AIR POLLUTION CONTROL RULES

PART 18. PREVENTION OF SIGNIFICANT DETERIORATION OF AIR QUALITY

As Amended June 30, 2011

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Michigan Department of Environmental Quality

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MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

AIR QUALITY DIVISION

Effective June 30, 2011

PART 18. PREVENTION OF SIGNIFICANT DETERIORATION OF AIR QUALITY

R 336.2801 Definitions.

Rule 1801. The following definitions apply to terms used in this part. If a term defined in this part is also defined elsewhere in the rules, then the definition contained here applies for this part only.

(a) "Actual emissions" means the actual rate of emissions of a regulated new source review pollutant from an emissions unit, as determined under R 336.1101(b), except that this definition shall not apply for calculating whether a significant emissions increase has occurred, or for establishing a plantwide applicability limit under R 336.2823. Instead, the terms "projected actual emissions" and "baseline actual emissions" shall apply for those purposes.

(b) "Baseline actual emissions" means the rate of emissions, in tons per year, of a regulated new source review pollutant, as determined by the following:

(i) For any existing electric utility steam generating unit, baseline actual emissions means the average rate, in tons per year, at which the unit actually emitted the pollutant during any consecutive 24-month period selected by the owner or operator within the 5-year period immediately preceding when the owner or operator begins actual construction of the project. The department shall allow the use of a different time period upon a determination that it is more representative of normal source operation. All of the following provisions apply:

(A) The average rate shall include fugitive emissions to the extent quantifiable, and emissions associated with startups, shutdowns, and malfunctions.

(B) The average rate shall be adjusted downward to exclude any noncompliant emissions that occurred while the source was operating above an emission limitation that was legally enforceable during the consecutive 24-month period.

(C) For a regulated new source review pollutant, if a project involves multiple emissions units, then only 1 consecutive 24-month period shall be used to determine the baseline actual emissions for the emissions units being changed. A different consecutive 24-month period may be used for each regulated new source review pollutant.

(D) The average rate shall not be based on any consecutive 24-month period for which there is inadequate information for determining annual emissions, in tons per year, and for adjusting this amount if required by paragraph (i)(B) of this subdivision.

(ii) For an existing emissions unit, other than an electric utility steam generating unit,

baseline actual emissions means the average rate, in tons per year, at which the emissions unit actually emitted the pollutant during any consecutive 24-month period selected by the owner or operator within the 10-year period immediately preceding either the date the owner or operator begins actual construction of the project, or the date a complete permit application is received by the department for a permit required by R 336.1201, whichever is earlier, except that the 10-year period shall not include any period earlier than November 15, 1990. All of the following provisions apply:

(A) The average rate shall include fugitive emissions to the extent quantifiable, and emissions associated with startups, shutdowns, and malfunctions.

(B) The average rate shall be adjusted downward to exclude any noncompliant emissions that occurred while the source was operating above an emission limitation that was legally enforceable during the consecutive 24-month period.

(C) The average rate shall be adjusted downward to exclude emissions that would have exceeded an emission limitation with which the major stationary source must currently comply, had such major stationary source been required to comply with such limitations during the consecutive 24-month period. However, if an emission limitation is part of a maximum achievable control technology standard that the United States environmental protection agency proposed or promulgated under 40 C.F.R. part 63, then the baseline actual emissions need only be adjusted if the state has taken credit for such emissions reductions in an attainment demonstration or maintenance plan submitted to the U.S. environmental protection agency. The provisions of 40 C.F.R. part 63 are adopted by reference in R 336.2801a.

(D) For a regulated new source review pollutant, if a project involves multiple emissions units, then only 1 consecutive 24-month period shall be used to determine the baseline actual emissions for the emissions units being changed. A different consecutive 24-month period may be used for each regulated new source review pollutant.

(E) The average rate shall not be based on any consecutive 24-month period for which there is inadequate information for determining annual emissions, in tons per year, and for adjusting this amount if required by subparagraphs (B) and (C) of this paragraph.

(iii) For a new emissions unit, the baseline actual emissions for purposes of determining the emissions increase that will result from the initial construction and operation of such unit shall equal zero; and thereafter, for all other purposes, shall equal the unit's potential to emit.

(iv) For a plantwide applicability limit for a stationary source, the baseline actual emissions shall be calculated for existing electric utility steam generating units under paragraph (i) of this subdivision, for other existing emissions units under paragraph (ii) of this subdivision, and for a new emissions unit under paragraph (iii) of this subdivision.

