California Air Pollution Control Officers Association (CAPCOA) Explanation & Examples of Uses of PERP

Introduction

The Portable Equipment Registration Program (PERP) is established by the California Air Resources Board (CARB) and provides an important voluntary mechanism to allow owners and operators of portable engines and equipment to operate at various locations throughout the state without obtaining individual operating permits in each local air district in which the unit may be operated. PERP is used by industry in various applications ranging from construction to water pumping. Portable equipment, in particular engines, can also be a significant source of emissions necessitating a regulatory structure that ensures the operation of this equipment is consistent with the air quality objectives of the various local air districts in which they operate. CARB has also established requirements for portable diesel-fired engines under the Air Toxics Control Measure (ATCM) to ensure adequate control of air toxics emissions, consistent with environmental protection goals, for operation of such engines under PERP.

Overview

The local air districts recognize that the use of PERP is an acceptable and a lawful alternative to obtaining any applicable and required permits¹ from the districts for operation of the vast majority of equipment registered under PERP in activities such as general construction, repair/maintenance, drilling, demolition/clean-up and unforeseen utility electrical power interruptions. However, there are some specific circumstances that, depending on the facts associated with each case, the use of PERP registered units may not be compatible with the objectives of PERP and local air districts². Because such determinations are very fact dependent, owners and operators of portable equipment are continued to be advised by districts and CARB to check with the local district on questions related to whether specific use of portable equipment require district permits or can use PERP registration. Also since districts in California face different air quality challenges relative to attainment of clean air standards and resources, some districts may not have adopted the same stringent local rules and

¹ Specifically, §2450 of the "Regulation to Establish a Statewide Portable Equipment Registration Program" (Cal. Code of Regulations title 17, §2450 et. seq. "PERP regulation" <u>http://www.arb.ca.gov/portable/perp/perpreg.pdf</u>) states that, "These regulations preempt districts from permitting, registering or regulating portable engines and equipment units, including equipment necessary for the operation of a portable engine (e.g. fuel tank), registered with the Executive Officer of the Air Resources Board *except in circumstances specified in the regulations*."(*emphasis added*) Unless otherwise specified, all future section references are to the PERP regulations.

² For example, in accordance with \$2451(c)(2), engines and equipment units that do not meet the definition of portable, are not eligible for PERP. Pursuant to \$2452(dd), there are three circumstances for which the engine or equipment is not considered portable, and \$2451(c) lists eight other circumstances under which the engines/equipment units are not eligible for registration under PERP. Also, \$2453(l) lists five circumstances where a district permit shall be required. In addition, \$2453(l)(4) specifies that a district permit shall be required at any specific location where statewide registration is not valid.

regulations or enforcement of PERP as adopted by other districts with greater air quality challenges for reaching attainment. Therefore, if the use of a PERP registered portable equipment is determined to require a local district permit, the equipment will be subject to the applicable requirements and exemptions of permits and rules and regulations of the local district in which the equipment is operating.

General Guidelines

This CAPCOA document is an explanation of general guidelines and listing of previous cases where a determination was made by one or more district(s) and generally agreed upon by CAPCOA, on whether the use of PERP registered equipment was appropriate or a local district permit was required. It, however, is not intended to be a regulatory document and/or to change the interpretation of PERP regulations or local districts' rules and regulations; nor is it intended to be an exhaustive or inclusive list of guidelines and examples of all cases where portable equipment is used. For specific cases, if one wishes to operate PERP registered engines or equipment and wishes to know whether it is or is not a valid use of PERP, it is recommended that he/she contact the local district where the PERP registered engine or equipment is intended to be operated.

In general, the following are the main considerations used by districts in determining whether engines and equipment units registered under PERP may operate under that registration, or must obtain a permit from the local district. Specifically, an important consideration is that equipment may be portable in the way it is manufactured, but due to the way it is operated it might not meet the definition of portable, or the equipment might not be eligible because it is being operated as part of a stationary source or is on site at the stationary source for too long. However, it should also be noted that if a district determines that the specific use of PERP registered engine or equipment at a particular stationary source requires a local air district permit, the PERP registration for the engine or equipment is not void and the operator can still use the PERP registration to operate the unit at another location or for an alternate use at the same facility where the stationary source is located, provided either practice is an authorized use of PERP equipment. The local air districts have developed various flexible and streamlined permitting programs which can expedite permitting of portable equipment to meet reasonable time schedules for dispatching such equipment to various locations within their jurisdiction, provided the portable equipment complies with all the applicable air quality rules and regulations in the district in which it will be operated and other state (i.e. Portable Air Toxics Control Measure) or federal requirements. Also each local air district has a different permit and New Source Review (NSR) rule requirements/exemptions, which determine the applicability and extent of the requirements associated with the PERP registered portable equipment, which based on its specific use at a site may require a local air district permit. Portable equipment owners and operators should contact each district to learn about their permit programs, requirements and options available.

