

IV.A.4. A hearing request pursuant to Section IV.A.2.a. of this Part D, regarding innovative control, must be transmitted by the Division to the Commission within twenty days after its receipt.

IV.A.5. A hearing request pursuant to Section IV.A.2.d. of this Part D must be transmitted by the Division to the Commission, along with the complete permit application, the preliminary analysis, the draft permit, and any written comments received by the Division within five days after the end of the thirty-day comment period. At least thirty days prior to the date set for the public comment hearing, the notice of public comment hearing, the preliminary analysis and the draft permit shall be posted on the Division's web site. No substantive revisions shall be made to the draft permit during the thirty days prior to the public comment hearing.

IV.A.6. The Commission shall hold a public comment hearing within sixty days of its receipt of the request for such hearing pursuant to Section IV.A.2. of this Part D (unless such greater time is agreed to by the applicant and the Division), but at least sixty days after receipt by any Federal Land Manager of notice and the permit application required pursuant to Section XIII.A. of this Part D. The Division shall appear at the public comment hearing in order to present the permit application. At least thirty days prior to such hearing, notice thereof shall be mailed by the Commission to the applicant, to any interested person who submitted a request for a public hearing and to any Federal Land Manager given notice pursuant to Section XIII.A., printed in a newspaper of general distribution in the area of the proposed source or modification, and submitted for public review with the county clerk for each county in which the source or modification is or will be located. Except as provided herein and in the notice, such hearings will be conducted pursuant to the Act, the Procedural Rules of the Air Quality Control Commission and the State Administrative Procedure Act, Colorado Revised Statutes, Section 24-4-101 et seq.

IV.A.7. Within fifteen days after the Division makes a final decision on an application subject to the requirements of this Part D, the Division shall make available for public inspection the decision and all public comments with the county clerk for each county where the pre-construction information was made available.

**V. Requirements Applicable to Nonattainment Areas**

**V.A. Major Stationary Sources.**

For any new major stationary source or major modification, the Division shall grant a permit if it determines that the following conditions in Sections V.A.1. through V.A.6., as well as those in Section III.D.1. of Part B of this regulation, will be met:

- V.A.1. The proposed source will achieve the lowest achievable emission rate for the specific source category.
- V.A.2. The applicant has certified that all other existing major stationary sources owned, operated, or controlled by the applicant (or any entity controlling, controlled by, or under the common control with the applicant) in Colorado are in compliance with the requirements of the State implementation plan and the federally approved state implementation plan, or are subject to and in compliance with an enforceable compliance schedule, or a federally enforceable compliance schedule.

V.A.3. Prior to the date of commencement of operations, the ratio of total actual emission reductions compared to the emissions increase (offsets) shall be at least one for one (1:1), unless an alternative ratio is provided for the applicable nonattainment area as identified in Section V.A.3.a., below.

V.A.3.a. Offset Ratios

V.A.3.a(i) For ozone nonattainment areas that are subject to subpart 2, part D, title I of the Federal Act, the offset ratio of total actual emission reductions of VOC to the emissions increase of VOC shall be as follows:

V.A.3.a(i)(a) In any marginal nonattainment area for ozone – at least 1.1:1;

V.A.3.a(i)(b) In any moderate nonattainment area for ozone – at least 1.15:1;

V.A.3.a(i)(c) In any serious nonattainment area for ozone – at least 1.2:1;

V.A.3.a(i)(d) In any severe nonattainment area for ozone – at least 1.3:1;  
or

V.A.3.a(i)(e) In any extreme nonattainment area for ozone – at least 1.5:1.

V.A.3.a(ii) For all areas within an ozone transport region that is subject to subpart 2, part D, title 1 of the Federal Act, and that are not designated as serious, severe or extreme and are subject to subpart 1, part D, title 1 of the Federal Act – at least 1.15:1.

