entry and shall be submitted to the Division upon request.

(II) The owner or operator of the facility shall use less than 250 total gallons each month, of coating, gluing, cleaning, and washoff materials at the facility. The owner or operator shall demonstrate compliance by maintaining records of the total gallons of coating, gluing, cleaning, and washoff materials used each month. These records shall be maintained and made readily available for inspection for a minimum of five years upon date of entry and shall be submitted to the Division upon request.

(III) The owner or operator of the source shall use less than 3,000 total gallons per rolling 12-month period, of

coating, gluing, cleaning, and washoff materials at the facility. A rolling 12-month period includes the previous 12 months of operation. The owner or operator of the facility shall demonstrate compliance by maintaining records of the total gallons of coating, gluing, cleaning, and washoff materials used each month and the total gallons used each rolling 12-month period. These records shall be maintained and made readily available for inspection for a minimum of five years upon date of entry and shall be submitted to the Division upon request.

(IV) The owner or operator of the facility shall use materials containing less than 5 tons of any one HAP per rolling 12-month period, less than 12.5 tons of any combination of HAPs per rolling 12-month period, less than 25 tons of VOC per rolling 12-month period for sources located in ozone non-attainment counties (Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale counties), and less than 50 tons of VOC per rolling 12-month period for facilities not located in ozone non-attainment counties. The owner or operator shall demonstrate compliance by maintaining records that demonstrate that annual emissions do not exceed these levels, including monthly usage records for each finishing, gluing, cleaning, and washoff material used to include the VOC and individual HAP content of each material; certified product data sheets for these materials; summation of VOC and individual and total HAP usage on a monthly basis; and the total VOC and individual and total HAP usage each rolling 12-month period and any other records necessary to document emissions. These records shall be maintained and made readily available for inspection for a minimum of five years upon date of entry and shall be submitted to the Division upon request.

(iii) The owner or operator that chooses to comply with this Permit by Rule for Coating and/or Operations shall maintain all purchase orders and/or invoices of materials containing VOC's and HAP's for a minimum of 5 years. These purchase orders and/or invoices must be made available to the Division upon request for use in confirming the general accuracy of the records retained and reports submitted.

(iv) For the purpose of this paragraph, the following definitions apply:

(I) “Certified product data sheet (CPDS)” means documentation furnished by coating or adhesive suppliers or an outside laboratory that provides the Volatile Hazardous Air Pollutant (VHAP), as listed in Table 2 of 40 CFR Part 63, Subpart JJ, content of a finishing material, contact adhesive, or solvent, by percent weight, measured using Method 311 of the Georgia Department of Natural Resources Procedures for Testing and Monitoring Sources of Air Pollutants (PTM), or an equivalent or alternative method (or formulation data if the coating meets the criteria specified in 40 CFR 63.805(a)); the solids content of a finishing material or contact adhesive by percent weight, determined using data from Method 24 of the Georgia PTM as referenced in this section, or an alternative or equivalent method (or formulation data if the coating meets the criteria specified in 40 CFR 63.805(a)); and the density, measured by Method 24 of the Georgia PTM as referenced in this section or an alternative or equivalent method. Therefore, the reportable VHAP content shall represent the maximum aggregate emissions potential of the finishing material, adhesive, or solvent in concentrations greater than or equal to 1.0 percent by weight or 0.1 percent for VHAP that are carcinogens, must be reported on the CPDS. The purpose of the CPDS is to assist the affected source in demonstrating compliance with the emission limitations presented in subparagraph (11)(b)7.(ii)(IV).

(Note: Because the optimum analytical conditions under Method 311 vary by coating, the coating or adhesive supplier may also choose to include on the CPDS the optimum analytical conditions for analysis of the coating, adhesive, or solvent using Method 311. Such information may include, but not be limited to, separation column, oven temperature, carrier gas, injection port temperature, extraction solvent, and internal standard.)

(II) "Coating" means a protective, decorative, or functional film applied in a thin layer to a surface. Such materials include, but are not limited to, paints, topcoats, varnishes, sealers, stains, washcoats, basecoats, enamels, inks, and temporary protective coatings. Aerosol spray paints used for touch-up and repair are not considered coatings under this section of the rule.