Operation of PERP Equipment at (or as) a Stationary Source

A fundamental component of PERP being a valid alternative to traditional district permitting is the requirement that the equipment not only be manufactured with indicia of portability (i.e. with wheels or on a skid), but that it actually be operated in a portable fashion and not operate as part of a stationary source or become its own stationary source.

PERP Regulations §2451(c)(3) prohibits the use of PERP as part of a stationary source permitted by a district. It is important to note that the definition of stationary source in §2452(rr) includes all pollutant emitting activities occurring "on one or more contiguous or adjacent properties," so moving it from one location to another location within a parcel does not make it a new or different separate stationary source. In addition, the definition of stationary source also specifies that the pollutant emitting activities belong to the same industrial grouping, either by virtue of falling under the same two-digit Standard Industrial Classification (SIC) code, **or** by being part of a common industrial process, manufacturing process, or connected process involving a common raw material.

This approach is consistent with the state and federal Clean Air Acts which require air district stationary source permits for such equipment. Districts are obligated by these state and federal laws to evaluate and address potential air quality and public health impacts, as well as other localized site-specific impacts associated with the emissions from additional engines or equipment at stationary sources which are not appropriately operated under PERP regulations, through their local permitting processes. Based on these definitions, any equipment which is an integral part of the operation of a stationary source or used to supplement or expand its operation would in general be considered 'part of' or its own stationary source. On the other hand, districts believe that there are valid uses of PERP at stationary sources, such as equipment performing maintenance or repair activities (so long as that use continues to meet the definition of portable as provided in §2452(dd) of the PERP regulation).

Operation of PERP Equipment at a Location and for a Duration

Operation of PERP equipment at a location within or outside of a facility is allowed provided the PERP equipment is not used as part of a stationary source or become its own stationary source, as discussed above. Some examples of such use is equipment registered under PERP that is used for construction, repair and/or maintenance activities. In these cases, PERP equipment can be used at multiple locations within a facility or at various locations outside of a facility provided the location is consistent with the functional use of the equipment and the equipment is not used at the same location for more than 12 consecutive months. The term functional is used in conjunction with location to ensure that there is a legitimate operational need to move the equipment, so as to not circumvent the definition of location just to restart the 12-month period. Also the 12-month operational clock at a location starts from the time a piece of PERP equipment is moved into a location within or outside of a facility, regardless of whether or not the equipment is moved and then brought back to the same location at a later time. Adequate logs and documents demonstrating the equipment's proper usage must be maintained by PERP equipment owner or operator.

Storage of PERP Equipment

PERP equipment can be stored at a bona fide storage location at a facility without being subject to staying at that location for a period of 12months. Also, as described above, when PERP equipment is used for purposes such as construction, repair and/or maintenance at a location, the 12-months clock stops when the PERP equipment is moved to bona fide storage location within that facility. The definition of storage is relatively broad, but if the equipment is stored within a facility where it potentially may be used, it should be in a storage location apart from the usage location and not set up in an operational configuration, regardless of the size of the facility. For larger facilities, storage location has to be a completely separate building or location sufficiently away from its potential use location and for smaller facilities storage location has to be a specified designated location and not be in an operational configuration. Adequate logs and documents demonstrating the equipment's proper storage and use must be maintained by PERP equipment owner or operator.

Use of PERP Generators at a Stationary Source

Use of a portable generator registered under PERP is allowed as the primary or back up source of power to a stationary source, but only during unforeseen interruptions of electrical power from the serving utility (e.g. interruptions that are not tied to demand response programs) or maintenance and repair operations. PERP generators may also be used during electrical upgrade operations including startup, shutdown and testing, provided such upgrades do not exceed 60 calendar days. Generators registered under PERP are not allowed to be kept in an operational configuration at a stationary source for emergency backup power without obtaining a permit for the generator from local districts.

Use of PERP at Military Installations

In addition to the allowable appropriate use of PERP registered portable equipment as described above, portable equipment registered under PERP is also allowed to be used at a Military Installation if the portable equipment meets the definition of Tactical Support Equipment (TSE³) and is declared as TSE by the Military Installation. Further, if a large military installation has been determined by the local air district in which it is located to be more than one stationary source and two or more separate permits have been issued to the same Military Installation, then each source under a separate permit is considered a separate stationary source for the purpose of use of PERP registered portable equipment.