(c) “Baseline area” means all of the following:

(i) Any intrastate area, and every part thereof, designated as attainment or unclassifiable under section 107(d)(1) (D) or (E) of the clean air act in which the major source or major modification establishing the minor source baseline date would construct or would have an air quality impact equal to or greater than 1 microgram per cubic meter (annual average) of the pollutant for which the minor source baseline date is established.

(ii) Area redesignations under section 107(d)(1) (D) or (E) of the clean air act shall not intersect or be smaller than the area of impact of any major stationary source or major modification which does either of the following:

(A) Establishes a minor source baseline date.

(B) Is subject to PSD regulations or new source review for major sources in nonattainment areas regulations.

(iii) Any baseline area established originally for the total suspended particulates increments shall remain in effect and shall apply for purposes of determining the amount of available PM-10 increments, except that the baseline area shall not remain in effect if the department rescinds the corresponding minor source baseline date under subdivision (bb)(iv) of this rule.

(d) "Baseline concentration" means the value derived using the following procedures:

(i) The ambient concentration level that exists in the baseline area at the time of the applicable minor source baseline date. A baseline concentration is determined for each pollutant for which a minor source baseline date is established and shall include both of the following:

(A) The actual emissions representative of sources in existence on the applicable minor source baseline date.

(B) The allowable emissions of major stationary sources that commenced construction before the major source baseline date, but were not in operation by the applicable minor source baseline date.

(ii) The following shall not be included in the baseline concentration and shall affect the applicable maximum allowable increase:

(A) Actual emissions from any major stationary source on which construction commenced after the major source baseline date.

(B) Actual emissions increases and decreases at any stationary source occurring after the minor source baseline date.

(e) "Begin actual construction" means, in general, initiation of physical on-site construction activities on an emissions unit which are of a permanent nature. Such activities include, but are not limited to, installation of building supports and foundations, laying of underground pipework, and construction of permanent storage structures. "A change in method of operation" refers to those on-site activities, other than preparatory activities, which mark the initiation of the change.

(f) "Best available control technology" or "BACT" means an emissions limitation, including a visible emissions standard, based on the maximum degree of reduction for each regulated new source review pollutant, which would be emitted from any proposed major stationary source or major modification which the department -- on a case-by-case basis, taking into account energy, environmental, and economic impacts and other costs -- determines is achievable for such source or modification through application of production processes or available methods, systems, and techniques, including fuel cleaning or treatment or innovative fuel combination techniques for control of the pollutant. Application of best available control technology shall not result in emissions of any pollutant which would exceed the emissions allowed by any applicable standard under 40 C.F.R. parts 60 and 61, adopted by reference in R 336.2801a. If the department determines that technological or economic limitations on the application of measurement methodology to a particular emissions unit would make the imposition of an emissions standard infeasible, then a design,

equipment, work practice, operational standard or combination thereof, may be prescribed instead to satisfy the requirement for the application of best available control technology. The standard shall, to the degree possible, set forth the emissions reduction

achievable by implementation of the design, equipment, work practice or operation, and shall provide for compliance by means which achieve equivalent results.

(g) “Building, structure, facility, or installation” means all of the pollutant-emitting activities which belong to the same industrial grouping, are located on 1 or more contiguous or adjacent properties, and are under the control of the same person, or persons under common control, except the activities of any vessel. Pollutant-emitting activities are part of the same industrial grouping if they have the same 2-digit major group code associated with their primary activity. Major group codes and primary activities are described in the standard industrial classification manual, 1987. For assistance in converting north American industrial classification system codes to standard industrial classification codes see http://www.census.gov/epcd/naics02/.

(h) “Clean coal technology” means any technology, including technologies applied at the precombustion, combustion, or post-combustion stage, at a new or existing facility which will achieve significant reductions in air emissions of sulfur dioxide or oxides of nitrogen associated with the utilization of coal in the generation of electricity, or process steam which was not in widespread use as of November 15, 1990.

(i) “Clean coal technology demonstration project” means a project using funds appropriated under the heading "Department of Energy -- Clean Coal Technology," up to a total amount of $2,500,000,000 for commercial demonstration of clean coal technology, or similar projects funded through appropriations for the United States Environmental Protection Agency. The federal contribution for a qualifying project shall be at least 20% of the total cost of the demonstration project.