V.A.3.a(iii) For ozone nonattainment areas that are subject to subpart 1, part D, title I of the Federal Act, including 8-hour ozone nonattainment areas subject to 40 CFR, Part 51, Section 51.902(b), the ratio of total actual emissions reductions of VOC to the emissions increase of VOC shall be at least 1:1.

V.A.3.b. Offsets must be obtained from existing sources (whether or not under the same ownership) within the nonattainment area for each pollutant, or its precursors, for which the area is nonattainment. Offsets must represent reasonable further progress towards attainment of the National Ambient Air Quality Standards when considered in connection with other new and existing sources of emissions. In addition, offsets for PM<sub>10</sub>, PM<sub>2.5</sub>, sulfur oxides, and carbon monoxide must show, through atmospheric modeling, a positive net air quality benefit in the area affected by the emissions. Provided, however, that offsets meeting the requirements of this Section V.A.3. may also be obtained from existing sources outside the nonattainment area if the applicant demonstrates:

V.A.3.b(i) A greater air quality benefit may thus be achieved, or sufficient offsets are not available from sources within the nonattainment area; and

V.A.3.b(ii) The other area has an equal or higher nonattainment classification than the area in which the source is located; and

- V.A.3.b.(iii) Emissions from such other area contribute to a violation of the National Ambient Air Quality Standard in the nonattainment area in which the source is located.
- V.A.3.b.(iv) With respect to offsets obtained from outside the nonattainment area, the Division may increase the ratio of the required offsets to new emissions the greater the distance such offsets are from the new or modified source.
- V.A.3.c. Offsets must be for the same regulated NSR pollutant, except that offset requirements for direct PM<sub>2.5</sub> emissions or PM<sub>2.5</sub> precursors may be satisfied by offsetting reductions in direct PM<sub>2.5</sub> emissions or emissions of any PM<sub>2.5</sub> precursor identified under Section II.A.38. of Part D.
- V.A.4. The permit application shall include an analysis of alternative sites, sizes, production processes and environmental control techniques for such proposed source that demonstrates that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction, or modification.
- V.A.5. Offsets for which emission reduction credit is taken must be enforceable through permit conditions or source specific state implementation plan revisions.
- V.A.6. The applicant will demonstrate that emissions from the proposed source will not adversely impact visibility in a Class I area. This demonstration shall be reviewed by the Federal Land Manager and any determination made by the Federal Land Manager shall be considered in the Division's decision to grant the permit. If an adverse impact, as described in Section XIV.E., is predicted by the Division, the permit application will be denied. Federal Land Manager involvement shall follow the same procedures as stated in Section XIII.A. of this Part D. The demonstration will be performed using either techniques described in the latest version of the U.S. EPA document entitled "Workbook for Estimating Visibility Impairment" or other techniques approved by the Division.
- V.A.7. Applicability of Certain Nonattainment Area Requirements
- V.A.7.a. Any major stationary source in a nonattainment area is subject to the requirements of Section V.A. of this Part D.
- V.A.7.b. The requirements of Section V.A. shall apply at such time that any stationary source or modification becomes a major stationary source or major modification solely by virtue of a relaxation in any enforceable limitation that was established after August 7, 1980 on the capacity of the source or modification to otherwise emit a pollutant, such as a restriction on hours of operation.
- V.A.7.c. The following provisions apply to projects at existing emissions units at a major stationary source (other than projects at a source with a PAL) in circumstances where there is a project that is not a part of a major modification and the owner or operator elects to use the method specified in Sections II.A.36.b.(i) through II.A.36.b.(iii) of this Part D for calculating projected actual emissions.

