

PROPOSED AMENDMENTS TO THE RULES OF THE
DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION DIVISION
AIR QUALITY CONTROL, CHAPTER 391-3-1

The Rules of the Department of Natural Resources, Chapter 391-3-1, Air Quality Control are hereby amended, added to, repealed in part, revised, as hereinafter explicitly set forth in the attached amendments, additions, partial repeals, and revisions for specific rules, or such subdivisions thereof as may be indicated.

[Note: Underlined text is proposed to be added. Lined-through text is proposed for deletion.]

Rule 391-3-1-.01, “Definitions,” is amended to read as follows:

(oooo) “Banking” means a system for quantifying, recording, storing and preserving Emission Reduction Credits for ~~use or~~ transfer at a later date.

(pppp) “Emission reduction credit” means a unit of reduction in actual emissions of either nitrogen oxides or VOC, expressed in tons per year that has been certified by the Director in accordance with ~~paragraph~~Section 391-3-1-.03(13) of these Rules.

Rule 391-3-1-.02(1), “General Requirement,” is amended to read as follows:

(1) General Requirement.

No person shall construct or operate any facility from which air contaminants are or may be emitted in such a manner as to fail to comply with:

(a) Any applicable standard of performance or other requirements established by EPA pursuant to Section 111 of the Federal Act;

(b) Any applicable emission standard or other requirement for a hazardous air pollutant established by EPA pursuant to Section 112 of the Federal Act;

(c) Any applicable increment, precondition for permit, or other requirement established for the Prevention of Significant Deterioration pursuant to Part C, Title I of the Federal Act; and

(d) Any applicable standard, precondition for permit, or other requirement established for sources in areas designated by the Director as being non-attainment with National Ambient Air Quality Standards pursuant to, or as part of Georgia’s State Implementation Plan to meet the requirements of, Part D, Title I of the Federal Act.

Rule 391-3-1-.02(2)(nnn), “NO_x Emissions from Large Stationary Gas Turbines,” is amended to read as follows:

(nnn) NOx Emissions from Large Stationary Gas Turbines.

1. No person shall cause, let, suffer, permit, or allow the emission of nitrogen oxides (NOx), from any stationary gas turbine whose nameplate capacity is greater than 25 megawatts (MWe), to exceed the following:

(i) For stationary gas turbines permitted under 391-3-1-.03(1) before April 1, 2000:

30 ppm @ 15% O₂, dry basis

(ii) [reserved]

(iii) For stationary gas turbines permitted under 391-3-1-.03(1) on or after April 1, 2000:

6 ppm @ 15% O₂, dry basis

2. The requirements of this ~~subparagraph~~section shall apply during the period May 1 through September 30 of each year.

3. Compliance Dates.

(i) Stationary gas turbines subject to subparagraph 1.(i) above shall comply by May 1, 2003.

(ii) Stationary gas turbines subject to subparagraph 1.(iii) above shall be in compliance upon startup.

4. ~~The requirements contained in subparagraph 1.(iii) of this subsection shall not apply to individual units which are subject to 391-3-1-.03(8)(c)14. or 391-3-1-.03(8)(c)15.~~The requirements contained in subparagraph 1.(iii) of this subparagraph shall not apply to stationary gas turbines subject to NOx emission limits established between April 1, 2000, and February 21, 2023 (inclusive).

5. By no later than May 1, 2003, the owner/operator of an affected unit may submit actual operating performance data on the affected unit, with the emission reduction technologies, as approved by the Director, in place and optimized on the affected unit, sufficient to allow the Director to determine if the NOx emission limit in subparagraph 1.(i) is technically achievable taking into account the cost and feasibility of available control options. Based on the Director's review of the data provided, this rule may be modified.

6. The requirements contained in this ~~subparagraph~~section shall apply to all such sources located in the counties of Banks, Barrow, Bartow, Butts, Carroll, Chattooga, Cherokee, Clarke, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Floyd, Forsyth, Fulton, Gordon, Gwinnett, Hall, Haralson, Heard, Henry, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Newton, Oconee, Paulding, Pickens, Pike, Polk, Putnam, Rockdale, Spalding, Troup, Upson, and Walton.

7. Exemptions.

The following units are exempt from the provisions of this ~~subparagraph~~section provided that they only operate under the following conditions:

- (i) Units operating for purposes of routine testing, to maintain operability, not to exceed three (3) hours per month.
- (ii) Units operating under one of the following emergency conditions. For the purpose of restarting the steam-electric generating units when all steam-electric generating units at a facility are down and off-site power is not available (also known as a “Black Start”). Or, when power problems on the grid would necessitate implementing manual load shedding procedures for retail customers (Note: This does not apply to special rate structure conditions).

Subparagraph (a), “Specific Monitoring and Reporting Requirements for Particular Sources,” of Rule 391-3-1-.02(6), “Source Monitoring,” is amended to read as follows:

(a) Specific Monitoring and Reporting Requirements for Particular Sources.

1. Sources, and owners and operators of sources, subject to any of the Standards of Performance for New Stationary Sources of or pursuant to 42 U.S.C. Section 7411, as amended, or National Emission Standards for Hazardous Air Pollutants of or pursuant to U.S.C. Section 7412, as amended, shall meet the monitoring and related requirements specified in the applicable standard, unless the Director specifies additional or more stringent requirements, in which case all requirements must be met.

2. Certain specific sources, as herein designated, shall provide for the continuous monitoring of emissions as prescribed below:

(i) Fossil Fuel-Fired Steam Generators. The owner or operator of any fossil fuel-fired steam generator, except as provided for in subparagraph (iv) of this paragraph, with an annual average capacity factor of greater than 30 percent, as reported to the Federal Power Commission for calendar year 1974, or as otherwise demonstrated to the Director by the owner or operator, shall install, calibrate, operate, and maintain all monitoring equipment necessary for the continuous monitoring of the following:

(I) Opacity, if such steam generator has a heat input greater than 250 million BTUs per hour, except where:

I. Gaseous fuel is the only fuel burned; or

II. Oil or mixture of gas and oil are the only fuels burned and the source is able to comply with the applicable particulate matter and opacity regulations without utilization of particulate matter collection equipment, and the source has never been found, through any administrative or judicial proceedings, to be in violation of any visible emission standard;

(II) Sulfur dioxide, if such steam generator has a heat input greater than 250 million BTUs per hour and has installed sulfur dioxide emission control equipment;

(III) The percent oxygen, or carbon dioxide, in the flue gas as necessary to accurately convert sulfur dioxide continuous emission monitoring data to the units of the emission standard.

(ii) Sulfuric Acid Plants.

(I) The owner or operator of any sulfuric acid plant of greater than 300 tons per day production capacity, the production being expressed as 100 percent acid, shall, except as provided for in subparagraph (iv) of this paragraph, install, calibrate, maintain, and operate a continuous monitoring system for the measurement of sulfur dioxide for each sulfuric acid production facility within such plant.

(iii) Wood Waste Fired Combination Boilers.

(I) The owner or operator of any boiler which fires wood waste or wood waste in combination with fossil fuel(s) with a total heat input equal to or greater than 100 million BTUs per hour shall, except as provided for in subparagraph (iv) of this subparagraph~~section~~, install, calibrate, operate and maintain a continuous monitoring system for the measurement of opacity;

(II) Boilers subject to this subparagraph (iii) shall comply with the opacity monitoring requirements as specified for fossil fuel fired steam generators. In any rule or subdivision thereof dealing with opacity monitoring requirements for fossil fuel-fired steam generators, where reference is made to "Fossil Fuel Fired Steam Generators" the term "Wood Waste Fired Combination Boilers" should be inserted for the purpose of this subparagraph.

