

IV. Criteria For Utilizing Updated Generally Accepted Emission Factors

From time to time, generally accepted emission factors are revised as new information becomes available. The revised generally accepted emission factors would be used once approved by the District. However, consistent with the data quality hierarchy specified in Section III of this policy, best available data must always be used in lieu of generally accepted emission factors.

V. NSR and ERC Implications when using revised Generally Accepted Emission Factors

The District's permitting and banking actions will be guided by the following principles:

A. Past Permitting Actions

A mere change in the generally accepted emission factors shall not require the reopening of the permits that were previously issued using then generally accepted emission factors to impose or relieve BACT or offset requirements

The District will substitute the revised generally accepted emissions factor upon any of modification of affected emissions unit, during the annual permit review or upon request of the applicant. The substitution by a revised generally accepted emissions factor is an administrative action and does not have NSR implications.

It is not necessary to add a revised, generally accepted emissions factor to an emission unit that does not have a emissions factor expressed or implied (i.e., has not been subjected to NSR). However, upon modification, daily emission limits and annual emission potentials will be established using the latest generally accepted emissions factors available or other supportable data (CEM, source tests results, manufacturers information, etc., as outlined in Section III, above.

B. New Permitting and Banking Actions

1. **Post-Project** emissions and emission limits for subsequent permits are calculated using revised emission factors.
2. **Baseline** actual emissions calculated for banking or NSR actions will be calculated using revised emission factors.

3. For modifications, **Pre-Project** potential emissions is calculated using revised emission factors except for the following:

When the revised generally accepted emission factor is lower than the factor used at the time of original permitting, the pre-project potential to emit may be set to a level for which the applicant at the time of original permitting provided **Actual Emission Reductions** in the form of ERCs or contemporaneous reductions. Towards that end, for the purpose of determining the quantity of offsets required, the pre-project emissions are calculated using the method below that results in highest pre-project emissions:

- a) Calculate pre-project emissions using revised emission factors; or
- b) Set the pre-project to the actual emission reductions previously provided.

When the revised generally accepted emission factor is higher than the factor used at the time of original permitting, the pre-project potential to emit will be increased accordingly.

Under no circumstance does the substitution of a revised, generally accepted emission factor affect existing capacity, throughput and/or hours of operation restrictions or any previously approved method of operation.

4. If a revised, generally accepted emissions factor is substituted during the modification to an emissions unit, the substitution of the revised factor is an administrative action separate from the modification viewed as occurring before the modification and does not have NSR implications.
5. Revised generally accepted emissions factors may not be substituted for emission factors that did not originally qualify as generally accepted emissions factors. That is, emissions factors based on individual sources tests, manufacturer information, source specific information, or other limited technical information are not considered to be to generally accepted emissions factors.

C. Previously Used ERCs

1. ERCs that have been used to mitigate or satisfy the offset requirements for previous permitting actions will not be reexamined and past permitting actions will not be affected.

2. In some cases analysis based on the revised generally accepted emission factors may reveal that a source provided excess ERCs in previous permitting actions. Under these circumstances, the source will not be entitled to rebanking those excess ERCs. This is appropriate since the District will not reexamine completed past ERC transactions and void permitting actions where a source may not have provided an adequate amount of offsets, when ERCs are recalculated using the revised emission factors.

D. Unused previously Banked ERCs

Generally, within 90 days of the District's approval of revised generally accepted emission factors, but in all cases prior to authorizing future ERC transactions involving emission reductions from sources covered by the revised emissions factors, the unused banked ERCs will be adjusted to reflect the revised emission factors.

If the amount of banked ERCs increases by 10% or more, the District will re-notice the banking action in accordance with the public noticing provisions of Rule 2301.

VI. Emissions Inventory

The revised generally accepted emission factors would be used in updating the District's annual emissions inventory. The emissions inventory will reflect appropriate emission factors regardless of which factors were used in permitting actions prior to the approval of the revised emission factors.

VII. Procedures

A. Permit Revisions

The current District's Rules and Regulations, and the applicable permitting policies and procedures will be used. ATC applications will be required for all revisions to existing permits, except for those made during annual permit review.

For permits updated during annual permit review, the source will be sent a cover letter of explanation along with the updated permit(s). Use the attached general cover letter unless a more specific letter is developed by the District.

B. Adjustments to Unused Banked ERCs

The following steps shall be followed:

1. The District will identify existing unused ERCs that may be affected by the use of revised generally accepted emission factors.
2. The District will prepare a written analysis documenting the applicability of the revised emission factors to the remaining banked ERCs.
3. A copy of the District's written analysis will be forwarded to the holder of the ERC.
4. The District will allow 30 days for written comments by the holder of the ERC.
5. After considering all comments received, the District will adjust ERCs and issue revised certificates, if necessary.
6. The holder of the ERCs may appeal the District's action to the Hearing Board.

Notice – Administrative Changes To Your Permit To Operate

Enclosed is the updated permit for your facility. Please note that your permit conditions have been updated to reflect a change in emission factor used by the District from _____ to _____. The updated emission factor more accurately reflects _____ emissions from your facility.

Thank you for your cooperation in this matter. If you have any questions, please contact the District's Small Business Assistance Office at (209) 557-6446 (Northern)/(559) 230-5888 (Central)/(661) 326-6969 (Southern)