(III) "Gluing" means those operations in which adhesives are used to join components, for example, to apply a laminate to a wood substrate or foam to fabric.

8. Printing operations.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in excess of the Part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Printing operations shall be deemed to have a Permit by Rule if the conditions in paragraph (I), and (II) are met. Facilities that have potential emissions of greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraphs (I) and (II) shall obtain a Part 70 Permit.

(I) Monitoring and Record keeping. A log of the monthly consumption of VOC and/or Hazardous Air Pollutant containing material must be kept. The total consumption for the previous twelve consecutive months must be included in each month's log. Records for materials (including but not limited to inks, thinners, and solvents) shall be recorded in pounds. This log shall be kept for five years from the date of last entry. The log shall be available for inspection or submittal to the Division.

(II) Annual consumption. The consumption of any VOC and/or Hazardous Air Pollutant emitting materials (including but not limited to inks, thinners, and solvents) by the facility shall be limited to 20,000 pounds during any twelve consecutive months.

9. Non-reactive mixing operations.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in excess of the Part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Non-reactive mixing operations shall be deemed to have a Permit by Rule if the conditions in paragraphs (I) through (V) are met. Facilities that have potential emissions of greater than major source thresholds even after this rule is met or are not able to meet the conditions in this rule shall obtain a Part 70

Permit.

(I) Monitoring and Record keeping. A monthly log of materials mixed must be kept. The mixing total for the previous twelve consecutive months must be included in each month's log. Records for materials (including but not limited to coatings, thinners, and solvents) shall be recorded in pounds. This log shall be kept for five years from the date of last entry. The log shall be available for inspection or submittal to the Division.

(II) Annual mixing limit. Materials mixed shall be limited to 500 tons during any twelve consecutive months.

(III) Mixing/blending tanks shall be equipped with lids.

(IV) Tank lids must be closed at all times during operation except when charging raw materials, retrieving samples, or discharging finished product.

(V) Mixing tanks must be maintained at a temperature of less than 150°F.

10. Fiberglass molding and forming operations.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in excess of the Part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below Part 70 major source thresholds. Fiberglass molding operations shall be deemed to have a Permit by Rule if the conditions in paragraph (I) and (II) are met. Facilities that have potential emissions greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraphs (I) and (II) shall obtain a Part 70 Permit.

(I) Monitoring and Record keeping. A log of the combined monthly usage of polyester resin and gel coat must be kept. The previous twelve consecutive month material usage total must be included in each month's log. Records for the combined weight of polyester resin and gel coat shall be recorded in pounds. This log shall be kept for five years from the date of last entry. The log shall be available for inspection or submittal to the Division.

(II) Material Usage. Annual facility material usage shall be limited to 89,000 pounds during any twelve consecutive months for any combination of hand and spray lay-up operations. Annual facility material usage shall be limited to 120,000 pounds during any twelve consecutive months for spray lay-up operations only. This material input must represent the combined weight of polyester resin and gel coat used during any twelve consecutive months.

11. Peanut/Nut shelling operation.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in excess of the part 70 major source threshold without existing federally enforceable permit conditions limiting the source to below part 70 major source threshold. Peanut/nut shelling facilities shall be deemed to have a Permit by Rule if the conditions in paragraph (I), (II) and (III) are met. Facilities that have potential emissions greater than major source thresholds even after this rule is met or are not able to meet the conditions in paragraph (I), (II) and (III) shall obtain a part 70 Permit.

(I) Monitoring and Recordkeeping. A log of the monthly unshelled peanuts/nuts processed must be kept. The total amount of unshelled peanuts/nuts processed for the previous 12 consecutive months must be included in each month's log. This log shall be kept for five years from the date of last entry. The log shall be available for inspection or submittal to the Division.

(II) Annul Process input: Facility process input shall be limited to 130,000 tons of unshelled nuts during any twelve consecutive months.

(III) Annual hours of operation shall not exceed 5000 hours during any twelve consecutive months.