(j) [Reserved]

(k) “Commence,” as applied to construction of a major stationary source or major modification, means that the owner or operator has all necessary preconstruction approvals or permits and has done either of the following:

(i) Begun, or caused to begin, a continuous program of actual on-site construction of the source, to be completed within a reasonable time.

(ii) Entered into binding agreements or contractual obligations, which cannot be canceled or modified without substantial loss to the owner or operator, to undertake a program of actual construction of the source to be completed within a reasonable time.

(l) “Complete” means, in reference to an application for a permit, that the application contains all the information necessary for processing the application. Designating an application complete for purposes of permit processing does not preclude the department from requesting or accepting additional information.

(m) “Construction” means any physical change or change in the method of operation, including fabrication, erection, installation, demolition, or modification of an emissions unit, that would result in a change in emissions.

(n) “Continuous emissions monitoring system” or “CEMS” means all of the equipment that may be required to meet the data acquisition and availability requirements of these rules, to sample, condition if applicable, analyze, and provide a record of emissions on a continuous basis.

(o) “Continuous emissions rate monitoring system” or “CERMS” means the total equipment required for the determination and recording of the pollutant mass emissions rate in terms of mass per unit of time.

(p) “Continuous parameter monitoring system” or “CPMS” means all of the

equipment necessary to meet the data acquisition and availability requirements of these rules, to monitor process and control device operational parameters (for example, control device secondary voltages and electric currents) and other information (for example, gas flow rate, oxygen or carbon dioxide concentrations), and to record average operational parameter value or values on a continuous basis.

(q) “Electric utility steam generating unit” means any steam electric generating unit that is constructed for supplying more than 1/3 of its potential electric output capacity and more than 25 megawatt electrical output to any utility power distribution system for sale. Steam supplied to a steam distribution system for providing steam to a steam-electric generator that would produce electrical energy for sale is also considered in determining the electrical energy output capacity of the affected facility.

(r) “Emissions unit” means any part of a stationary source that emits or would have the potential to emit any regulated new source review pollutant and includes an electric utility steam generating unit. Both of the following are types of emissions units:

(i) A new emissions unit is any emissions unit that is, or will be, newly constructed and that has existed for less than 2 years from the date the emissions unit first operated.

(ii) An existing emissions unit is any emissions unit that does not meet the definition of a new emissions unit. A replacement unit is an existing emissions unit and no creditable emission reductions shall be generated from shutting down the existing emissions unit that is replaced. A replacement unit shall meet all of the following criteria:

(A) The emissions unit is a reconstructed unit if the replacement of components of an existing facility is to such an extent that the fixed capital cost of the new components exceeds 50% of the fixed capital cost that would be required to construct a comparable entirely new facility or the emissions unit completely takes the place of an existing emissions unit.

(B) The emissions unit is identical to or functionally equivalent to the replaced emissions unit.

(C) The replacement does not alter the basic design parameters of the process unit.

(D) The replaced emissions unit is permanently removed from the major stationary source, otherwise permanently disabled, or permanently barred from operation by a permit that is enforceable as a practical matter. If the replaced emissions unit is brought back into operation, it shall constitute a new emissions unit.

(s) “Federal land manager” means, with respect to any lands in the United States, the secretary of the department with authority over such lands.

(t) “High terrain” means an area having an elevation 900 feet or more above the base of the stack of a source.

(u) "Hydrocarbon combustion flare" means either a flare used to comply with an applicable new source performance standard or maximum achievable control technology standard, including uses of flares during startup, shutdown, or malfunction permitted under such a standard, or a flare that serves to control emissions of waste streams comprised predominately of hydrocarbons and containing not more than 230 milligrams per dry standard cubic meter hydrogen sulfide.

(v) “Indian reservation” means any federally recognized reservation established by treaty, agreement, executive order, or act of congress.

(w) “Indian governing body” means the governing body of any tribe, band, or group of Indians subject to the jurisdiction of the United States and recognized by the United States as possessing power of self-government.

(x) "Innovative control technology" means any system of air pollution control that has not been adequately demonstrated in practice, but may have a substantial likelihood of achieving greater continuous emissions reduction than any control system in current practice or of achieving at least comparable reductions at lower cost in terms of energy, economics, or non-air quality environmental impacts.

