

**EL DORADO COUNTY AIR QUALITY MANAGEMENT DISTRICT
BOARD OF DIRECTORS
AGENDA ITEM TRANSMITTAL
Meeting of December 5, 2006**

AGENDA TITLE: Public hearing to adopt proposed amended rule, Rule 527-Federal Major Modifications.

DEPARTMENT: EMD/AOMD

DEPT SIGNOFF:

CAO USE ONLY:

CONTACT: Gerri Silva/Marcella McTaggart

DATE: 11/8/2006

PHONE: 6653/5306

DEPARTMENT SUMMARY AND REQUESTED BOARD ACTION:

Hearing to consider adoption of proposed amendments to Rule 527-Federal Major Modifications, necessary for EPA approval to satisfy the Federal New Source Review Reform requirements applicable to modifications of federal major sources. El Dorado County has only one major source and proposed amendments, statutorily exempt from the California Environmental Quality Act, are not expected to have an impact.

(Amended Rule 527-Federal Major Modifications is on file with Board Clerk)

CAO RECOMMENDATIONS: *Hold public hearing, adopt amendments.
Laurie S. Hill 11/22/06*

Financial impact? () Yes (X) No

BUDGET SUMMARY:

| | |
|----------------------------------|--------|
| Total Est. Cost | \$0.00 |
| Funding | |
| Budgeted | _____ |
| New Funding | _____ |
| Savings | _____ |
| Other | _____ |
| Total Funding | _____ |
| Change in Net County Cost | \$0.00 |

Funding Source: () Gen Fund (X) Other
Other: Special Revenue Funds

CAO Office Use Only:

4/5's Vote Required () Yes (X) No
Change in Policy () Yes (X) No
New Personnel () Yes (X) No

CONCURRENCES:

Risk Management
County Counsel
Other

***Explain**

BOARD ACTIONS:

Vote: Unanimous _____ Or

Ayes:

Noes:

Abstentions:

Absent:

Rev. 04/05

I hereby certify that this is a true and correct copy of an action taken and entered into the minutes of the Board of Supervisors

Date: _____

Attest: Cindy Keck, Board of Supervisors Clerk

By: _____

EL DORADO
COUNTY



ENVIRONMENTAL
MANAGEMENT
DEPARTMENT

*Environmental
Health Division*

*Air Quality
Management
District*

*Solid Waste &
Hazardous
Materials
Divisions*

Vector Control



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COUNTY OF EL DORADO

ENVIRONMENTAL MANAGEMENT DEPARTMENT

November 8, 2006

El Dorado County
Air Quality Management Board of Directors
330 Fair Lane
Placerville, CA 95667

SUBJECT: Public Hearing to Adopt Proposed amended rule, Rule 527-Federal Major Modifications.

Honorable Board Members:

Recommendation:

Hearing to consider adoption of proposed amendments to Rule 527-Federal Major Modifications, necessary for EPA approval to satisfy the Federal New Source Review Reform requirements applicable to modifications of federal major sources. El Dorado County has only one major source and proposed amendments, statutorily exempt from the California Environmental Quality Act, are not expected to have an impact.

Reasons for Recommendations:

The El Dorado County Air Quality Management District Board approved Rule 527-Federal Major Modifications on June 6, 2006. After that time, the Environmental Protection Agency (EPA) provided an additional comment that they would not approve the rule with a reference to a definition in Rule 522-Title V-Federal Operating Permit Program for "major stationary source". Therefore the reference was removed and the entire definition was added into the rule.

This hearing to adopt amended Rule 527-Federal Major Modifications was duly noticed the Mountain Democrat and the Tahoe Daily Tribune in accordance with California Health and Safety Code 42311.

Fiscal Impact:

There is no fiscal impact.

Net County Cost:

There is no cost to the General Fund.

Action to be Taken Following Approval:

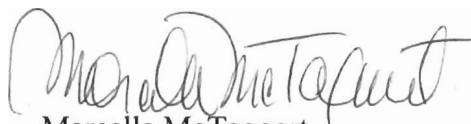
EDCAQMD to forward the amended rule to EPA for approval.

Respectfully,



Gerri Silva, M.S., REHS
Interim Director, Environmental Management

Respectfully,



Marcella McTaggart,
Air Pollution Control Officer

Attachment: (1) Amended Rule 527-Federal Major Modifications

Attachment: (2) Notice of CEQA Exemption

RULE 527 FEDERAL MAJOR MODIFICATIONS

(Adopted June 06, 2006, Amended December 5, 2006)

527.1 GENERAL

- A. PURPOSE:** The purpose of this rule is to set additional definitions and exemptions from certain requirements when processing Authority to Construct applications pursuant to Rule 523, NEW SOURCE REVIEW.
- B. APPLICABILITY:** This rule may apply to major stationary source permit applicants.
- C. SEVERABILITY:** If a court of competent jurisdiction issues an order that any provision of this rule is invalid, it is the intent of the Board of Directors of the District that other provisions of this rule remain in full force and affect to the extent allowed by law.

527.2 DEFINITIONS

Unless otherwise defined below, the terms in this rule are defined in Rule 501, GENERAL PERMIT REQUIREMENTS, Rule 522, TITLE V – FEDERAL OPERATING PERMIT PROGRAM, Rule 523, NEW SOURCE REVIEW, and Rule 524, EMISSION REDUCTION CREDITS.