³ Specifically, §2452(uu) states that, "Tactical Support Equipment means equipment using a portable engine, including turbines, that meets military specifications, owned by the U.S. Department of Defense, the U.S. military services, or its allies, and used in combat, combat support, combat service support, tactical or relief operations, or training for such operations. Examples include, but are not limited to, internal combustion engines associated with portable generators, aircraft start carts, heaters and lighting carts.

Table of Examples of Use of PERP Registered Equipment

The following examples illustrate the application of the principles contained within the PERP regulation as discussed above. These examples have been provided by CAPCOA as representative of decisions previously made by local districts throughout the State of California based on specific facts associated with each case. In each of these examples where the use of PERP equipment is considered appropriate, the equipment must be portable, and cannot be considered part of the stationary source. These examples are specific to each case in which the determination was made and are provided as guidelines only for future determinations. These are not intended to be a regulatory directive and/or to change the interpretation of PERP regulations or local districts' rules and regulations. These examples are also not intended to be an exhaustive or inclusive list of examples of all cases where portable equipment is used. For specific case-by-case questions not mentioned in this Table, please contact your local air district.

| Activity Type | Examples | Local District Permit (LDP) or PERP Registration? | Basis for Decision |
|---|---|--|-----------------------|
| Asphalt, Sand, Rock and Gravel Operations | A concrete batch plant plans to supplement its operation by using portable crushing and screening equipment with associated hoppers and conveyors for a 3-month aggregate processing project. | LDP | (a) |
| | A mine producing rock, sand, and gravel for sale holds stationary source permits for screens, crushers and conveyors. The stationary source plans to use portable equipment (additional crushers, screens, and conveyors) to expand their operations and increase capacity. | LDP | (a) |
| Air Compressors | A manufacturing facility uses electrically powered air compressors as part of their process The facility needs to increase capacity and during the 9 months expected for the utility company to provide additional electrical capacity, the facility wants to bring in portable diesel powered compressors to provide the needed capacity to operate their plant. A local district permit is required since the sole purpose for using PERP equipment is to produce air capacity to supplement the operations of a stationary source | LDP | (a) |
| | • A contractor uses a PERP registered diesel-fueled air compressor and blasting pot to remove non-lead-based paint from a building across the street from a local High School. The contractor is completing the work during school hours using CARB-certified abrasive. | PERP | (c) |
| Concrete Batch Plant Operations | A concrete batch plant plans to use a portable screen and diesel engine owned and operated by a third party to recycle waste concrete in trucks returning from job sites. The recycled material is intended to be sold as road base. The recycling equipment may occasionally leave the stationary source for use in non-recurring jobs at other plants, but will always return to this source. | LDP for operation at plant; PERP for operation elsewhere. | (a) (c) |
| | A concrete batch plant plans to use portable screens, crushers, conveyors, and a diesel electricity generating engine to process recycled concrete on-site for use as a raw materia (aggregate) in the production of concrete. | I LDP | (a) |
| | Runways at an abandoned airbase are to be demolished using portable crushing and screening equipment powered by diesel engines. The pavement to be removed will be recycled on-site and reused as building materials for the construction. The project is expected to operate for between 3 to 5 years. | LDP | (b) |
| Construction | • An aggregate facility is involved with residential and commercial construction and | LDP | (b) |