(ii) For the purposes of this standard, the term process, as it applies to peanut/nut shelling facilities, shall include all of the activities associated with the nut shelling process from nut drying, cleaning, shelling, to and including product and waste material handling at the facility.

(12) GENERIC PERMIT

- (a) Under penalty of law, the holder of any Air Quality General Generic Permit must adhere to the terms, limitations, and conditions of that permit and subsequent revisions of that permit.
- (b) The limitations, controls, and requirements in federally enforceable operating permits are permanent, quantifiable, and otherwise enforceable as a practical matter.
- (c) Prior to the issuance of any federally enforceable operating permit, EPA and the public will be notified and given a chance for comment on the draft permit.

(13) Emission Reduction Credits.

(a) Applicability.

This section provides for the creation, banking, transfer, and use of nitrogen oxides and VOC Emission Reduction Credits in federally designated ozone nonattainment areas in Georgia and any areas designated by the Director as contributing to the ambient air level of ozone in federally designated ozone nonattainment areas in Georgia. The following sources are eligible to create and bank nitrogen oxides and VOC Emission Reduction Credits:

1. Any stationary source located within the counties of Cherokee, Clayton, Cobb, Coweta, Dekalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale and which has the potential to emit nitrogen oxides or VOC in amounts greater than 25 tons per year.
2. Any stationary source located within the counties of Bartow, Carroll, Hall, Newton, Spalding, and Walton and which has the potential to emit nitrogen oxides or VOC in amounts greater than 100 tons per year.
3. Electrical Generating Units located at any stationary source within the counties of Banks, Barrow, Butts, Chattooga, Clarke, Dawson, Floyd, Gordon, Haralson, Heard, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Oconee, Pickens, Pike, Polk, Putnam, Troup, and Upson and which has the potential to emit nitrogen oxides in amounts greater than 100 tons per year.

(b) Eligibility of Emission Reductions.

1. In order to be approved by the Division as an Emission Reduction Credit, a reduction in emissions must be real, permanent, quantifiable, enforceable, and surplus and shall have occurred after December 31, 1996.

2. To be eligible for consideration as Emission Reduction Credits, emission reductions may be created by any of the following methods:
 - (i) Installation of control equipment;
 - (ii) A change in process inputs, formulations, products or product mix, or raw materials;
 - (iii) A reduction in actual emission rate;
 - (iv) A reduction in operating hours;
 - (v) Production curtailment;
 - (vi) Shutdown of emitting sources or facilities; or
 - (vii) Any other enforceable method as determined by the Division.
- (c) Quantification of Emission Reduction Credits.
1. For purposes of calculating the amount of emission reduction that can be quantified as an Emission Reduction Credit, the following procedures must be followed:
 - (i) The source must calculate its average actual annual emissions prior to the emission reduction. Actual emissions prior to the reduction shall be calculated in tons per year. In calculating average actual annual emissions prior to the emission reduction, the source shall use data from the 24 month period immediately preceding the reduction in emissions. The Division may allow the use of a different time period upon a determination that such period is more representative of normal source operation.
 - (ii) The Emission Reduction Credit generated by the emission reduction shall be calculated by subtracting the allowable annual emissions rate following the reduction from the average actual annual emissions prior to the reduction.
- (d) Discounting and Revocation of Emission Reduction Credits.
1. Except as provided below, the Director shall not discount or otherwise reduce the value of Emission Reduction Credits banked under this section.

(i) Shutdown credits.

(I) Emission Reduction Credits created through the shutdown of individual process equipment will not be discounted upon banking.

(ii) Discounting based on time banked.

Emission Reduction Credits banked under this section will not expire at any time. However, Emission Reduction Credits will be discounted at a rate of 10 percent of the original Emission Reduction Credit value per year beginning on the 11th anniversary of the date on which the reduction in emissions initially occurred, up to a maximum total discount of 50 percent of the original Emission Reduction Credit value on the 15th anniversary of the date on which the reduction in emissions initially occurred. Annual discounting under this subsection (ii) shall not occur if the affected Emission Reduction Credits have already been discounted by 50% or more under the following subsection (iii) due to the promulgation of more stringent regulations affecting the source category that created the Emission Reduction Credits.