(iv) Exemptions. A facility is exempt from the requirements otherwise imposed by this subparagraph (a)2. if:

(I) It is subject to any of the Standards of Performance for New Stationary Sources promulgated in 40 CFR, Part 60 or National Emission Standards for Hazardous Air Pollutants promulgated in 40 CFR Part 61, pursuant to Section 111 of the Federal Act; or

(II) It is not subject to an applicable emission standard.

(v) Monitoring Equipment.

(I) The monitoring equipment required pursuant to the previous subparagraphs (i) through (iv) shall be demonstrated by the owners or operators of such monitoring equipment to meet the performance specifications specified in the Georgia Department of Natural Resources **Procedures for Testing and Monitoring Sources of Air Pollutants.**

(vi) Data Reporting.

(I) The owner or operator of a facility subject to the requirements of this subparagraph (a)2. shall submit a written report for each calendar quarter and, if excess emissions have occurred, the report shall state the nature and cause of the excess emissions, if known, and the corrective action taken. The averaging period used for data reporting shall correspond to the averaging period specified in the emission test method used to determine compliance with an emission standard for the pollutant/source category in question. The required report shall include, as a minimum, the data specified in this subparagraph~~section~~.

I. For opacity measurements, the summary shall consist of the magnitude in actual percent opacity of each 6-minute average of opacity which is greater than the opacity standard applicable to the source. If more than one opacity standard applies, excess emissions data must be submitted in relation to all such standards.

II. For gaseous measurements, the summary shall consist of emission averages in the units of the applicable standard, for each averaging period during which the applicable standard was exceeded.

III. The data and time identifying each period during which the continuous monitoring system was inoperative, except for zero and span checks, and the nature of system repairs or adjustments shall be reported. The Director may require proof of continuous monitoring system performance whenever system repairs or adjustments have been made.

IV. When no excess emissions have occurred and the continuous monitoring system(s) have not been inoperative, repaired, or adjusted, such information shall be included in the report.

V. The owners or operators of sources or facilities subject to this subparagraph (a)2. shall maintain a file of all information reported in the quarterly summaries, and all other data collected either by the continuous monitoring system or as necessary to convert monitoring data to the units of the applicable standard for a minimum of two years from the date of collection of such data or submission of such summaries.

(vii) Data Conversion. The owner or operator of a source subject to this subparagraph (a)2. shall use the following procedures for converting monitoring data to units of the applicable standard:

(I) For fossil fuel-fired steam generators, the procedures of Paragraph 2.1 of the Georgia Department of Natural Resources **Procedures for Testing and Monitoring Sources of Air Pollutants** shall be used to convert gaseous emissions monitoring data in ppm to pounds/million BTU where necessary.

(II) For sulfuric acid plants the owner or operator shall:

I. Establish a conversion factor three times daily according to the procedures in Paragraph 2.5 of the Georgia Department of Natural Resources **Procedures for Testing and Monitoring Sources of Air Pollutants**.

II. Multiply the conversion factor by the average sulfur dioxide concentration in the flue gases to obtain average sulfur dioxide emissions in lb/ton, and;

III. Report the average sulfur dioxide emission for each averaging period in excess of the applicable emission standard in the quarterly report.

(III) The owner or operator of a source subject to this regulation may employ data reporting or reduction procedures varying from those specified in this subparagraph (a)2.(vii) if such owner or operator shows to the satisfaction of the Director that such procedures are at least as accurate as the procedures identified in this subparagraph. Such procedures may include, but are not limited to, the following:

I. Alternative procedures for computing emission averages that do not require integration of data (e.g., some facilities may demonstrate that the variability of their emissions is sufficiently small to allow accurate reduction of data based upon computing averages from equally spaced data points over the averaging period);

II. Alternative methods of converting pollutant concentration measurements to the units of the emission standards.

(viii) In cases where the owner or operator of a source subject to this paragraph wishes to utilize different, but equivalent, procedures for continuous monitoring systems and/or alternative monitoring and data reporting procedures or other alternative equivalents to comply with the intent of this paragraph then:

(I) The owner or operator must submit:

I. A detailed summary of the limitations prohibiting the installation of a continuous monitor, and;

II. Alternative and/or equivalent emission monitoring and reporting requirements (e.g., periodic manual stack tests) to satisfy the intent of this paragraph.

(II) The use of any alternative or equivalent method for compliance with any requirement of this subparagraph (a)2. shall be subject to approval of the Director.

(ix) Monitor Malfunction.

(I) The requirements of this paragraph shall not apply during any period of monitoring system malfunction, provided that the source owner or operator shows, to the satisfaction of the Director, that the malfunction was unavoidable and is being or was repaired as expeditiously as practicable.

(x) [reserved]

(xi) Kraft Pulp Mills.

(I) On or before March 1, 1984, unless otherwise specified in an alternate compliance schedule as provided for in subparagraph 391-3-1-.02(2)(a)9., the owner or operator of any kraft pulp mill subject to any limitation or requirement of, or under ~~subparagraphsection~~ (gg) of ~~paragraphsection~~ 391-3-1-.02(2) shall, except as provided in Part (II) of this subparagraph, install, calibrate, operate, and maintain a system to continuously measure and record the concentration of TRS emissions on a dry basis and the percent of oxygen by volume on a dry basis in the gases discharged from any lime kiln, recovery furnace, digester system, or multiple-effect evaporator system.

(II) The owner or operator of any kraft pulp mill which incinerates effluent gases emitted from any digester system or multiple-effect evaporator system subject to any limitation or requirement of, or under ~~subparagraphsection~~ (gg) of ~~paragraphsection~~ 391-3-1-.02(2) shall install, calibrate, operate, and maintain a system to continuously measure and record the combustion temperature at the point of incineration.

(xii) Fuel Burning Equipment.

(I) The owner or operator of any fuel burning equipment with a maximum design heat input capacity equal to or greater than 100 million BTU/hr subject to the provisions of ~~subparagraphsection~~ (III) of ~~paragraphsection~~ 391-3-1-.02(2) shall install, calibrate, operate, and maintain a continuous emissions monitoring system (CEMS) for the measurement of the concentration of nitrogen oxides (NO_x) and the percent oxygen and shall record the output of the system.

(II) For any fuel burning equipment which only combusts gas residual oil with a nitrogen content less than 0.30 percent, or distillate oil or a combination of those fuels, the owner or operator may monitor equipment operating conditions to predict the concentration of nitrogen oxides, (Predictive Emissions Monitoring System) in lieu of the CEMS required in subparagraph (I) provided such system meets the requirements of Section 2.119 of the **Procedures for Testing and Monitoring Sources of Air Pollutants**.

3. All sources, and owners and operators of sources, subject to any limitation of subparagraphs (2)(t) through (2)(aa) [inclusive]; (2)(ii); (2)(jj); (2)(11); (2)(mm); and (2)(tt) [inclusive] shall maintain, as specified by the Director, at the source, for a period of at least two years, records containing the following information for each production line:

(i) Process information, including, but not limited to, hours of operation, method of application, and drying method.

(ii) Coating formulation and analytical data, including, but not limited to, the name of inks or coatings, coating or ink density, VOC content (weight or volume percent), and solids content (volume percent).

(iii) Coating consumption data, including, but not limited to, name of ink or coating used, amount of ink or coating used, name of diluent and amount of diluent used.

- (iv) Capture and control equipment data, including, but not limited to, the destruction and removal efficiency, emission test results, and the capture efficiency.
- (v) Transfer Efficiency Data, including, but not limited to, baseline transfer efficiency, actual transfer efficiency, and results of efficiency test.