(y) "Low terrain" means any area other than high terrain.

(z) "Lowest achievable emission rate" or "LAER", for any source, means the more stringent rate of emissions based on R 336.1112(f).

(aa) "Major modification" means any of the following:

(i) Physical change in or change in the method of operation of a major stationary source that would result in both of the following:

(A) A significant emissions increase of a regulated new source review pollutant.

(B) A significant net emissions increase of that pollutant from the major stationary source.

(ii) A significant emissions increase from any emissions units or net emissions increase at a major stationary source that is significant for volatile organic compounds shall be considered significant for ozone.

(iii) Physical change or change in the method of operation shall not include any of the following:

(A) Routine maintenance, repair, and replacement.

(B) Use of an alternative fuel or raw material by reason of any order under section 2(a) and (b) of the Energy Supply and Environmental Coordination Act of 1974 or by reason of a natural gas curtailment plan under the Federal Power Act.

(C) Use of an alternative fuel by reason of an order or rule under section 125 of the clean air act.

(D) Use of an alternative fuel at a steam generating unit to the extent that the fuel is generated from municipal solid waste.

(E) Use of an alternative fuel or raw material by a stationary source which meets either of the following:

(1) The source was capable of accommodating before January 6, 1975, unless such change would be prohibited under any federally enforceable permit condition which was established after January 6, 1975, under PSD regulations or R 336.1201(1)(a).

(2) The source is approved to use under any permit issued under PSD regulations or under R 336.1201(1)(a).

(F) An increase in the hours of operation or in the production rate, unless the change would be prohibited under any federally enforceable permit condition which was established after January 6, 1975, under PSD regulations or R 336.1201(1)(a).

(G) Any change in ownership at a stationary source.

(H) [Reserved]

(I) The installation, operation, cessation, or removal of a temporary clean coal technology demonstration project, provided that the project complies with both of the following:

(1) The state implementation plan.

(2) Other requirements necessary to attain and maintain the national ambient air quality standards during the project and after the project is terminated.

(J) The installation or operation of a permanent clean coal technology demonstration project that constitutes repowering, provided that the project does not result in an increase in the potential to emit of any regulated pollutant emitted by the unit. This exemption shall apply on a pollutant-by-pollutant basis.

(K) The reactivation of a very clean coal-fired electric utility steam generating unit.

(iv) This definition shall not apply with respect to a particular regulated new source review pollutant when the major stationary source is complying with the requirements for an actuals PAL for that pollutant. Instead, the definition of PAL major modification in R 336.2823 shall apply.

(bb) All of the following apply to major and minor source baseline dates:

(i) "Major source baseline date" means both of the following:

(A) January 6, 1975, for particulate matter and sulfur dioxide.

(B) February 8, 1988, for nitrogen dioxide.

(ii) "Minor source baseline date" means the earliest date after the trigger date on which a major stationary source or a major modification subject to PSD regulations submits a complete application under the relevant regulations. The trigger date is both of the following:

(A) August 7, 1977, for particulate matter and sulfur dioxide.

(B) February 8, 1988, for nitrogen dioxide.

(iii) The baseline date is established for each pollutant for which increments or other equivalent measures have been established if both of the following occur:

(A) The area in which the proposed source or modification would construct is designated as attainment or unclassifiable under section 107(d)(i) (D) or (E) of the clean air act for the pollutant on the date of its complete application under R 336.1201 and PSD regulations.

(B) If a major stationary source, the pollutant would be emitted in significant amounts, or, if a major modification, there would be a significant net emissions increase of the pollutant.

(iv) Any minor source baseline date established originally for the total suspended particulates increments shall remain in effect and shall apply for determining the amount of available PM-10 increments, except that the department may rescind any minor source baseline date where it can be shown, to the satisfaction of the department, that the emissions increase from the major stationary source, or the net emissions increase from the major modification, responsible for triggering that date did not result in a significant amount of PM-10 emissions.

(cc) "Major stationary source" means any of the following:

(i) Any of the following stationary sources of air pollutants which emits, or has the potential to emit, 100 tons per year or more of a regulated new source review pollutant:

(A) Fossil fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input.

(B) Coal cleaning plants with thermal dryers.

(C) Kraft pulp mills.

(D) Portland cement plants.

(E) Primary zinc smelters.

