

**SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT**

DATE: 3/1/10, updated 5/5/10

TO: Interested Parties

SUBJECT: Frequently asked questions regarding compliance with Rule 4320, Advanced Emission Reduction Options for Boilers, Steam Generators, and Process Heaters Greater than 5.0 MMBtu/hr (Adopted October 16, 2008)

Below are list of frequently asked questions and answers regarding compliance with Rule 4320. This list will be updated as needed.

For additional information, please see Rule 4320 and the January 2009 Rule 4320 Compliance Assistance Bulletin available at www.valleyair.org.

Q1: Can an operator agree to a non-permanent limit on a unit's heat input and have such a limit be considered the rated heat input pursuant to section 3.21?

A1: Section 3.21 defines rated heat input as that specified on the nameplate of the unit. As such, the modification to the unit has to be permanent and be reflected on the nameplate of the unit. Non-permanent changes do not affect the rated heat input. Please note that this definition differs than that from Rule 4306 as it does not allow a non-permanent physical modification to a unit's heat capacity, even if enforceable via permit condition, to be considered the rated heat input.

Q2: Can an operator designate a unit dormant to avoid the retrofit requirement or annual emissions fee requirements of Rule 4320?

A2: A unit can be designated as non-compliant dormant via an ATC prior to the applicable compliance deadline. Such units will not be required to meet the requirements of the rule until they are operated again. Please note that in order to meet the deadline, the ATC to designate the unit as dormant must be issued by that date. A subsequent ATC will be required prior to making any alterations in order to meet the rule.

When the unit is reactivated, it will be subject to the emission limits in the standard schedule in section 5.2 Table 1.

Q3: Are units that are permitted as dormant prior to the applicable compliance date subject to the annual emission fee provisions in section 5.3?

A3: No. Units that are not intended to be operated after the compliance deadline are not subject to the annual emission fee.

Q4: How can a unit that burns gas that consists of a blend of PUC quality gas and non-PUC quality gas enjoy the higher NOx limits in section 5.1 Table 1, Section C.3, D.4, and F?

A4: If PUC and non-PUC quality gases are combined prior to the burner, and the blended gas is not PUC quality, then the higher NOx limits apply. In this case it is not required to determine what volumetric percentage of the blended gas is PUC quality gas, only a demonstration that the sulfur and methane content of the blended gas does not meet the criteria for PUC quality gas is required.

If PUC and non-PUC gas are fed separately to the unit, i.e. not blended prior to the unit, the percentage of PUC quality gas must be less than 50% by volume on a calendar month basis in order to enjoy the higher NOx limits. Please note that the less than 50% PUC gas requirement is determined on a calendar month basis, not on an instantaneous basis.

Q5: What NOx limits apply if a unit intermittently burns PUC quality gas and non PUC quality gas?

A5: Units that intermittently burn PUC quality gas and non-PUC gas can enjoy the higher NOx emission limits in Table 1 C 3 when burning < 50% by volume PUC quality gas. However, If in any calendar month, the unit burns equal to or greater than 50% by volume PUC quality gas, the unit would be subject to the lower applicable NOx emission limit in Table 1. If requested, conditions allowing operating under either NOx limit can be included in a permit. Ongoing recordkeeping will be required to demonstrate the percentage by volume of PUC quality gas burned in every calendar month in order to determine the applicable NOx limit for that calendar month.

Q6: If I have an existing unit that was installed prior to 1/1/09 can I enjoy the provisions of Section 5.2 Table 1 E if I impose a fuel use limit (> 1.8 billion Btu/year but ≤ 30 billion Btu/year)?

A6: Such existing units can enjoy the emission limit in section 5.2 Table 1 E provided the fuel use limit is imposed via an ATC issued prior to 1/1/09.

Q7: Is an ATC required for units that will comply via section 5.3 Annual Emission fees?

A7: No. An ATC (or Title V modification) is not required. The District will administratively add a condition to the PTO stating that the fee must be paid annually beginning in 2010.

Q8: How do I identify units that I choose to comply via the annual emission fee option in Section 5.3?

A8: An emission control plan (ECP) is required to be submitted by January 1, 2010. Section 6.4 identifies the required elements of the ECP, including the plan of actions which will be taken to comply with the requirements of the rule. For units selected to comply via payment of annual fees, such units must be identified as such in the ECP.

A revised ECP may be submitted at any time and becomes effective once reviewed and approved by Permit Services. Please note that some revisions may result in units having to meet compliance schedules that have already passed. If the unit has already passed a deadline and is not in compliance, enforcement action may result.

Q9: To meet the SO_x control requirements in section 5.4, can I choose more than one option in section 5.4.1?

A9: An operator may apply for ATCs for more than one option (to fit different locations for example), but compliance with one option is required by the compliance date. Subsequent use of another option is allowed by Rule 4320, but such changes will require an ATC which will be subject to the requirements of Rule 2201.

Q10: What is the compliance date for the PM control requirements in section 5.4 for units complying with the NO_x requirements by payment of annual emission fees?