4. ~~Emission Statements.~~

- ~~(i) Owners and operators of stationary sources of nitrogen oxides or volatile organic compounds shall provide the Director with a statement, in such form as the Director may prescribe, for classes or categories of sources determined by the Director, showing the actual emissions of nitrogen oxides and volatile organic compounds from that source.~~
- ~~(ii) Statements shall be submitted by June 15 of every year and shall show the actual emissions of the previous calendar year.~~
- ~~(iii) The requirements of this paragraph shall apply to all stationary sources of nitrogen oxides or volatile organic compounds which emit equal to or more than 25 tons per calendar year of either pollutant and are located in Bartow, Clayton, Cobb, DeKalb, Fulton, Gwinnett, or Henry counties.~~

Rule 391-3-1-.03(1), “Construction (SIP) Permit,” is amended to read as follows:

(1) Construction (SIP) Permit.

- (a) Any person** prior to beginning the construction or modification of any facility which may result in air pollution shall obtain a permit for the construction or modification of such facility from the Director.
- (b) The application** for a construction permit shall be made on forms supplied by the Director, and shall be signed by the applicant. Said application shall be filed with the Director well in advance of any critical date involved in the construction or modification of such facility, so that adequate time will be available for review, discussion, and revision where necessary. Said application shall include and/or be accompanied by all pertinent information as the Director may require for a full evaluation of the proposed construction or modification of the facility, such as: process flow diagrams; plot plans; description of control devices; description of the proposed new or modified operation; type of operation; raw materials and chemicals to be used, the finished products; type, quantity and peak output of fuels to be used; the amount of combustible waste that will be generated and the method of disposing of same; characteristics and amounts of emissions into the atmosphere; engineering reports; plans and specifications; time schedules and reports of progress; records; ~~information regarding any Emission Reduction Credits on which the applicant intends to rely;~~ and related information.

(c) **The permit** for the construction or modification of any facility shall be issued upon a determination by the Director that the facility can reasonably be expected to comply with all the provisions of the Act and the rules and regulations promulgated thereunder.

Subparagraph (j), “Construction Permit Exemption for Pollution Control Projects,” of Rule 391-3-1-.03(6), “Exemptions,” is amended to read as follows:

(j) Construction Permit Exemption for Pollution Control Projects.

Projects listed in subparagraphs 391-3-1-.01(qqqq)1. and 2. of these rules are exempt from the requirement to obtain a construction (SIP) permit as specified in paragraph 391-3-1-.03(1) of this rule provided that the project is not subject to the provisions of paragraph 391-3-1-.02(7), Prevention of Significant Deterioration of Air Quality, ~~or the non-attainment new source review permitting requirements of subparagraph 391-3-1-.03(8)(e).~~ The Director has the authority to rebut the presumption that projects listed in subparagraphs (qqqq)1. and 2. are environmentally beneficial in accordance with the criteria specified in subparagraph (qqqq) and thus exempt from the requirement to obtain a construction (SIP) permit. Owners and operators of projects exempt from the requirement to obtain a construction (SIP) permit under this subparagraph (6)(j) shall obtain an operating permit or amendment under either paragraph 391-3-1-.03(2) or 391-3-1-.03(10) of this rule, whichever is applicable, prior to commencement of operation of the project.

Rule 391-3-1-.03(8), “Permit Requirements,” is amended to read as follows:

(8) Permit Requirements.

(a) **Each application** for a permit to construct a new stationary source or modify an existing stationary source shall be subjected to a preconstruction or premodification review by the Director. The Director shall determine prior to issuing any permit that the proposed construction or modification will not cause or contribute to a failure to ~~attain (as expeditiously as practicable)~~ ~~or~~ maintain any ambient air quality standard, a significant deterioration of air quality, or a violation of any applicable emission limitation or standard of performance or other requirement under the Act or this Chapter (391-3-1). Each person applying to the Director for a permit to construct a new stationary source or modify an existing stationary source shall provide information required by the Director to make such determination.

(b) **In addition** to any other requirement under the Act, or this Chapter (391-3-1), no permit to construct a new stationary source or modify an existing stationary source shall be issued unless such proposed source meets all the requirements for review and for obtaining a permit prescribed in Title I, Part C of the Federal Act, and ~~paragraph~~ Section 391-3-1-.02(7) of these Rules.

~~(c) **In addition** to any other requirement under the Act or this Chapter (391-3-1), no permit to construct a new or modified major stationary source to be located in any area of the State determined and designated by the U.S. EPA Administrator or the Director as not attaining a National Ambient Air Quality Standard or in areas contributing to the ambient air levels of such pollutants in such areas of non-attainment shall be issued unless the following provisions are~~

met. The provisions of 391-3-1-.02(7) apply to projects subject to this subparagraph as specified in Subparagraph (g) of this paragraph.

1. ~~The Director determines that by the time the source is to commence operation, sufficient offsetting emissions reductions have been obtained, such that total allowable emissions from existing sources in the non-attainment area or areas designated by the Director as contributing to ambient air levels of such pollutants in the non-attainment area, from new or modified sources which are not major emitting facilities, and from the proposed sources, will be sufficiently less than total emissions from existing sources allowed prior to the application for such permit to construct or modify, so as to represent (when considered together with other air pollution control measures legally enforced in such area or region) reasonable further progress (as defined in Section 171 of the Federal Act); and~~
2. ~~The proposed source is required to comply with the lowest achievable emission rate; and~~
3. ~~The owner or operator of the proposed new or modified source has demonstrated that all major stationary sources owned or operated by such person (or by an entity controlling, controlled by, or under common control with such person) in this State, are subject to emission limitations and are in compliance, or on a schedule for compliance, with all applicable emission limitations and standards under the Act; and~~
4. ~~An analysis (by the person proposing such construction or modification) of alternative sites, sizes, production processes and environmental control techniques for such proposed source demonstrates to the satisfaction of the Director that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its proposed location, construction, or modification; and~~
5. ~~The State's Implementation Plan (approved by the Administrator pursuant to the Federal Act) is being carried out in the non-attainment area or an area designated by the Director as contributing to the ambient air level of any such pollutant in a non-attainment area in which the proposed source is to be constructed or modified in accordance with the requirements of Title I, Part D of the Federal Act.~~
6. ~~The offset baseline for determining credits for emission reductions at a source is either the applicable emission limits in the Chapter or the actual emissions, in tons per year, at the time the application to construct is filed, whichever is less. The time period used to calculate the baseline emissions shall be the 24-month period immediately preceding the date the application to construct is filed. The Division may allow the use of a different time period upon a determination that such period is more representative of normal source operation.~~
7. (i) ~~Emission reductions achieved by shutting down an existing source or permanently curtailing production or operating hours below baseline levels may be credited provided that the work force to be affected has been notified of the proposed shutdown or curtailment.~~

~~(ii) In addition, emissions reductions achieved by shutting down an existing emission unit or curtailing production or operating hours may be generally credited for offsets if they meet the requirements in subparagraphs (I) and (II) of this subparagraph:~~

~~(I) Such reductions are surplus, permanent, quantifiable, and federally enforceable.~~

~~(II) The shutdown or curtailment occurred after the last day of the base year for the most recently submitted attainment demonstration, maintenance plan, reasonable further progress plan, or rate of progress plan. For purposes of this paragraph, the Division may choose to consider a prior shutdown or curtailment to have occurred after the last day of the base year if the projected emissions inventory used to develop the attainment demonstration, maintenance plan, reasonable further progress plan, or rate of progress plan explicitly includes the emissions from such previously shutdown or curtailed emission units. However, in no event may credit be given for shutdowns that occurred before August 7, 1977.~~