- V.A.7.c.(i) Before beginning actual construction of the project, the owner or operator shall document and maintain a record of the following information:
- V.A.7.c.(i)(A) A description of the project;
  - V.A.7.c.(i)(B) Identification of the emissions unit(s) whose emissions of a regulated NSR pollutant could be affected by the project; and
  - V.A.7.c.(i)(C) A description of the applicability test used to determine that the project is not a major modification for any regulated NSR pollutant, including the baseline actual emissions, the projected actual emissions, the amount of emissions excluded under Section II.A.36.b.(iii) of this part and an explanation for why such amount was excluded, and any netting calculations, if applicable.
- V.A.7.c.(ii) If the emissions unit is an existing electric utility steam generating unit, before beginning actual construction, the owner or operator shall provide a copy of the information set out in Section V.A.7.c.(i) to the Division. Nothing in this Section V.A.7.c.(ii) shall be construed to require the owner or operator of such a unit to obtain any determination from the Division before beginning actual construction.
- V.A.7.c.(iii) The owner or operator shall monitor the emissions of any regulated NSR pollutant that could increase as a result of the project and that is emitted by any emissions units identified in Section V.A.7.c.(i)(B); and calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of five years following resumption of regular operations after the change, or for a period of ten years following resumption of regular operations after the change if the project increases the design capacity or potential to emit of that regulated NSR pollutant at such emissions unit.
- V.A.7.c.(iv) If the unit is an existing electric utility steam generating unit, the owner or operator shall submit a report to the Division within sixty days after the end of each year during which records must be generated under Section V.A.7.c.(iii) setting out the unit's annual emissions during the calendar year that preceded submission of the report.
- V.A.7.c.(v) If the unit is an existing unit other than an electric utility steam generating unit, the owner or operator shall submit a report to the Division if the annual emissions, in tons per year, from the project identified in Section V.A.7.c.(i), exceed the baseline actual emissions (as documented and maintained pursuant to Section V.A.7.c.(i)(C)) by a significant amount (as defined in Section II.A.42. of this part) for that regulated NSR pollutant, and if such emissions differ from the preconstruction projection as documented and maintained pursuant to Section V.A.7.c.(i)(C). Such report shall be submitted to the Division within sixty days after the end of such year. The report shall contain the following:

V.A.7.c.(v)(A) The name, address and telephone number of owner or operator of the major stationary source;

V.A.7.c.(v)(B) The annual emissions as calculated pursuant to Section V.A.7.c.(iii); and

V.A.7.c.(v)(C) Any other information that the owner or operator wishes to include in the report (e.g., an explanation as to why the emissions differ from the preconstruction projection).

V.A.7.d. The owner or operator of the source shall make the information required to be documented and maintained pursuant to Section V.A.7.c. available for review upon request for inspection by the Division or the general public.

V.A.8. Exemptions from certain nonattainment area requirements:

V.A.8.a. The following are exempt from the major stationary source criteria of Section V.A.3. of this part.

V.A.8.a.(i)(A) Portable sources that will relocate outside a nonattainment area in less than one year.

V.A.8.a.(i)(B) Each pilot plant that operates an aggregate of less than six months.

V.A.8.a.(i)(C) Construction phases of a new or modified building, facility, structure, or installation. These may, at the discretion of the Division, exceed a period of one year.

V.A.8.a.(i)(D) Other temporary processes or activities of less than one year in duration.

V.A.8.a.(i)(E) Sources undergoing fuel switches as required by federal order if the Division determines that:

V.A.8.a.i(E)(1) The applicant has used best efforts in seeking the required emission offsets but was unsuccessful;

V.A.8.a.i(E)(2) All available emission offsets were obtained; and,

V.A.8.a.i(E)(3) The applicant will continue to seek emission offsets as they become available.

**VI. Requirements applicable to attainment and unclassifiable areas and pollutants implemented under Section 110 of the Federal Act (Prevention of Significant Deterioration Program).**

**VI.A. Major Stationary Sources and Major Modifications.**

The requirements of this Section VI. shall apply to any major stationary source and any major modification with respect to each pollutant regulated under the Act and the Federal Act that it would emit, except as this Regulation Number 3 would otherwise allow.

For any new major stationary source or major modification proposing to construct in any area in Colorado designated under Section 107 (d) of the Federal Act as attainment or