

FAQ: Rule 201 – Permits Required

DATE: October 10, 2016

REV: 2.0

Cancellation of Permit
Combined ATC/PTO Permits
Erecting an Emission Unit
Nonroad Engines
Registered Professional Engineer

#### **Cancellation of Permit**

- Q: Under what conditions can a permit be canceled?
- A: A Permit to Operate can be canceled upon request, or an ATC can be canceled for lack of use, however revocation or suspension can occur only for non-compliance with permit conditions or non-payment of fees.

## **Combined ATC/PTO Permits**

- Q: What is the filing fee for a combined ATC/PTO application? What is the permit issuance fee for a combined ATC/PTO permit?
- A: A combined ATC/PTO permit is assessed a single application filing fee and a single permit evaluation fee.

### **Erecting an Emission Unit**

- Q: A source wishes to install a degreaser and a solvent work station. Are these emission units subject to ATC permit?
- A: These operations are classified as equipment which have the potential to emit reactive organic compounds. An ATC permit is required based on the definition of "Erect". This definition helps clarify that setting up, installing or assembling equipment such as degreasers or solvent work stations requires an ATC permit to ensure that applicable rules and regulations are evaluated. Without the underlying equipment, the solvent emissions would not be emitted.

# **Nonroad Engines**

- Q: Does the APCD have the authority to regulate "nonroad" engines that are subject to regulation by USEPA under the federal Clean Air Act Amendments?
- A: Rule 201.D requires permits for equipment that emits air contaminants. Dredges, pile drivers, pipe laying and derrick barges are subject to this requirement. The APCD has the authority to permit such sources pursuant to the federal nonroad engine legislation in 40 CFR 89. In the preamble to this legislation (IV. Definition of nonroad engine), EPA states "...Nothing in

section 209 of the CAA prohibits local pollution control districts from regulating the operation of nonroad engines, such as the hours of usage, sulfur limits in fuel (State fuel restrictions may in some cases be precluded under section 211), daily mass emission limits, and Title I operating permits. In addition, local districts can impose a permitting fee consistent with the costs incurred for various operational expenditures, such as monitoring usage and administrative functions. EPA believes that utilization of this option will assist local districts in achieving their targeted emission levels." Rule 202.F.7 (Exemptions to Rule 201) provides permit exemption provisions that may be applied to the operations. Language is included to clarify that BACT is not required if preempted by federal law. The source is required to submit a written request for exemption to the District and written approval from the District is required.

In response to a request from industry, the APCD reviewed an ATC for one of the existing oil and gas processing facilities that included installation of platforms and pipelines. Based on potential as well as actual emissions, derrick barges and pipe-laying vessels are extremely large emitters of air contaminants. The potential emissions associated with this one project from pipe-laying and derrick barges totaled more than 500 tons of NOx. The APCD concludes that all permit requirements not preempted by state or federal law, are appropriate for emissions of this magnitude.

Examples of activities that would require a permit under 201.D include:

- Dredging of Santa Barbara Harbor with diesel equipment on a barge.
- Pipeline laid between onshore facilities and OCS or State platforms.
- Pipeline laid between unpermitted sources in State or Federal waters.
- Installing or extending piers in Santa Barbara County.
- Pile driving sheet piles for beach restoration or erosion prevention projects.
- Any abandonment activity (platform, wells, pipeline).

#### **Registered Professional Engineer**

- Q: Why does the rule text indicate that the APCO may require disclosures to be certified by a registered engineer?
- A: The APCD has encountered situations involving, for example, ventilation systems which were improperly designed and failed to function in compliance with permit conditions. The delay and subsequent added expenses for the applicants could have been avoided by engaging an engineer properly qualified to design and review such systems.