~~(iii) Emission reductions achieved by shutting down an existing emission unit or curtailing production or operating hours and that do not meet the requirements in subparagraph 7.(ii)(II) of this subparagraph may be generally credited only if:~~

~~(I) The shutdown or curtailment occurred on or after the date the construction permit application is filed; or~~

~~(II) The applicant can establish that the proposed new emissions unit is a replacement for the shutdown or curtailed emissions unit, and the emissions reductions achieved by the shutdown or curtailment met the requirements of subparagraph 7.(ii)(I) of this subparagraph.~~

~~8. No emission offset credit may be allowed for replacing one VOC compound with another of less reactivity.~~

~~9. Procedures relating to the permissible location of offsetting emissions shall be followed which are at least as stringent as those contained in 40 CFR, Part 51, Appendix S, Section IV.D.~~

~~10. Offset credit for an emission reduction can be claimed to the extent that the Director has not relied on it in issuing any other permit or has not relied on it in demonstrating attainment of reasonable further progress.~~

~~11. The Director may elect not to consider fugitive emissions, to the extent they are quantifiable, in calculating the potential to emit from a stationary source or modification in determining whether the source is major and the source does not belong to any of the following categories:~~

~~(i) Coal cleaning plants (with thermal dryers);~~

~~(ii) Kraft pulp mills;~~

~~(iii) Portland cement plants;~~

- ~~(iv) Primary zinc smelters;~~
- ~~(v) Iron and steel mills;~~
- ~~(vi) Primary aluminum ore reduction plants;~~
- ~~(vii) Primary copper smelters;~~
- ~~(viii) Municipal incinerators capable of charging more than 250 tons of refuse per day;~~
- ~~(ix) Hydrofluoric, sulfuric, or nitric acid plants;~~
- ~~(x) Petroleum refineries;~~
- ~~(xi) Lime plants;~~
- ~~(xii) Phosphate rock processing plants;~~
- ~~(xiii) Coke oven batteries;~~
- ~~(xiv) Sulfur recovery plants;~~
- ~~(xv) Carbon black plants (furnace process);~~
- ~~(xvi) Primary lead smelters;~~
- ~~(xvii) Fuel conversion plants;~~
- ~~(xviii) Sintering plants;~~
- ~~(xix) Secondary metal production plants;~~
- ~~(xx) Chemical process plants;~~
- ~~(xxi) Fossil fuel boilers (or combination thereof) totaling more than 250 million British thermal units per hour heat input;~~
- ~~(xxii) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels;~~
- ~~(xxiii) Taconite ore processing plants;~~
- ~~(xxiv) Glass fiber processing plants;~~
- ~~(xxv) Charcoal production plants;~~

~~(xxvi) Fossil fuel-fired steam electric plants for more than 250 million British thermal units per hour heat input; and~~

~~(xxvii) Any other stationary source category which, as of August 7, 1980, is being regulated under Section 111 or 112 of the Act.~~

~~12. Offsets.~~

~~(i) The owner or operator of a new or modified major stationary source may comply with any offset requirement in effect under this subsection for increased emissions of any air pollutant only by obtaining emission reductions of such air pollutants from the same source or other sources in the same non-attainment area, except that the Director may allow the owner or operator of a source to obtain such emission reductions in another non-attainment area if:~~

~~(I) The other area has an equal or higher non-attainment classification than the area in which the source is located;~~

~~(II) Emissions from such other area contribute to a violation of the national ambient air quality standard in the non-attainment area in which the source is located; and~~

~~(III) Such emission reductions shall be, by the time a new or modified source commences operation, in effect and enforceable and shall assure that the total tonnage of increased emissions of the air pollutant from the new or modified source shall be offset by an equal or greater reduction, as applicable, in the actual emissions of such air pollutant from the same or other sources in the area.~~

~~(ii) Emission reductions otherwise required by the Federal Act shall not be creditable as emissions reductions for purposes of any such offset requirement. Incidental emission reductions that are not otherwise required by the Federal Act shall be creditable as emission reductions for such purposes if such emission reductions meet the requirements of subparagraph (8)(c)1.~~

~~(iii) In order to be used as an offset under this subsection, emission reductions must satisfy the criteria in section (13), subsections (a) and (b).~~

~~(iv) At least 30 days prior to commencement of operation of the new or modified stationary source permitted under this subparagraph, the owner or operator shall provide documentation to the Division of the possession of sufficient offsets required under subparagraph (c)1. and as specified under subparagraph (c)14. or 15., whichever is applicable, as follows:~~

~~(I) If offsets are obtained from the Emission Reduction Credit Banking Program specified under paragraph 391-3-1.03(13), the owner or operator shall submit an application or applications for Use of Emission Reduction Credits as required under 391-3-1.03(13)(f) using forms specified by the Division. If said offsets are not currently owned by the owner or operator, the current owner/operator must submit an application or applications to Transfer Ownership of Emission Reduction Credits as required under 391-3-1.03(13)(g) using forms specified by the Division~~

~~simultaneously with or prior to submittal of the application or applications to withdraw Emission Reduction Credits.~~

~~(II) If offsets are not obtained from the Emission Reduction Credit banking program, the owner or operator shall submit the following information. (If offsets are obtained from one or more enforceable mechanisms, items I through VI shall be submitted for each enforceable mechanism.):~~

~~I. The name of the permittee that generated the offsets.~~

~~II. The name of the plant or facility at which the offsets were generated.~~

~~III. The address (street address, city, state, zip code, and county) of the plant or facility at which the offsets were generated. (This should be for the physical location of the plant or facility.)~~

~~IV. Identification of the enforceable mechanism (permit number and date of issuance, permit amendment number and date of issuance, or date of permit revocation) that resulted from creation of the offsets.~~

~~V. The number of offsets from the permit, permit amendment, or permit revocation identified in IV, above, that will be used for the new or modified stationary source permitted under this subparagraph.~~

~~VI. If the offsets were created by an owner or operator other than the owner or operator which will be using the offsets for the new or modified stationary source permitted under this paragraph, a letter from the owner or operator that created the offsets shall be submitted to the Division stating that the offsets have been transferred to the owner or operator that will be using the offsets, the date of such transfer, the number of offsets transferred, and the information contained in I through IV above.~~

~~(v) [reserved]~~

~~(vi) When multiple new or modified emissions units are permitted at the same time but commence operation on different dates, the documentation required under subparagraph (iv) shall be submitted to the Division at least 30 days prior to commencement of each new or modified emissions unit in order to demonstrate that adequate offsets have been obtained for each new or modified emissions unit prior to commencement.~~

~~13. [reserved]~~

~~14. Additional Provisions for Ozone Non-Attainment Areas.~~

~~(i) In Bartow, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, and Rockdale counties the terms "major source" and "major stationary source" include any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 100 tons per year~~

~~of volatile organic compounds or nitrogen oxides. Any physical change that would occur at a stationary source not qualifying as a major stationary source as defined in this subparagraph shall be considered a “major stationary source” if the change would constitute a major stationary source by itself.~~

~~(ii) Any physical change in or change in the method of operation of a major stationary source located in these counties that results in a net emissions increase of volatile organic compounds or nitrogen oxides equal to or exceeding 40 tons per year of such air pollutant shall be considered a modification when determining the applicability of the permit requirements established by this subsection. “Net emissions increase” shall have the meaning defined in subparagraph (8)(g)1.(iii) of this rule.~~

~~(iii) [reserved]~~

~~(iv) For purposes of satisfying the emission offset requirements of this subsection, the ratio of total emission reductions of volatile organic compounds or nitrogen oxides to total increased emissions of such pollutants shall be at least 1.15 to 1 for emission offsets external or internal to the contiguous area under common control at which the proposed new emission point is located.~~

