(Adopted October 15, 1993)(Amended December 7, 1995)
(Amended February 14, 1997)(Amended May 11, 2001)

PAR2001-a
October 15, 2004

PROPOSED AMENDED RULE 2001. APPLICABILITY

(a) Purpose

This rule specifies criteria for inclusion in RECLAIM for new and existing facilities. It also specifies requirements for sources electing to enter RECLAIM and identifies provisions in District rules and regulations that do not apply to RECLAIM sources.

(b) Criteria for Inclusion in RECLAIM

The Executive Officer will maintain a listing of facilities which are subject to RECLAIM. The Executive Officer will include facilities, unless otherwise exempted pursuant to paragraph (i), if emissions fee data for 1990 or any subsequent year filed pursuant to Rule 301 - Permit Fees, shows four or more tons per year of NO_X or SO_X emissions where:

(1) NO_X emissions do not include emissions from:

(A) any NO_X source which was exempt from permit pursuant to Rule - 219 Equipment Not Requiring A Written Permit Pursuant to Regulation II;

(B) any NO_X process unit which was rental equipment with a valid District Permit to Operate issued to a party other than the facility; or

(C) on-site, off-road mobile sources.

(2) SO_X emissions do not include emissions from:

(A) any SO_X source which was exempt from permit pursuant to Rule - 219 Equipment Not Requiring A Written Permit Pursuant to Regulation II; or

(B) any SO_X source that burned natural gas exclusively, unless the emissions are at a facility that elected to enter the program pursuant to subparagraph (i)(2)(A); or

(C) any SO_X process unit which was rental equipment with a valid District Permit to Operate issued to a party other than the facility; or

(D) on-site, off-road mobile sources.

The Executive Officer will not include a facility in RECLAIM if a permit holder requests exclusion no later than January 1, 1996 and demonstrates prior to October 15, 1993 through the addition of control equipment, the possession of a valid Permit to Construct for such control equipment, or a Permit to Operate condition that the emissions fee data received pursuant to Rule 301, which shows emissions equal to or greater than four tons per year of a RECLAIM pollutant, is not representative of future emissions.

(c) Amendments to RECLAIM Facility Listing

(1) The Executive Officer will amend the RECLAIM facility listing to add, delete, change designation of any facility or make any other necessary corrections upon any of the following actions:

(A) Approval by the Executive Officer pursuant to Rule 2007 - Trading Requirements, of the permanent transfer or relinquishment of all RTCs applicable to a facility.

(B) Approval by the Executive Officer of a change of Facility Permit holder or change of facility name.

(C) Approval by the Executive Officer of a Facility Permit for a new facility if such new facility would, under RECLAIM, have a starting Allocation equal to or greater than four tons per year of a RECLAIM pollutant NO_X or SO_X, unless the facility would be exempt pursuant to paragraph (i).

(D) Approval by the Executive Officer of a Facility Permit for an existing non-RECLAIM facility, which reports NO_X or SO_X emissions pursuant to Rule 301 - Permit Fees, for any year which are equal to or greater than four tons, as specified in subdivision (b), unless the facility would be exempt pursuant to paragraph (i).

(E) Approval by the Executive Officer of the election of a facility to enter the RECLAIM program pursuant to subdivision (f).

(F) Upon delegation of authority from EPA to the District for Outer Continental Shelf (OCS) sources and inclusion of RECLAIM in 40 CFR Part 55 pursuant to the consistency update process, such OCS sources shall be RECLAIM facilities. The OCS sources' starting Allocation for the year of entry and Allocations for the years 2000 and 2003 and interim years, shall be determined pursuant to Rule 2002 - Allocations for Oxides of Nitrogen (NO_X) and Oxides of Sulfur (SO_X), except that fuel usage and emissions data reported to the Minerals Management Service of the Department of the Interior be utilized where emissions data reported pursuant to Rule 301 is not available, provided that the permit holder substantiates the accuracy of such fuel usage and emissions data. The starting Allocation shall be adjusted to reflect the rate of reduction which would have been applicable to the facility if it had been in the RECLAIM program as of October 15, 1993.