(iii) Discounting for more stringent regulations.

If any state or federal statute, rule, or regulation decreases an allowable emission rate or otherwise requires a reduction in nitrogen oxides or VOC from a particular source category or categories, any banked nitrogen oxides or VOC Emission Reduction Credits created by that source category or categories shall be reduced to reflect the new more stringent allowable emission limit or required reduction.

(iv) Discounting or revocation for cause.

The Director may revoke, suspend, or reduce the value of Emission Reduction Credits for cause, including evidence of noncompliance with permit conditions imposed to make the emission reductions permanent and enforceable; failure to achieve in practice the emission reductions on which the Emission Reduction Credits are based; or misrepresentations made in the Emission Reduction Credit application or any other applications on which the Emission Reduction Credits are based, supporting data entered therein or attached thereto, or any subsequent submittal or supporting data.

(e) Creation and Banking of Emission Reduction Credits.

1. Sources seeking to create and bank Emission Reduction Credits must submit an

application on forms supplied by the Division and signed by the applicant. The application shall include, at a minimum, the following information:

- (i) The company name, contact person and phone number, and street address of the source seeking the Emission Reduction Credit;
 - (ii) A description of the type of source, including SIC code, where the proposed emission reduction shall occur;
 - (iii) A detailed description of the method or methods to be employed by the source to create the emission reduction;
 - (iv) The date the emission reduction occurred or is to occur;
 - (v) Quantification of the Emission Reduction Credit, as required under subsection (c);
 - (vi) The proposed method for ensuring the reductions are permanent and enforceable, including any necessary application to amend the source's operating permit or, in the case of a shutdown of process equipment or an entire source, request for permit revocation;
 - (vii) Whether any portion of the reduction in emissions to be used to create the Emission Reduction Credit has previously been used to avoid New Source Review through a "netting demonstration;" and
 - (viii) Any other information that may be required to demonstrate that the reduction in emissions is real, permanent, quantifiable, enforceable, and surplus, as defined in subsection (b).
2. The Division will determine whether the application is complete and will notify the source seeking the Emission Reduction Credit of its determination. A Certificate of Emission Reduction Credit will be issued to the source upon a determination by the Director that the emission reduction meets the requirements of this section. Upon issuance of the Certificate, the Division will simultaneously take any action required to ensure the reduction is permanent and enforceable, including issuance of a revised permit or revocation of a permit.
 3. Certificates of Emission Reduction Credit shall be issued by the Director and shall contain the following information:
 - (i) The amount of the credit, in tons per year;
 - (ii) The pollutant reduced (nitrogen oxides or VOC);

- (iii) The date the reduction occurred;
 - (iv) The street address and county of the source where the reduction occurred;
 - (v) The date of issuance of the Certificate.
4. The Division shall maintain an Emission Reduction Credit registry that constitutes the official record of all Certificates of Emission Reduction Credit issued and all withdrawals made. The registry shall be available for public review. For each certificate issued, the registry will indicate the amount of the Emission Reduction Credit, the pollutant reduced, the location of the facility generating the Emission Reduction Credit, and the facility contact person.
- (f) Use of Emission Reduction Credits.
- 1. Emission Reduction Credits may be used in any manner authorized under this subsection (f).
 - 2. Persons holding Emission Reduction Credits may withdraw the Emission Reduction Credits and may dispose of them in any manner not inconsistent with this Section.
 - 3. An Emission Reduction Credit may be withdrawn only by the owner of record or by the Director and may be withdrawn in whole or in part. In the case of a partial withdrawal, the Division shall issue a revised certificate of Emission Reduction Credit to the owner of record reflecting the new amount of the credit and shall revoke the original Certificate.
 - 4. Emission Reduction Credits may be used for the following purposes:
 - (i) As offsets required by Section 391-3-1-.03(8) for a major new source of nitrogen oxides or VOC in a federally designated ozone nonattainment area, or an area designated by the Director as an area contributing to the ambient concentration of ozone in a federally designated ozone nonattainment area;
 - (ii) As offsets required by Section 391-3-1-.03(8) for a major modification to an existing major source of nitrogen oxides or VOC in a federally designated ozone nonattainment area, or an area designated by the Director as an area contributing to the ambient concentration of ozone in a federally designated ozone nonattainment area;
 - (iii) As part of a netting demonstration under the following conditions:

- (I) The source using the Emission Reduction Credits is the same source that created and banked the Emission Reduction Credits, and;
 - (II) The emission reduction represented by the Emission Reduction Credits occurred within the five-year period before construction commences on the modification; or
 - 5. Emission Reduction Credits can only be used to offset emissions of the same pollutant that was reduced by the source that created and banked the Emission Reduction Credit.
 - 6. Emission reduction credits used as offsets as required by Section 391-3-1-.03(8) within a federally designated ozone nonattainment area shall have been created within that federally designated ozone nonattainment area. Emission reduction credits created within any area designated by the Director as contributing to the ambient air level of ozone in a federally designated ozone nonattainment area may not be used as offsets as required by Section 391-3-1-.03(8) in that federally designated nonattainment area.
- (g) Transfer of Certificates of Emission Reduction Credit.
- 1. If the owner of a Certificate of Emission Reduction Credit transfers the Certificate to a new owner, the Division shall issue a Certificate of Emission Reduction Credit to the new owner and shall revoke the certificate held by the current owner of record.
 - 2. If the owner of a Certificate of Emission Reduction Credit transfers part of the Emission Reduction Credits represented by the Certificate to a new owner, the Division shall issue a Certificate of Emission Reduction Credit to the new owner reflecting the transferred amount and shall issue a Certificate of Emission Reduction Credit to the current owner of record reflecting the amount of Emission Reduction Credit remaining after the transfer. The original Certificate of Emission Reduction credit shall be revoked.
- (h) Administrative Fees.
- 1. Any Source seeking to create, certify, bank, use or transfer Emission Reduction Credits shall pay fees to the Division in accordance with the following schedule:
 - (i) \$1000 per application to create, certify and bank emission credits in accordance with subsection (e) of this section.
 - (ii) \$100 per application to use a banked emission credit in accordance with

paragraph (f)4. of this section.

(iii) \$100 per application to transfer a Certificate of Emission Reductions Credit as per subsection (g) of this section.

2. Payment of administrative fees required by this subsection shall be submitted along with an application to create, certify, bank, use or transfer Emission Reduction Credits.

(i) Definitions.

For the purposes of this section, the following definitions shall apply:

1. “Electrical Generating Unit” means a fossil fuel fired stationary boiler, combustion turbine, or combined cycle system that serves a generator that produces electricity for sale.
2. “Enforceable” means enforceable by the Division. Methods for ensuring that Emission Reduction Credits are enforceable shall include, but not be limited to, conditions in air quality construction or operating permits issued by the Division.
3. “Netting Demonstration” means the act of calculating a “net emissions increase” under the preconstruction review requirements of Title I, Part D of the Federal Act and the regulations promulgated thereunder.
4. “Permanent” means assured for the life of the corresponding Emission Reduction Credit through an enforceable mechanism such as a permit condition or revocation.
5. “Quantifiable” means that the amount, rate and characteristics of the Emission Reduction Credit can be estimated through a reliable method and are approved by the Division.
6. “Real” means a reduction in actual emissions emitted into the air.
7. “Surplus” means not required by any local, state, or federal law, regulation, order, or requirement and in excess of reductions used by the Division in issuing any other permit or to demonstrate attainment of federal ambient air quality standards or reasonable further progress towards achieving attainment of federal ambient air quality standards. For the purpose of determining the amount of surplus emission reductions, any seasonal emission limitation or standard shall be assumed to apply throughout the year. Emission reductions which have previously been used to avoid New Source Review through a netting demonstration are not considered surplus.

THIS IS THE FEDERALLY APPROVED REGULATION AS OF OCTOBER 16, 2017

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