~~15. Additional Provisions for Electrical Generating Units Located in Areas Contributing to the Ambient Air Level of Ozone in the Metropolitan Atlanta Ozone Non-Attainment Area.~~

~~(i) In Banks, Barrow, Butts, Carroll, Chattooga, Clarke, Dawson, Floyd, Gordon, Hall, Haralson, Heard, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Oconee, Pickens, Pike, Polk, Putnam, Spalding, Troup, Upson, and Walton counties, the terms “major source” and “major stationary source” include any stationary source or group of sources located within a contiguous area and under common control, containing an electrical generating unit, and that emits, or has the potential to emit, at least 100 tons per year of nitrogen oxides from electrical generating units. Any physical change that would occur at a stationary source not qualifying as a major stationary source as defined in this subparagraph shall be considered a “major stationary source” if the change would constitute a major stationary source by itself.~~

~~(ii) Any physical change or change in the method of operation at a major stationary source in these counties that results in a net emissions increase of nitrogen oxides equal to or exceeding 40 tons per year of such air pollutant from the installation or modification of one or more electrical generating units shall be considered a modification when determining the applicability of the permit requirements established by this subsection. “Net emissions increase” shall have the meaning defined in subparagraph (8)(g)1.(iii) of this rule.~~

~~(iii) In the case of any new electrical generating unit or modified existing electrical generating unit located at a new or modified major stationary source in these counties, the requirements of 391-3-1-.03(8)(c)2. shall only apply to that electrical generating unit and best available control technology (BACT), as defined by the Federal Act, shall be substituted for the lowest achievable emission rate (LAER).~~

~~(iv) For purposes of satisfying the emission offset requirements of this subsection, the ratio of total emission reductions of nitrogen oxides to total increased emissions of such pollutant from the new or modified electrical generating units shall be at least 1.1 to 1 for emission offsets external or internal to the contiguous area under common control at which the proposed new or modified major stationary source is located.~~

~~(v) [reserved]~~

~~(vi) [reserved]~~

~~(vii) For the purpose of this subsection, "electrical generating unit" means a fossil fuel fired stationary boiler, combustion turbine, or combined cycle system that serves a generator that produces electricity for sale.~~

~~16. [reserved]~~

~~(d) [reserved]~~

~~(e) The Director shall, upon analysis of the ambient air in the State, determine, and so designate, those areas of the State, if any, which are not attaining any National Ambient Air Quality Standards specified under the Federal Act, and any area contributing to the ambient air level of any such pollutant (for which such a standard has been established) in such areas of non-attainment. The Director's analyses, determinations, and designations hereunder shall be used for the purpose of implementing the requirements of this section, shall be continuing, and shall be conducted in a manner sufficient to meet the requirements of Title 1, Part D of the Federal Act.~~

~~1. The counties of Banks, Barrow, Butts, Carroll, Chattooga, Clarke, Dawson, Floyd, Gordon, Hall, Haralson, Heard, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Oconee, Pickens, Pike, Polk, Putnam, Spalding, Troup, Upson, and Walton have been determined by the Director as areas contributing to the ambient air level of ozone in the following metropolitan Atlanta counties: Bartow, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, and Rockdale. No permit to construct an electric generating unit at a new or modified major stationary source in this area shall be issued unless such proposed source meets all the requirements of Subsection (8)(e).~~

~~(f) In addition to any other requirement under the Act, or this Chapter 391-3-1, no permit to construct a new stationary source or modify an existing stationary source shall be issued unless such proposed source or modification meets all the requirements for review and for obtaining a permit prescribed in subParagraph 391-3-1-.02(9)(b)16. of this Rule.~~

~~(g) The following provisions of paragraph 391-3-1-.02(7) apply to projects subject to the permitting requirements of subparagraph (c) of this paragraph with respect to those pollutants subject to Subparagraph (c).~~

~~1. 391-3-1-.02(7)(a)2. Definitions, with the following exceptions and additions:~~

~~(i) The definition of “Major Stationary Source” does not apply.~~

~~(ii) Within the definition of “Major Modification,”~~

~~(I) The date within the “capable of accommodating” provision shall be December 21, 1976; and~~

~~(H) Paragraphs 40 CFR 52.21(b)(2)(iii)(j) and (k) do not apply.~~

~~(iii) The definition of “Net Emissions Increase,” as it pertains to subparagraphs 8(c)14.(ii) and 8(c)15.(ii) of this rule, shall have the meaning defined in 40 CFR 51.165(a)(1)(vi) with the following exceptions:~~

~~(I) In lieu of (a)(1)(vi)(A)(1), the following shall apply: The increase in emissions from a particular change or change in the method of operation at a stationary source pursuant to paragraph 52.21(a)(2)(iv) as adopted in subparagraph (7)(a)3. of this rule; and~~

~~(H) In (a)(1)(vi)(A)(2), baseline actual emissions shall be determined as provided in subparagraph (7)(a)2.(i) of this rule, except that subparagraphs (7)(a)2.(i)(I)III. and (7)(a)2.(i)(H)IV. do not apply.~~

~~(iv) To the definition of “Secondary Emissions,” the following sentence is added: “Secondary emissions must be specific, well defined, quantifiable, and impact the same general area as the stationary source or modification which causes the secondary emissions.”~~

~~(v) The definition of “Significant” does not apply.~~

~~(vi) “Lowest achievable emission rate” or “LAER” means, for any source, the more stringent rate of emissions is based on the following:~~

~~(I) The most stringent emission limitation which is contained in the implementation plan of any State for such class or category of stationary source, unless the owner or operator of the proposed stationary source demonstrates that such limitations are not achievable; or~~

~~(H) The most stringent emission limitation which is achieved in practice by such class or category of stationary sources. This limitation, when applied to a modification, means the lowest achievable emission rate for the new or modified emission units within the stationary source. In no event shall the application of this term permit a proposed new or modified stationary source to emit any pollutant in excess of the amount allowable under applicable new source standards of performance.~~

~~2. 391-3-1.02(7)(a)3., Applicability procedures, with the following exception:~~

~~(i) The term “significant amount” in subparagraph (7)(a)3. shall mean an increase that is considered as a modification as specified in 391-3-1.03(8)(c)14.(ii) or 15.(ii).~~

3. ~~391-3-1-.02(7)(a)4.~~

4. ~~391-3-1-.02(7)(b)14., Public participation.~~

5. ~~391-3-1-.02(7)(b)15., Source obligation, with the following exception:~~

~~(i) The term “significant amount” in subparagraph (7)(b)15.(i)(V) shall mean an increase that is considered as a modification as specified in 391-3-1-.03(8)(c)14.(ii) or 15.(ii).~~

6. ~~391-3-1-.02(7)(b)21., Actual PALs, with the following exception:~~

~~(i) Under the provision for “Setting the 10-year actual PAL level” specified in paragraph 40 CFR 52.21(aa)(6), the amount added to the baseline actual emissions shall be the amount that is considered not to be a modification as specified in 391-3-1-.03(8)(c)14.(ii) or 15.(ii).~~

Subparagraph (k) of Rule 391-3-1-.03(9), “Permit Fees,” is amended to read as follows:

(k) Beginning on March 1, 2019, the owner or operator of any stationary source subject to the provisions of Georgia Air Quality Rule 391-3-1-.03 “Permits. Amended” shall pay to the Division a processing fee when submitting an application for the following permit application types:

Permit Type
Minor Source Permit or Amendment
Synthetic Minor Source Permit or Amendment
Major Source Permit or Amendment (but not subject to PSD or 112(g))
Name Change
Permit-by-Rule
Title V 502(b)(10) Permit Amendment
Title V Minor Modification with Construction
Title V Minor Modification without Construction
Title V Significant Modification with Construction
Title V Significant Modification without Construction
PSD Permit per 391-3-1-.02(7)
Nonattainment New Source Review Permit per 391-3-1-.03(8)(e)
112(g) permit per 391-3-1-.02(9)(b)16.