(F) Iron and steel mill plants.
(G) Primary aluminum ore reduction plants.
(H) Primary copper smelters.
(I) Municipal incinerators capable of charging more than 250 tons of refuse per day.
(J) Hydrofluoric, sulfuric, and nitric acid plants.
(K) Petroleum refineries.
(L) Lime plants.
(M) Phosphate rock processing plants.
(N) Coke oven batteries.
(O) Sulfur recovery plants.
(P) Carbon black plants (furnace process).
(Q) Primary lead smelters.
(R) Fuel conversion plants.
(S) Sintering plants.
(T) Secondary metal production plants.
(U) Chemical process plants.
(V) Fossil fuel boilers, or combinations thereof, totaling more than 250 million British thermal units per hour heat input.
(W) Petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels.
(X) Taconite ore processing plants.
(Y) Glass fiber processing plants.
(Z) Charcoal production plants.
(ii) Any stationary source not listed in the previous subdivision which emits, or has the potential to emit, 250 tons per year or more of a regulated new source review pollutant.

(iii) Any physical change that would occur at a stationary source not otherwise qualifying under subdivision (cc) of this subrule, as a major stationary source if the change would constitute a major stationary source by itself.
(iv) A major source that is major for volatile organic compounds shall be considered major for ozone.
(v) The fugitive emissions of a stationary source shall not be included in determining, for any of the purposes of this rule, whether it is a major stationary source, unless the source belongs to 1 of the categories of stationary sources listed is paragraph (i) of this subdivision.

(dd) "Necessary preconstruction approvals or permits" means a permit issued under R 336.1201(1)(a) that is required by R 336.2801 to R 336.2819, R 336.2823, and R 336.2830 or R 336.1220.
(ee) "Net emissions increase" means all of the following:
(i) For any regulated new source review pollutant emitted by a major stationary source, the amount by which the sum of the following exceeds zero:
(A) The increase in emissions from a particular physical change or change in the method of operation at a stationary source as calculated under R 336.2802(4).
(B) Any other increases and decreases in actual emissions at the major stationary source that are contemporaneous with the particular change and are otherwise creditable. Baseline actual emissions for calculating increases and decreases under this paragraph shall

be determined as provided in the definition of baseline actual emissions, except that paragraphs (b)(i)(C) and (b)(ii)(D) of this rule shall not apply.

(ii) An increase or decrease in actual emissions is contemporaneous with the increase from the particular change only if it occurs between the following:

(A) The date 5 years before construction on the particular change commences.

(B) The date that the increase from the particular change occurs.

(iii) An increase or decrease in actual emissions is creditable only if the department has not relied on it in issuing a permit under R 336.1201(1)(a) or R 336.1214a, which permit is in effect when the increase in actual emissions from the particular change occurs.

(iv) An increase or decrease in actual emissions of sulfur dioxide, particulate matter, or oxides of nitrogen that occurs before the applicable minor source baseline date is creditable only if it is required in calculating the amount of maximum allowable increases remaining available.

(v) An increase in actual emissions is creditable only to the extent that the new level of actual emissions exceeds the old level.

(vi) A decrease in actual emissions is creditable only to the extent that it meets all of the following criteria:

(A) The old level of actual emissions or the old level of allowable emissions, whichever is lower, exceeds the new level of actual emissions.

(B) It is enforceable as a practical matter at and after the time that actual construction on the particular change begins.

(C) It has approximately the same qualitative significance for public health and welfare as that attributed to the increase from the particular change.

(vii) An increase that results from a physical change at a source occurs when the emissions unit on which construction occurred becomes operational and begins to emit a particular pollutant. A replacement unit that requires shakedown becomes operational only after a reasonable shakedown period, not to exceed 180 days.

(viii) The definition of actual emissions in R 336.1101(b) shall not apply for determining creditable increases and decreases after a change, instead the definitions of the terms “projected actual emissions” and “baseline emissions” shall be used.

(ff) [Reserved]

(gg) “Pollution prevention” means any activity that through process changes, product reformulation or redesign, or substitution of less polluting raw materials, eliminates or reduces the release of air pollutants, including fugitive emissions, and other pollutants to the environment before recycling, treatment, or disposal. Pollution prevention does not mean recycling, other than certain "in-process recycling" practices, energy recovery, treatment, or disposal.