(2) The actions specified in this subdivision shall be effective only upon amendment of the Facility Listing.

(d) Cycles

(1) The Executive Officer will assign RECLAIM facilities to one of two compliance cycles by computer-generated random assignment which, to the extent possible, ensures an even distribution of RTCs. The Facility Listing will distinguish between Cycle 1 facilities, which will have a compliance year of January 1 to December 31 of each year, and Cycle 2 facilities, with a compliance year of July 1 to June 30 of each year.

(2) The issue and expiration dates of the RTCs allocated to a facility shall coincide with the beginning and ending dates of the facility's compliance year.

(3) Within 30 days of October 15, 1993, facilities assigned to Cycle 2 may petition the Executive Office or the Hearing Board to change their cycle designation. Facilities assigned to Cycle 1 may not petition the Executive Officer or Hearing Board to change their cycle designation. Facilities entering the RECLAIM program after October 15, 1993 will be assigned to the cycle with the greatest amount of time remaining in the compliance year.

(e) High Employment/Low Emissions (HILO) Facility Designation

A new facility may, after January 1, 1997 apply to the District for classification as a HILO Facility. The Executive Officer will approve the HILO designation upon the determination that the emission rate for NO_X, SO_X, ROC, and PM_{10} is less than or equal to one-half (1/2) of any target specified in the AQMP for emissions per full-time manufacturing employee by industry class in the year 2010.

(f) Entry Election

(1) A non-RECLAIM facility may elect to permanently enter the RECLAIM program, provided that:

(A) the owner or operator files an Application for Entry;

(B) the facility is not listed as exempt under paragraph (i)(1);

(C) the facility is not operating under an Order for Abatement or in violation of any District rule; and

(D) the facility is not subject to a compliance date in an existing rule within six months of the date of Application for Entry.

(2) Upon approval of an Application for Entry, the Executive Officer will issue a Facility Permit. The facility's starting Allocation for the year of entry and Allocations for the years 2000 and 2003 and interim years, shall be determined pursuant to Rule 2002 - Allocations for Oxides of Nitrogen (NO_X) and Oxides of Sulfur (SO_X). If necessary, the Allocation shall be adjusted to equal the Allocations which would have been applicable to the facility if it had been subject to the RECLAIM program as of October 15, 1993.

(3) Entry into the RECLAIM program will be effective upon issuance of a Facility Permit pursuant to Rule 2006 - Permits, and publication of the addition of the facility to the Facility Listing.

(g) Exit from RECLAIM

No facility, on the initial Facility Listing or subsequently admitted to RECLAIM, may opt out of the program.

(h) Non-RECLAIM Facility Generation of RTCs

Non-RECLAIM facilities may not obtain RTCs due to a shutdown or curtailment of operations which occurs after October 15, 1993. ERCs generated by non-RECLAIM facilities may not be converted to RTCs if the ERCs are based on a shutdown or curtailment of operations after October 15, 1993.

(i) Exemptions

(1) The following sources, including those that are part of or located on a Department of Defense facility, shall not be included in RECLAIM and are prohibited from electing to enter RECLAIM:

(A) dry cleaners;

(B) fire fighting facilities;

(C) construction and operation of landfill gas control, processing or landfill gas energy recovery facilities;

(D) facilities which have converted all sources to operate on electric power prior to October 15, 1993;

(E) police facilities;

(F) public transit;

(G) restaurants;

(H) potable water delivery operations;

(I) facilities located in the Riverside County portions of the Salton Sea and Mojave Desert Air Basins, except for a facility that has elected to enter the RECLAIM program pursuant to subparagraph (i)(2)(M); and

(J) facilities that have permanently ceased operations of all sources before January 1, 1994.