1. Fees shall be paid in accordance with the procedures specified in the Fee Manual.
2. No final action of the Director shall occur until complete fee payment is received, unless the fee payment is waived or partially waived in accordance with subparagraph 391-3-1-.03(9)(e).
3. Application fees shall not be refunded as the fee is used to cover application processing labor.

4. Title V modification application fees are waived for applicants submitting PSD/112(g) ~~or Nonattainment NSR~~ permit applications via Title V permit applications. The PSD/112(g) ~~or Nonattainment NSR~~ fee still applies.

Subparagraph (c), “Permit Applications,” of Rule 391-3-1-.03(10), “Title V Operating Permits,” is amended to read as follows:

(c) Permit Applications

1. For each Part 70 source, the owner or operator shall submit a complete application:

(i) Within 12 months after the U. S. EPA grants approval of this paragraph (10) or on or before such earlier date as the Director may establish, for a source applying for the first time;

(ii) Within 12 months after commencing operation, for a source required to meet the requirements under Section 112(g) of the federal Clean Air Act or to have a permit under the preconstruction review program requirements of Rule 391-3-1-.03(8)(b) ~~or Rule 391-3-1-.03(8)(e)~~. Where an existing Part 70 permit would prohibit such construction or change in operation, the source must obtain a permit revision before commencing operation;

(iii) At least six months, but not more than 18 months prior to the date of permit expiration, for a source subject to permit renewal; or

(iv) By January 1, 1996, for initial Phase II sulfur dioxide acid rain permits and by January 1, 1998, for initial Phase II nitrogen oxide acid rain permits.

(v) within 12 months after commencing operation for a major source which commences operation after the date specified in subparagraph (10)(c)1.(i).

2. Standard Permit Application and Required Information. The application shall be made in a format specified by the Director. It shall be signed by a responsible official, as defined in 40 CFR 70.2, which is incorporated by reference in subparagraph (a)4, certifying its truthfulness, accuracy and completeness. For the purpose of this paragraph (10), 40 CFR 70.5(c) and 40 CFR 70.5(d) are hereby incorporated and adopted by reference. The application may require additional pertinent information which is not specified in 40 CFR 70.5(c), as incorporated by reference in this subparagraph, as the Director may require. To be deemed complete, an application must provide all information required pursuant to this subparagraph and subparagraph (g), except that applications for permit revision need supply such information only if it is related to the proposed change.

3. Unless the Director determines that an application, including renewal applications, is not complete within 60 days of receipt of the application, such application shall be deemed to be complete, except as otherwise provided in 40 CFR 70.7(a)(4) which is hereby incorporated by reference.

4. If, while processing an application that has been determined or deemed to be complete, the

Director determines that additional information is necessary to evaluate or take final action on that application the Director may request such information in writing and set a reasonable deadline for a response. The source's ability to operate without a Part 70 permit shall be in effect from the date the application is determined or deemed to be complete until the final permit is issued, provided that the applicant submits any requested additional information by the deadline specified by the Director.

5. Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a permit application shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information. In addition, an applicant shall provide additional information as necessary to address any requirements that become applicable to the source after the date it filed a complete application but prior to release of a draft permit.

Subparagraph (b)7., "Coating and/or Gluing Operations," of Rule 391-3-1-.03(11), "Permit by Rule," is amended to read as follows:

7. Coating and/or Gluing Operations.

(i) Notwithstanding any other provision of these Rules, this standard applies to facilities with a potential to emit in amounts equal to or exceeding the Part 70 and Part 63 major source thresholds without existing permit conditions that are federally enforceable or enforceable as a practical matter limiting the source to below Part 70 or Part 63 major source thresholds. This standard applies only to facilities:

(I) Where the actual VOC emissions from coating and/or gluing operations represent at least 90 percent of the plant wide actual VOC emissions; and

(II) Where the actual HAP emissions from coating and/or gluing operations represent at least 90 percent of the plant wide actual HAP emissions or where the actual HAP emissions from non-coating and non-gluing operations are less than 1.0 tons per year.

(ii) This standard establishes federally enforceable conditions limiting the potential to emit for VOC and HAPs. Coating and/or gluing operations shall be deemed to have a Permit by Rule if the conditions in one of the following subparagraphs (I), (II), (III) or (IV) are met. Facilities that have potential emissions of greater than major source thresholds even after this rule is met or are not able to meet the conditions in subparagraphs (I), (II), (III), or (IV) and the remainder of this subparagraph~~section~~ shall obtain a Part 70 Permit. In accordance with the General Requirements in subparagraph (11)(a)2., the owner or operator of a facility wishing to operate under this Permit-by-Rule must also declare which of the four options are going to be met.

(I) The owner or operator of the source shall consume less than 20,000 pounds of any VOC and/or HAP containing materials during any twelve consecutive months. A log of the monthly consumption of VOC and/or HAP containing material must be kept. The total consumption for the previous twelve consecutive months must be included in each month's log. Records for materials (including but not limited to coatings, thinners, and solvents) shall be recorded in

pounds. These records shall be maintained and made readily available for inspection for a minimum of five years upon date of entry and shall be submitted to the Division upon request.

(II) The owner or operator of the facility shall use less than 250 total gallons each month, of coating, gluing, cleaning, and washoff materials at the facility. The owner or operator shall demonstrate compliance by maintaining records of the total gallons of coating, gluing, cleaning, and washoff materials used each month. These records shall be maintained and made readily available for inspection for a minimum of five years upon date of entry and shall be submitted to the Division upon request.

(III) The owner or operator of the source shall use less than 3,000 total gallons per rolling 12-month period, of coating, gluing, cleaning, and washoff materials at the facility. A rolling 12-month period includes the previous 12 months of operation. The owner or operator of the facility shall demonstrate compliance by maintaining records of the total gallons of coating, gluing, cleaning, and washoff materials used each month and the total gallons used each rolling 12-month period. These records shall be maintained and made readily available for inspection for a minimum of five years upon date of entry and shall be submitted to the Division upon request.

(IV) The owner or operator of the facility shall use materials containing less than 5 tons of any one HAP per rolling 12-month period, less than 12.5 tons of any combination of HAPs per rolling 12-month period, less than 25 tons of VOC per rolling 12-month period for sources located in ~~ozone non-attainment counties~~ (Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale counties), and less than 50 tons of VOC per rolling 12-month period for facilities not located in ~~ozone non-attainment~~ Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale counties. The owner or operator shall demonstrate compliance by maintaining records that demonstrate that annual emissions do not exceed these levels, including monthly usage records for each finishing, gluing, cleaning, and washoff material used to include the VOC and individual HAP content of each material; certified product data sheets for these materials; summation of VOC and individual and total HAP usage on a monthly basis; and the total VOC and individual and total HAP usage each rolling 12-month period and any other records necessary to document emissions. These records shall be maintained and made readily available for inspection for a minimum of five years upon date of entry and shall be submitted to the Division upon request.

(iii) The owner or operator that chooses to comply with this Permit by Rule for Coating and/or Operations shall maintain all purchase orders and/or invoices of materials containing VOC's and HAP's for a minimum of five years. These purchase orders and/or invoices must be made available to the Division upon request for use in confirming the general accuracy of the records retained and reports submitted.