(hh) “Potential to emit” means the maximum capacity of a stationary source to emit a pollutant under its physical and operational design. A physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation or the effect it would have on emissions is legally enforceable and enforceable as a practical matter by the state, local air pollution control agency, or United States environmental protection agency. Secondary

emissions do not count in determining the potential to emit of a stationary source.

(ii) "Predictive emissions monitoring system" or "PEMS" means all of the equipment necessary to monitor process and control device operational parameters (for example, control device secondary voltages and electric currents) and other information (for example, gas flow rate, oxygen or carbon dioxide concentrations), and calculate and record the mass emissions rate (for example, pounds per hour) on a continuous basis.

(jj) "Prevention of significant deterioration" or "PSD" program means the major source preconstruction permit program required by 40 C.F.R. §52.21, adopted by reference in R 336.2801a, or R 336.2801 to R 336.2819, R 336.2823 and R 336.2830. A permit issued under this program is a major NSR permit.

(kk) "Project" means a physical change in, or change in method of operation of, an existing major stationary source.

(ll) "Projected actual emissions" means all of the following:

(i) The maximum annual rate, in tons per year, at which an existing emissions unit is projected to emit a regulated new source review pollutant in any 1 of the 5 years (12-month period) following the date the unit resumes regular operation after the project, or in any 1 of the 10 years following that date, if the project involves increasing the emissions unit's design capacity or its potential to emit that regulated new source review pollutant, and full utilization of the unit would result in a significant emissions increase, or a significant net emissions increase at the major stationary source.

(ii) In determining the projected actual emissions, before beginning actual construction, the owner or operator of the major stationary source shall do all of the following:

(A) Consider all relevant information, including but not limited to, historical operational data, the company's own representations, the company's expected business activity and the company's highest projections of business activity, the company's filings with the state or federal regulatory authorities, and compliance plans under the state implementation plan.

(B) Include fugitive emissions to the extent quantifiable and emissions associated with startups, shutdowns, and malfunctions.

(C) Exclude, in calculating any increase in emissions that results from the particular project, that portion of the unit's emissions following the project that an existing unit could have accommodated during the consecutive 24-month period used to establish the baseline actual emissions and that are also unrelated to the particular project, including any increased utilization due to product demand growth.

(iii) The owner or operator of a major stationary source may use the emissions unit's potential to emit, in tons per year, instead of calculating projected actual emissions.

(mm) "Reactivation of a very clean coal-fired electric utility steam generating unit" means any physical change or change in the method of operation associated with the commencement of commercial operations by a coal-fired utility unit after a period of discontinued operation where the unit meets all of the following criteria:

(i) The unit was not in operation for the 2-year period before the enactment of the clean air act amendments of 1990, and the emissions from the unit continue to be carried in the department's emissions inventory at the time of enactment.

(ii) The unit was equipped before shutdown with a continuous system of emissions

control that achieves a removal efficiency for sulfur dioxide of not less than 85% and a removal efficiency for particulates of not less than 98%.

(iii) The unit was equipped with low-oxides of nitrogen burners before the time of commencement of operations following reactivation.

(iv) The unit otherwise complies with the requirements of the clean air act.

(nn) "Regulated new source review pollutant," for purposes of this rule, means all of the following:

(i) A pollutant for which a national ambient air quality standard has been promulgated and any constituents or precursors for the pollutants identified by the United States environmental protection agency. For example, volatile organic compounds are precursors for ozone.

(ii) A pollutant that is subject to any standard promulgated under section 111 of the clean air act.

(iii) A class I or II substance subject to a standard promulgated under or established by title VI of the clean air act.

(iv) A pollutant that otherwise is subject to regulation under the clean air act; except that any or all hazardous air pollutants either listed in section 112 of the clean air act or added to the list under section 112(b)(2) of the clean air act, which have not been delisted under section 112(b)(3) of the clean air act, are not regulated new source review pollutants unless the listed hazardous air pollutant is also regulated as a constituent or precursor of a general pollutant listed under section 108 of the clean air act.

(oo) "Repowering" means all of the following:

(i) Replacement of an existing coal-fired boiler with 1 of the following clean coal technologies:

(A) Atmospheric or pressurized fluidized bed combustion.

(B) Integrated gasification combined cycle.

(C) Magneto hydrodynamics.

(D) Direct and indirect coal-fired turbines.

(E) Integrated gasification fuel cells.