- A. FEDERAL MAJOR MODIFICATION:** A Major Modification as defined in 40 CFR Section 51.165 (July 1, 2005 edition), excluding provisions that pertain to Clean Units, Pollution Control Projects and the Equipment Replacement Provisions, including but not limited to subdivisions 51.165(c), 51.165(d), 51.165(e) and 51.165(h).
 - 1. All terms used in the definition of Major Modification shall be defined in 40 CFR 51.165(a)(1), except that:
 - a. the term “reviewing authority” as used in that Section shall mean the El Dorado County Air Quality Management District;
 - b. the term “major stationary source” as used in that Section means a Major Stationary Source as defined in this rule; and
 - c. the term “significant” as used in that Section means a rate of emissions that would equal or exceed the rates specified in the definition for Major Modification in Rule 523 – NEW SOURCE REVIEW, Section AA.
 - 2. A Major Modification that does not cause source-wide emissions to exceed a preestablished Plantwide Applicability Limit (PAL), for the respective pollutant, is not a Federal Major Modification for that pollutant.
 - a. For the purposes of this exclusion, a PAL must be established by a permitting action prior to the major modification permitting action.

B. HAZARDOUS AIR POLLUTANT: Any air pollutant listed pursuant to section 112(b) of the Federal Clean Air Act as amended in 1990.

B.C. MAJOR STATIONARY SOURCE: ~~For the purposes of this rule “major stationary source” has the same meaning as Major Source in Rule 522 TITLE V FEDERAL OPERATING PERMIT PROGRAM.~~ A stationary source which has the potential to emit a regulated air pollutant or a Hazardous Air Pollutant (HAP) in quantities equal to or exceeding the lesser of any of the following thresholds:

1. 100 tons per year (tpy) of any regulated air pollutant
2. 50 tpy of volatile organic compounds or oxides of nitrogen for a federal nonattainment area classified as serious, 25 tpy for an area classified as severe, or, 10 tpy for an area classified as extreme;
3. 70 tpy of PM10 (particulate matter of 10 microns or less) for a federal PM10 nonattainment area classified as serious;
4. 10 tpy of one HAP or 25 tpy of two or more HAPs; or
5. Any lesser quantity threshold promulgated by the U.S. EPA.

C.D. PLANTWIDE APPLICABILITY LIMITS (PAL): An emission limitation expressed in tons per year, for a pollutant at a major stationary source, that is enforceable as a practical matter and established source-wide in accordance with 40 CFR Section 51.165(f)(1)-(15).

1. All terms used in 40 CFR 51.165(f) shall be as defined in 40 CFR 51.165(a)(1) and 40 CFR 51.165(f)(2), as it exists on July 1, 2005 except that:
 - a. the term “reviewing authority” as used in those Sections shall mean the El Dorado County Air Quality Management District.

527.3 STANDARDS

A. FEDERAL MAJOR MODIFICATION EXEMPTIONS: If the permit applicant demonstrates that a proposed modification to an existing stationary source would not constitute a Federal Major Modification, the application for Authority to Construct such modification shall not be subject to the alternative siting and benefits analysis as specified in the Federal Clean Air Act, Section 173 (A)(5) as referenced in Rule 523, NEW SOURCE REVIEW, Section 523.3.H CEQA APPLICABILITY.

527.4 ADMINISTRATIVE REQUIREMENTS

A. PLANTWIDE APPLICABILITY LIMITS: The operator of a major stationary source may apply to the Air Pollution Control Officer pursuant to Rule 501, GENERAL PERMIT REQUIREMENTS to establish a PAL.

1. All PALs shall be established according to the provisions of 40 CFR 51.165(f)(1)-(15);
and

2. All PALs shall comply with the requirements under 40 CFR 51.165(f)(1)-(15) to either maintain, renew or retire the PAL.

Notice of Exemption

Form C

To: Office of Planning and Research
PO Box 3044
1400 Tenth Street, Room 121
Sacramento, CA 95812-3044

From: (Public Agency)
Air Quality Management District
2850 Fairlane Court
Placerville, CA 95667

County Clerk
 County of El Dorado
330 Fair Lane
Placerville, CA 95667

Amended EDCAQMD Rule 527 – Federal Major Modifications

Project Title

El Dorado County Air Quality Management District
Project Location – Specific **(El Dorado County)**
El Dorado County Air Quality Management District

Project Description:

Rule 527 – Federal Major Modifications addresses the two differing state and federal requirements applicable to modifications of federal major sources. The purpose of this amendments is to replace a reference to a definition to the full definition.

El Dorado County Air Quality Management District
Name of Public Agency Approving Project

El Dorado County Air Quality Management District 530-621-6662
Name of Person or Agency Carrying Out Project **Telephone Number**

Exempt Status:

- Ministerial (Sections 210800(b)(1); 15268)
- Declared Emergency (Sections 21080(b)(3); 15269(a))
- Emergency Project (Sections 21080(b)(4); 15269(b)(c))
- Categorical Exemption. State type and section number: _____
- Statutory Exemption. State code number: Section 15268

Reasons why project is exempt:

New Rule 527 – Federal Major Modifications is an action consisting of adopting approved federal requirements. Because the District has not exercised discretion by modifying federal requirements, it is considered to be ministerial in nature and is therefore statutorily exempt from CEQA pursuant to CEQA Guidelines 15268.

Lead Agency **Area Code/**
Contact Person: _____ **Telephone/Extension:** (530) 621-5355

If filed by applicant:

- 1. Attach certified document of exemption finding.
- 2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature (Public Agency) *Date* *Title*

- Signed by Lead Agency Date received for filing at OPR:
- Signed by Applicant