(iv) For the purpose of this paragraph, the following definitions apply:

(I) "Certified product data sheet (CPDS)" means documentation furnished by coating or adhesive suppliers or an outside laboratory that provides the Volatile Hazardous Air Pollutant

(VHAP), as listed in Table 2 of 40 CFR Part 63, Subpart JJ, content of a finishing material, contact adhesive, or solvent, by percent weight, measured using Method 311 of the Georgia Department of Natural Resources Procedures for Testing and Monitoring Sources of Air Pollutants (PTM), or an equivalent or alternative method [or formulation data if the coating meets the criteria specified in 40 CFR 63.805(a)]; the solids content of a finishing material or contact adhesive by percent weight, determined using data from Method 24 of the Georgia PTM as referenced in this ~~subparagraphsection~~, or an alternative or equivalent method [or formulation data if the coating meets the criteria specified in 40 CFR 63.805(a)]; and the density, measured by Method 24 of the Georgia PTM as referenced in this ~~subparagraphsection~~ or an alternative or equivalent method. Therefore, the reportable VHAP content shall represent the maximum aggregate emissions potential of the finishing material, adhesive, or solvent in concentrations greater than or equal to 1.0 percent by weight or 0.1 percent for VHAP that are carcinogens, must be reported on the CPDS. The purpose of the CPDS is to assist the affected source in demonstrating compliance with the emission limitations presented in subparagraph (11)(b)7.(ii)(IV).

(Note: Because the optimum analytical conditions under Method 311 vary by coating, the coating or adhesive supplier may also choose to include on the CPDS the optimum analytical conditions for analysis of the coating, adhesive, or solvent using Method 311. Such information may include, but not be limited to, separation column, oven temperature, carrier gas, injection port temperature, extraction solvent, and internal standard.)

(II) “Coating” means a protective, decorative, or functional film applied in a thin layer to a surface. Such materials include, but are not limited to, paints, topcoats, varnishes, sealers, stains, washcoats, basecoats, enamels, inks, and temporary protective coatings. Aerosol spray paints used for touch-up and repair are not considered coatings under this ~~subparagraphsection~~ of the rule.

(III) “Gluing” means those operations in which adhesives are used to join components, for example, to apply a laminate to a wood substrate or foam to fabric.

Rule 391-3-1.03(13), “Emission Reduction Credits,” is amended to read as follows:

(13) Emission Reduction Credits.

(a) Applicability.

This ~~paragraphsection~~ provides for the creation, banking, and transfer, ~~and use~~ of nitrogen oxides and VOC Emission Reduction Credits in Federally designated ozone non-attainment areas in Georgia and any areas designated by the Director as contributing to the ambient air level of ozone in Federally designated ozone non-attainment areas in Georgia. The following sources are eligible to create and bank nitrogen oxides and VOC Emission Reduction Credits:

1. [reserved]

2. Any stationary source located within the counties of Bartow, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, and Rockdale and which has the potential to emit nitrogen oxides or VOCs in amounts greater than 100 tons-per-year.
3. Electrical Generating Units located at any stationary source within the counties of Banks, Barrow, Butts, Carroll, Chattooga, Clarke, Dawson, Floyd, Gordon, Hall, Haralson, Heard, Jackson, Jasper, Jones, Lamar, Lumpkin, Madison, Meriwether, Monroe, Morgan, Oconee, Pickens, Pike, Polk, Putnam, Spalding, Troup, Upson, and Walton and which has the potential to emit nitrogen oxides in amounts greater than 100 tons-per-year.

(b) Eligibility of Emission Reductions.

1. In order to be approved by the Division as an Emission Reduction Credit, a reduction in emissions must be real, permanent, quantifiable, enforceable, and surplus and shall have occurred after December 31, 1996.
2. To be eligible for consideration as Emission Reduction Credits, emission reductions may be created by any of the following methods:
 - (i) Installation of control equipment;
 - (ii) A change in process inputs, formulations, products or product mix, or raw materials;
 - (iii) A reduction in actual emission rate;
 - (iv) A reduction in operating hours;
 - (v) Production curtailment;
 - (vi) Shutdown of emitting sources or facilities; or
 - (vii) Any other enforceable method as determined by the Division.

(c) Quantification of Emission Reduction Credits.

1. For purposes of calculating the amount of emission reduction that can be quantified as an Emission Reduction Credit, the following procedures must be followed:
 - (i) The source must calculate its average actual annual emissions prior to the emission reduction. Actual emissions prior to the reduction shall be calculated in tons per year. In calculating average actual annual emissions prior to the emission reduction, the source shall use data from the 24-month period immediately preceding the reduction in emissions. The Division may allow the use of a different time period upon determination that such period is more representative of normal source operation.

(ii) The Emission Reduction Credit generated by the emission reduction shall be calculated by subtracting the allowable annual emissions rate following the reduction from the average actual annual emissions prior to the reduction.

(d) Discounting and Revocation of Emission Reduction Credits.

1. Except as provided below, the Director shall not discount or otherwise reduce the value of Emission Reduction Credits banked under this ~~paragraph~~section.

(i) [reserved]

(ii) Discounting Based on Time Banked.

Emission Reduction Credits banked under this ~~paragraph~~section will not expire at any time. However, Emission Reduction Credits will be discounted at a rate of 10 percent of the original Emission Reduction Credit value per year beginning on the 11th anniversary of the date on which the reduction in emissions initially occurred, up to a maximum total discount of 50 percent of the original Emission Reduction Credit value on the 15th anniversary of the date on which the reduction in emissions initially occurred. Annual discounting under this ~~subparagraph~~section (ii) shall not occur if the affected Emission Reduction Credits have already been discounted by 50% or more under the following ~~subparagraph~~section (iii) due to the promulgation of more stringent regulations affecting the source category that created the Emission Reduction Credits.

(iii) Discounting for More Stringent Regulations.

If any State or Federal statute, rule, or regulation decreases an allowable emission rate or otherwise requires a reduction in nitrogen oxides or VOC from a particular source category or categories, any banked nitrogen oxides or VOC Emission Reduction Credits created by that source category or categories shall be reduced to reflect the new more stringent allowable emission limit or required reduction.

(iv) Discounting or Revocation for Cause.

The Director may revoke, suspend, or reduce the value of Emission Reduction Credits for cause, including evidence of noncompliance with permit conditions imposed to make the emission reductions permanent and enforceable; failure to achieve in practice the emission reductions on which the Emission Reduction Credits are based; or misrepresentations made in the Emission Reduction Credit application or any other applications on which the Emission Reduction Credits are based, supporting data entered therein or attached thereto, or any subsequent submittal or supporting data.

2. The owner of a Certificate of Emissions Reduction Credit may submit an application to re-evaluate a Certificate of Emission Reduction Credit to determine whether the amount of credits specified in the Certificate of Emission Reduction Credit has been discounted or revoked in accordance with subparagraph 1., above. Such application shall be submitted on forms and contain information specified by the Division.

(e) Creation and Banking of Emission Reduction Credits.

1. Sources seeking to create and bank Emission Reduction Credits must submit an application on forms supplied by the Division and signed by the applicant. The application shall include, at a minimum, the following information:

(i) The company name, contact person and phone number, and street address of the source seeking the Emission Reduction Credit;

(ii) A description of the type of source, including SIC code, where the proposed emission reduction shall occur;

(iii) A detailed description of the method or methods to be employed by the source to create the emission reduction;

(iv) The date the emission reduction occurred or is to occur;

(v) Quantification of the Emission Reduction Credit, as required under ~~subparagraphsection~~ (c);

(vi) The proposed method for ensuring the reductions are permanent and enforceable, including any necessary application to amend the source's operating permit or, in the case of a shutdown of process equipment or an entire source, request for permit revocation;

(vii) Whether any portion of the reduction in emissions to be used to create the Emission Reduction Credit has previously been used to avoid New Source Review through a "netting demonstration;" and

(viii) Any other information that may be required to demonstrate that the reduction in emissions is real, permanent, quantifiable, enforceable, and surplus, as defined in ~~subparagraphsection~~ (b).