(F) A derivative of 1 or more of these technologies, and any other technology capable of controlling multiple combustion emissions simultaneously with improved boiler or generation efficiency and with significantly greater waste reduction relative to the performance of technology in widespread commercial use as of November 15, 1990, as determined by the United States environmental protection agency, in consultation with the Secretary of Energy.

(ii) Repowering shall also include any oil and/or gas-fired unit which has been awarded clean coal technology demonstration funding as of January 1, 1991, by the United States Department of Energy.

(iii) The department shall give expedited consideration to permit applications for any source that satisfies the definition of repowering and is granted an extension under section 409 of the clean air act.

(pp) "Secondary emissions" means emissions which occur as a result of the construction or operation of a major stationary source or major modification, but do not come from the major

stationary source or major modification itself. For this rule, secondary emissions shall be specific, well defined, quantifiable, and impact the same general areas the stationary source modification which causes the secondary emissions. Secondary emissions include emissions from any offsite support facility which would not be constructed or increase its emissions except as a result of the construction or operation of the major stationary source or major modification. Secondary emissions do not include any emissions which come directly from a mobile source, such as emissions from the tailpipe of a motor vehicle, from a train, or from a vessel.

(qq) "Significant" means:

(i) In reference to a net emissions increase or the potential of a source to emit any of the following pollutants, a rate of emissions that would equal or exceed any of the following pollutant emission rates:

(A) Carbon monoxide: 100 tons per year.

(B) Oxides of nitrogen: 40 tons per year.

(C) Sulfur dioxide: 40 tons per year.

(D) Particulate matter: 25 tons per year of particulate matter emissions; 15 tons per year of PM-10 emissions; 10 tons per year of PM 2.5 emissions.

(E) Ozone: 40 tons per year of volatile organic compounds.

(F) Lead: 0.6 tons per year.

(G) Fluorides: 3 tons per year.

(H) Sulfuric acid mist: 7 tons per year.

(I) Hydrogen sulfide: 10 tons per year.

(J) Total reduced sulfur, including hydrogen sulfide: 10 tons per year.

(K) Reduced sulfur compounds, including hydrogen sulfide: 10 tons per year.

(L) Municipal waste combustor organics, measured as total tetra- through octa-chlorinated dibenzo-p-dioxins and dibenzofurans: 3.2×10^{-6} megagrams per year or 3.5×10^{-6} tons per year.

(M) Municipal waste combustor metals, measured as particulate matter: 14 megagrams per year or 15 tons per year.

(N) Municipal waste combustor acid gases, measured as sulfur dioxide and hydrogen chloride: 36 megagrams per year or 40 tons per year.

(O) Municipal solid waste landfill emissions, measured as nonmethane organic compounds: 45 megagrams per year or 50 tons per year.

(ii) In reference to a net emissions increase or the potential of a source to emit a regulated new source review pollutant not listed in this definition, any emissions rate.

(iii) Any emissions rate or any net emissions increase associated with a major stationary source or major modification, which would construct within 10 kilometers of a class I area, and have an impact on such area equal to or greater than 1 microgram per cubic meter (24-hour average).

(rr) "Significant emissions increase" means, for a regulated new source review pollutant, an increase in emissions that is significant for that pollutant.

(ss) "Stationary source" means any building, structure, facility, or installation which emits or may emit a regulated new source review pollutant.

(tt) "Temporary clean coal technology demonstration project" means a clean coal technology demonstration project that is operated for a period of 5 years or less, and which

complies with the state implementation plan and other requirements necessary to attain and maintain the national ambient air quality standards during and after the project is terminated.

History: 2006 MR 23, Eff. Dec 4, 2006; 2008 MR 8, Eff. June 30, 2011.

R 336.2801a Adoption by reference.

Rule 1801a. For the purpose of clarifying the definitions in these rules, the following documents are adopted by reference in these rules:

(a) Copies of the folllowing documents are available for inspection and purchase at the Air Quality Division, Department of Environmental Quality, 525 West Allegan Street, P.O. Box 30260, Lansing, Michigan 48909-7760, at a cost as of the time of adoption of these rules:

(i) Title 40 C.F.R., part 51, appendix S, section IV, "Sources That Would Locate in a Designated Nonattainment Area," (2005), $55.00.

(ii) Title 40 C.F.R., §52.21, "Prevention of Significant Deterioration of Air Quality," (2005), $70.00.