(2) The following sources, including those that are part of or located on a Department of Defense facility, shall not be initially included in RECLAIM but may enter the program pursuant to subdivision (f):

(A) electric utilities (exemption only for the SO_X program);

(B) equipment rental facilities;

(C) facilities possessing solely "various location" permits;

(D) hospitals;

(E) prisons;

(F) publicly owned municipal waste-to-energy facilities;

(G) portions of facilities conducting research operations;

(H) schools or universities;

(I) sewage treatment facilities which are publicly owned and operated consistent with an approved regional growth plan;

(J) electric power generating systems owned and operated by the City of Burbank, City of Glendale or City of Pasadena or any of their successors;

(K) ski resorts;

(L) facilities located on San Clemente Island; ~~and~~

(M) any electric generating facility that has submitted complete permit applications for all equipment requiring permits at the facility on or after January 1, 2001 may elect to enter the NOx RECLAIM program if the facility is located in the Riverside County portions of the Salton Sea or Mojave Desert Air Basins~~.~~; and

(N) facilities that are an agricultural source as defined in California Health and Safety Code § 39011.5.

(j) Rule Applicability

Facilities operating under the provisions of the RECLAIM program shall be required to comply concurrently with all provisions of District rules and regulations, except those provisions applicable to NOx emissions under the rules listed in Table 1, shall not apply to NO_X emissions from NOx RECLAIM facilities, and those provisions applicable to SOx emissions of the rules listed in Table 2 shall not apply to SOx emissions from SOx RECLAIM facilities after the later of the following:

(1) December 31, 1994 for Cycle 1 facilities and June 30, 1995 for Cycle 2 facilities; or

(2) the date the facility has demonstrated compliance with all monitoring and reporting requirements of Rules 2011 or 2012, as applicable.

Notwithstanding the above, NOx and SOx RECLAIM facilities shall not be required to comply with those provisions applicable respectively to NOx and SOx emissions of the listed District rules in Tables 1 and 2 which have initial implementation dates in 1994. The Facility Permit holder shall comply with all other provisions of the rules listed in Table 1 and 2 relating to any other pollutant.

Table 1

EXISTING RULES
NOT APPLICABLE TO RECLAIM FACILITIES FOR
REQUIREMENTS PERTAINING TO NO_X EMISSIONS

RULE	DESCRIPTION
218	Stack Monitoring
429	Start-up & Shutdown Exemption Provisions for NO_X
430	Breakdown Provision
474	Fuel Burning Equipment - NO_X
476	Steam Generating Equipment
1109	Emis. of NO_X Boilers & Proc. Heaters in Petroleum Refineries
1110	Emis. from Stationary I. C. Engines (Demo.)
1110.1	Emis. from Stationary I. C. Engines
1110.2	Emis. from Gaseous and Liquid-Fueled I. C. Engines
1112	Emis. of NO_X from Cement Kilns
1117	Emis. of NO_X from Glass Melting Furnaces
1134	Emis. of NO_X from Stationary Gas Turbines
1135	Emis. of NO_X from Electric Power Generating Systems
1146	Emis. of NO_X from Boilers, Steam Generators, and Proc. Heaters
1146.1	Emis. of NO_X from Small Boilers, Steam Generators, and Proc. Heaters
1159	Nitric Acid Units - Oxides of Nitrogen
Reg. XIII	New Source Review

Table 2

EXISTING RULES
NOT APPLICABLE TO RECLAIM FACILITIES FOR
REQUIREMENTS PERTAINING TO SO_X EMISSIONS

RULE	DESCRIPTION
53	Sulfur Compounds - Concentration - L.A. County
53	Sulfur Compounds - Concentration - Orange County
53	Sulfur Compounds - Concentration - Riverside County
53	Sulfur Compounds - Concentration - San Bernardino County
53A	Specific Contaminants - San Bernardino County
218	Stack Monitoring
430	Breakdown Provisions
407	Liquid and Gaseous Air Contaminants
431.1	Sulfur Content of Gaseous Fuels
431.2	Sulfur Content of Liquid Fuels
431.3	Sulfur Content of Fossil Fuels
468	Sulfur Recovery Units
469	Sulfuric Acid Units
1101	Secondary Lead Smelters/Sulfur Oxides
1105	Fluid Catalytic Cracking Units SO_X
1119	Petroleum Coke Calcining Operations - Oxides of Sulfur
Reg. XIII	New Source Review