2. The Division will determine whether the application is complete and will notify the source seeking the Emission Reduction Credit of its determination. A Certificate of Emission Reduction Credit will be issued to the source upon a determination by the Director that the emission reduction meets the requirements of this ~~paragraphsection~~. Upon issuance of the Certificate, the Division will simultaneously take any action required to ensure the reduction is permanent and enforceable, including issuance of a revised permit or revocation of a permit.

3. Certificates of Emission Reduction Credit shall be issued by the Director and shall contain the following information:

(i) The amount of the credit, in tons per year;

(ii) The pollutant reduced (nitrogen oxides or VOC);

(iii) The date the reduction occurred;

(iv) The street address and county of the source where the reduction occurred; and

(v) The date of issuance of the Certificate.

4. The Division shall maintain an Emission Reduction Credit registry that constitutes the official record of all Certificates of Emission Reduction Credit issued and all withdrawals made. The registry shall be available for public review. For each certificate issued, the registry will indicate the amount of the Emission Reduction Credit, the pollutant reduced, the location of the facility generating the Emission Reduction Credit, and the facility contact person.

(f) ~~Use of Emission Reduction Credits.~~[reserved]

~~1. Emission Reduction Credits may be used in any manner authorized under this subsection (f).~~

~~2. Persons holding Emission Reduction Credits may withdraw the Emission Reduction Credits and may dispose of them in any manner not inconsistent with this Section.~~

~~3. An Emission Reduction Credit may be withdrawn only by the owner of record or by the Director and may be withdrawn in whole or in part. In the case of a partial withdrawal, the Division shall issue a revised certificate of Emission Reduction Credit to the owner of record reflecting the new amount of the credit and shall revoke the original Certificate.~~

~~4. Emission Reduction Credits may be used for the following purposes:~~

~~(i) As offsets required by Section 391-3-1-.03(8) for a major new source of nitrogen oxides or VOC in a federally designated ozone non-attainment area, or an area designated by the Director as an area contributing to the ambient concentration of ozone in a federally designated ozone non-attainment area;~~

~~(ii) As offsets required by Section 391-3-1-.03(8) for a major modification to an existing major source of nitrogen oxides or VOC in a federally designated ozone non-attainment area, or an area designated by the Director as an area contributing to the ambient concentration of ozone in a federally designated ozone non-attainment area;~~

~~(iii) As part of a netting demonstration under the following conditions:~~

~~(I) The source using the Emission Reduction Credits is the same source that created and banked the Emission Reduction Credits, and;~~

~~(II) The emission reduction represented by the Emission Reduction Credits occurred within the five-year period before construction commences on the modification; or~~

~~(iv) As internal offsets under Section 391-3-1-02(8)(c)(13)(iii) and (iv) of these Rules provided that the source using the Emission Reduction Credits is the same source that created and banked the Emission Reduction Credits.~~

~~5. Emission Reduction Credits can only be used to offset emissions of the same pollutant that was reduced by the source that created and banked the Emission Reduction Credit.~~

~~6. Emission reduction credits used as offsets as required by Section 391-3-1-.03(8) within a federally designated ozone non-attainment area shall have been created within that federally designated ozone non-attainment area. Emission reduction credits created within any area designated by the Director as contributing to the ambient air level of ozone in a federally designated ozone non-attainment area may not be used as offsets as required by Section 391-3-1-.03(8) in that federally designated non-attainment area.~~

(g) Transfer of Certificates of Emission Reduction Credit.

1. If the owner of a Certificate of Emission Reduction Credit transfers the Certificate to a new owner, the Division shall issue a Certificate of Emission Reduction Credit to the new owner and shall revoke the certificate held by the current owner of record.

2. If the owner of a Certificate of Emission Reduction Credit transfers part of the Emission Reduction Credits represented by the Certificate to a new owner, the Division shall issue a Certificate of Emission Reduction Credit to the new owner reflecting the transferred amount and shall issue a Certificate of Emission Reduction Credit to the current owner of record reflecting the amount of Emission Reduction Credit remaining after the transfer. The original Certificate of Emission Reduction credit shall be revoked.

(h) Administrative Fees.

1. Any Source or person seeking to create, certify, bank, ~~use~~, transfer, or re-evaluate Emission Reduction Credits shall pay fees to the Division in accordance with the following schedule:

(i) \$6000 per application to create, certify and bank emission credits in accordance with subparagraph (e) of this paragraph.

~~(ii) \$3500 per application to use a banked emission credit in accordance with subparagraph (f)4. of this paragraph. If the Certificate of Emission Reduction Credit has either been transferred in accordance with subparagraph (g) of this paragraph or re-evaluated in accordance with subparagraph (d)2. of this paragraph, or both, within 12 months prior to submission of an application to use a banked emission credit, the administrative fee to use a banked emission credit shall be reduced by the amount administrative fee(s) paid to the Division for transfer and re-evaluation. The 12-month period shall be based on the date of issuance of the new Certificate of Emission Reduction Credit to the new owner (for a transfer) or the date of written notification of the owner of the results of the re-evaluation by the Division (for a re-evaluation). [reserved]~~

(iii) \$3000 per application to transfer a Certificate of Emission Reductions Credit as per subparagraph (g) of this paragraph. If a re-evaluation of the Certificate of Emission Reduction Credit has been completed by the Division in accordance with subparagraph (d)2. of this paragraph within 12 months prior to submission of an application to transfer the Certificate of

Emission Reduction Credit, the administrative fee to transfer the Certificate of Emission Reduction Credit shall be reduced by the amount administrative fee paid for re-evaluation. The 12-month period shall be based on the date of written notification of the owner of the results of the re-evaluation by the Division.

(iv) \$2500 per application to re-evaluate an Certificate of Emission Reduction Credit as per subparagraph (d)2. of this paragraph.

2. Payment of administrative fees required by this ~~subparagraph~~section shall be submitted along with an application to create, certify, bank, ~~use~~, transfer, or re-evaluate Emission Reduction Credits.

(i) Definitions.

For the purposes of this ~~paragraph~~section, the following definitions shall apply:

1. “Electrical Generating Unit” means a fossil fuel fired stationary boiler, combustion turbine, or combined cycle system that serves a generator that produces electricity for sale.
2. “Enforceable” means enforceable by the Division. Methods for ensuring that Emission Reduction Credits are enforceable shall include, but not be limited to, conditions in air quality construction or operating permits issued by the Division.
3. “Netting Demonstration” means the act of calculating a “net emissions increase” under the preconstruction review requirements of Title I, Part D of the Federal Act and the regulations promulgated thereunder.
4. “Permanent” means assured for the life of the corresponding Emission Reduction Credit through an enforceable mechanism such as a permit condition or revocation.
5. “Quantifiable” means that the amount, rate and characteristics of the Emission Reduction Credit can be estimated through a reliable method and are approved by the Division.
6. “Real” means a reduction in actual emissions emitted into the air.
7. “Surplus” means not required by any local, state, or federal law, regulation, order, or requirement and in excess of reductions used by the Division in issuing any other permit or to demonstrate attainment of federal ambient air quality standards or reasonable further progress towards achieving attainment of federal ambient air quality standards. For the purpose of determining the amount of surplus emission reductions, any seasonal emission limitation or standard shall be assumed to apply throughout the year. Emission reductions which have previously been used to avoid New Source Review through a netting demonstration are not considered surplus.

Authority: O.C.G.A. Section 12-9-1 et seq., as amended.