A10: The compliance date for meeting the PM control requirements is the same as the applicable compliance deadline for meeting the NO_x requirements of the rule if the unit was meeting the NO_x emission limits in Rule 4320 (and not paying annual emission fees).

For units with both a standard and enhanced schedule the applicable PM compliance deadline is the earlier of the compliance deadline for the standard NO_x emission limit or the enhanced NO_x emission limit.

For units with both a standard and a staged enhanced schedule the applicable PM compliance deadline is the earlier of the compliance deadline for the standard NO_x emission limit or the initial NO_x emission limit. The compliance deadline for the final NO_x emission limit is not applicable when determining the PM compliance deadline.

Please note that units that are authorized to burn less than 50% by volume PUC quality gas can enjoy the compliance schedule in Table 1 C.3, D.4, or F, even if the units are currently burning 50% or greater by volume PUC quality gas,

Q11: If a unit will meet the staged enhanced NO_x emission limits, which date do I use to determine when compliance with the PM control requirements is required?

A11: Compliance with the PM requirements is required by the compliance date for the initial NO_x emission limit in section 5.2 Table 1 (not the final NO_x emission limit). The compliance deadline for the final NO_x emission limit is not applicable when determining the PM compliance deadline.

Q12: Does the 95% sulfur compound control requirement (or 9 ppmv @ 3% O₂ SO_x emission limit) in section 5.4.1.3 apply to pre-combustion fuel gas treatment and well as post combustion exhaust gas treatment?

A12: Yes, the 95% control requirement (or 9 ppmv @ 3% O₂ exhaust gas limit) applies to either pre-combustion or post combustion control techniques.

Q13: Units installed prior to 1/1/09 and limited to \leq 1.8 billion Btu/year are required to either tune the unit twice per calendar year or operate with \leq 3.00% in the exhaust? What is the compliance schedule for such units?

A13: Such units must meet the compliance schedule in Table 1 for the type of unit listed in Table 1. Please note that compliance with the NO_x limits in Table 1 is not required.

Q14: Do the requirements for alternate monitoring schemes in sections 5.7.5.1 and 5.7.5.2 apply to all units for which alternate monitoring is proposed?

A14: No. The requirements in sections 5.7.5.1 and 5.7.5.2 only apply to units subject to NSPS Subpart Db (boilers, etc. \geq 100 MMBtu/hr). If a unit is not subject to NSPS Subpart Db, these sections are not applicable.

Q15: What type of annual source test is required in section 5.7.6.3?

A15: Section 5.7.6.3 refers to units that are complying with section 5.4.1.3. Section 5.4.1.3 includes a sulfur compound removal efficiency requirement (or an exhaust gas SO₂ emission concentration requirement). Therefore, the annual source test in section 5.7.6.3 must be a sulfur compound removal efficiency test (or a exhaust gas SO₂ emission concentration test).

Q16: What happens if I submit an Emission Control Plan (ECP) in which I indicate that certain units will meet a specific NOx emission limit and compliance deadline, and then I subsequently submit a revised ECP in which I choose to pay the emission fee in lieu of meeting the NOx emission limits.

A16: If the revised ECP is submitted before the applicable compliance deadline, no violation of the rule will have occurred. Emission fees will be required for the period since 1/1/09 through the previous calendar year, then annually thereafter until the unit meets the applicable NOx emission limits of Rule 4320 as specified in Rule 4320 section 5.3.2 Table 2.

If the revised ECP is submitted after the applicable compliance deadline (and the unit is operated after the applicable compliance deadline) the operator will have been in violation of Rule 4320 for that unit. In such cases the operator may be subject to a notice of violation. To come into compliance with Rule 4320, emission fees will be required for the period since 1/1/09 through the previous calendar year, then annually thereafter until the unit meets the applicable NOx emission limits of Rule 4320 as specified in Rule 4320 section 5.3.2 Table 2.

Q17: If I install a new unit after the standard schedule compliance deadline, is the unit required by Rule 4320 to meet the standard schedule emission limits or the enhanced (or staged enhanced) emission limits?

A17: New units installed after the standard schedule compliance deadline are only required by Rule 4320 to meet the standard schedule emission limits. However, please be advised that a new unit would be subject to Rule 2201, including BACT requirements. BACT requirements for NOx may be more stringent than those specified in Rule 4320 for any particular compliance option..

Q18: If I have a unit approved to burn liquid fuels under Rule 4306 (and not solely during natural gas curtailments), can I continue to burn liquid fuels under Rule 4320?

A18: Rule 4320 prohibits the burning of liquid fuels except during natural gas curtailments (and as constrained in section 4.2). Section 5.4.2 allows liquid fuel firing only during PUC quality natural gas curtailments periods.

Section 5.2.2 specifies a liquid fuel emission limits of 40 ppmv NOx and 400 ppmv CO that are consistent with the liquid fuel requirements in Rule 4306 for normal operation on liquid fuels. However, as specified in section 5.4.2, liquid fuel firing is only allowed during natural gas curtailments.

Therefore, notwithstanding the language in section 5.2.2, Rule 4320 only allows the firing of liquid fuels during PUC quality natural gas curtailments subject to the restrictions in section 4.2.