| Activity Type | Examples | Local District Permit (LDP) or PERP Registration? | Basis for Decision |
|---------------|--|--|-----------------------|
| | development projects. Their current project involves a 122 acre site that will be developed into a commercial shopping center. The project was anticipated to last 5 to 7 years. Their equipment is comprised of portable crushing, screening, and conveying equipment and diesel generator engines. | | |
| | • Construction activities at an existing stationary source require the use of various IC engine/generators to power construction equipment, lasting no more than 12 consecutive months. | PERP | (c) |
| | A 3-year project to refurbish and realign a 10-mile segment of the freeway will involve the removal of existing pavement, on/off ramps, bridges, and cut and fill of adjacent hillside. Portable crushing and screening equipment will be used in three phases to recycle the pavement as well as provide backfill materials for engineered slopes and foundations. The equipment needs to be relocated as the project progresses along the freeway. | PERP | (c) |
| | A company is constructing a bridge overpass on a local freeway. Several subcontractors will be involved in various aspects of the construction project. Many of the subcontractors plan to use PERP-registered air compressors, welders, generators, and related construction equipment for different reasons during construction. | PERP | (c) |
| | • A geothermal stationary source needs to drill a new well to bring additional geothermal fluid to the surface which is subsequently utilized in energy production. The onshore drill rigs have 4 to 6 engines and there are additional portable engines powering the trailers, lights, etc. | PERP | (c) |
| Drilling | An oilfield service company needs to operate portable drilling and work-over rigs in the onshore oil and gas production fields. | PERP | (c) |
| | A local well drilling company uses PERP registered engines to drill wells for domestic water supply and for irrigating crops. The equipment is operated at each location for less than 12 months. | PERP | (c) |
| Green Waste | A recycling business at a port operates a transfer and biomass production stationary source. The operation consists of collection and processing of construction and demolition debris, green waste and clean lumber products. The equipment at the stationary source includes power screens, engines, air compressor, shredder, wood grinder, and a trammel. | LDP | (a) |
| | A wood recycling stationary source has acquired an unpermitted/unregistered diesel powered grinder. They have inquired whether the engine can be registered in DOORS program in lieu of a permit or PERP registration, and whether PERP registration can be used. | LDP | (a) |
| | • A green waste composting stationary source has an existing wood chipper to grind wood waste under permit. The source has received a large quantity of wood waste, which must be ground and is requesting to bring in a portable registered wood chipper to temporarily operate at their source. | LDP | (a) |
| | • A business wishes to use diesel engines to power grinders and screens to convert green waste into manufactured mulch products. The equipment will be used primarily at a single stationary source, but also may be used at customer locations as needed. | LDP for operation at plant; PERP for operation elsewhere. | (a) (c) |
| | A stationary source grinds a wide range of green waste and wood materials and uses a portable grinder powered by a > 50 BHP diesel engine. The equipment is used primarily at | LDP for operation at a stationary source; | (a) (c) |

| Activity Type | Examples | Local District Permit (LDP) or PERP Registration? | Basis for Decision |
|---------------------------|--|--|-----------------------|
| | the stationary source and occasionally elsewhere. | PERP for operation elsewhere. | |
| | • A company specializes in orchard removal. The company uses a PERP-registered tub grinder for green waste at various locations throughout the state. The equipment is usually only at a specific site for a few weeks. | PERP | (c) |
| Power Generation | • Each year, during the late fall/early winter, a ski resort needs to bring in up to 30 portable diesel engines to run air compressors that generate man-made snow. | LDP | (d) |
| | • An island in a local bay requires two large diesel-fired engines to be used as standby electrical generators. | LDP | (a) |
| | • A contaminated soil site has proposed to use either a truck mounted or fixed vapor extraction systems using portable diesel generators. The operation is expected to last less than one continuous year. | LDP | (a) |
| | A business proposes a project involving the use of a large portable natural gas fired generator engine to supply variable output electrical power for cold-ironing purposes for ships while at berth at port. | LDP | (a) |
| | A stationary source accumulates concrete and other materials at their business for crushing and recycling as Class II road base. In lieu of using the grid power, the source opted to power the equipment using a diesel fueled generator. This equipment is also used on a circuit, where they accumulate material and return to their stationary source periodically to conduct crushing operations. | LDP | (a) |
| | • A facility is completing an expansion and needs to use a generator on a temporary basis (less than 60 calendar days) to provide prime power while electrical upgrades are being completed | PERP | (e) |
| Repair and Maintenance | • An aggregate facility utilizes heavy duty welders registered in the PERP program to conduct maintenance and repair activities on equipment and facilities. The welder is mounted on a vehicle to move around the facility, as well as to support other facilities the company owns in the region. | PERP | (c) |
| | A gasoline bulk storage facility needs to prepare its tanks to be repainted. The facility operator hired a contractor that brought in PERP registered unconfined abrasive blasting equipment and associated PERP registered ICE generator to prepare aboveground storage tanks for repainting. | PERP | (c) |
| | • A manufacturing facility is expanding and will have a large amount of concrete work performed on-site. The source hired a contractor that brought in a PERP registered concrete batch plant and associated PERP registered ICE generator(s). The batch plant is on-site less than 12-months | PERP | (c) |

Basis for Decision Footnotes:

(a) 13 CCR §2451(c)(3)

- (b) 13 CCR §2451(c)(2)
- (c) 13 CCR §2451(b)
- (d) 13 CCR 2452(dd)(2)

(e) 13 CCR §2451(c)(9)