(iii) Title 40 C.F.R., part 58, appendix B, "Quality Assurance Requirements for Prevention of Significant Deterioration (PSD) Air Monitoring," (2005), $41.00.

(iv) Title 40 C.F.R., part 60, "Standards of performance for new stationary sources," (2005), $68.00 for 60.1-end and $67.00 for the appendices.

(v) Title 40 C.F.R., part 61, "National emission standards for hazardous air pollutants," (2005), $55.00.

(vi) Title 40 C.F.R., part 63, "National emission standards for hazardous air pollutants for source categories," (2005), $68.00 for 63.1-63.599, $60.00 for 63.600-63.1199, $60.00 for 63.1200-63.1439, $42.00 for 63.1440-63.6175, $42.00 for 63.6580-63.8830, and $45.00 for 63.8980-end.

(b) Copies of the following documents may be obtained from the Superintendent of Documents, Government Printing Office, P.O. Box 371954, Pittsburgh, Pennsylvania, 15250-7954, at a cost as of the time of adoption of these rules, or on the United States government printing office internet web site at http://www.access.gpo.gov:

(i) Title 40 C.F.R., part 51, appendix S, section IV, "Sources That Would Locate in a Designated Nonattainment Area," (2005), $45.00.

(ii) Title 40 C.F.R., §52.21, "Prevention of Significant Deterioration of Air Quality," (2005), $60.00.

(iii) Title 40 C.F.R., part 58, appendix B, "Quality Assurance Requirements for Prevention of Significant Deterioration (PSD) Air Monitoring," (2005), $31.00.

(iv) Title 40 C.F.R., part 60, "Standards of performance for new stationary sources," (2005), $58.00 for 60.1-end and $57.00 for the appendices.

(v) Title 40 C.F.R., part 61, "National emission standards for hazardous air pollutants," (2005), $45.00.

(vi) Title 40 C.F.R., part 63, "National emission standards for hazardous air pollutants for source categories," (2005), $58.00 for 63.1-63.599, $50.00 for 63.600-63.1199, $50.00 for 63.1200-63.1439, $32.00 for 63.1440-63.6175, $32.00 for 63.6580-63.8830, and $35.00 for 63.8980-end.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2802 Applicability.

Rule 1802. (1) This part applies to the construction of a new major stationary source or a project at an existing major stationary source in an area designated as attainment or unclassifiable under sections 107(d)(1)(A)(ii) or (iii) of the clean air act.

(2) The requirements of R 336.2810 to R 336.2818 apply to the construction of any new major stationary source or the major modification of any existing major stationary source, except as this rule otherwise provides.

(3) No new major stationary source or major modification to which R 336.2810 to R 336.2818(2) apply shall begin actual construction without a permit to install issued under R 336.1201(1)(a) that states that the major stationary source or major modification will meet those requirements.

(4) This part applies to the construction of new major sources and major modifications to existing major sources in the following manner:

(a) Except as otherwise provided in subrule (5) of this rule, and consistent with the definition of major modification, a project is a major modification for a regulated new source review pollutant if it causes both of the following types of emissions increases:

(i) A significant emissions increase.

(ii) A significant net emissions increase.

The project is not a major modification if it does not cause a significant emissions increase. If the project causes a significant emissions increase, then the project is a major modification only if it also results in a significant net emissions increase.

(b) The procedure for calculating whether a significant emissions increase will occur depends upon the type of emissions units being modified. The procedure for calculating, before beginning actual construction, whether a significant net emissions increase will occur at the major stationary source is contained in the definition of net emissions increase. Regardless of preconstruction projections, a major modification results if the project causes a significant emissions increase and a significant net emissions increase.

(c) The actual-to-projected-actual applicability test may be used for projects that only involve existing emissions units. A significant emissions increase of a regulated new source review pollutant is projected to occur if the sum of the difference between the projected actual emissions and the baseline actual emissions for each existing emissions unit, equals or exceeds the significant amount for that pollutant.

(d) The actual-to-potential test may be used for projects that involve construction of new emission units or modification of existing emission units. A significant emissions increase of a regulated new source review pollutant is projected to occur if the sum of the

difference between the potential to emit from each new or modified emission unit following completion of the project and the baseline actual emissions of these units before the project equals or exceeds the significant amount for that pollutant.

(e) The hybrid test may be used for projects that involve multiple types of emissions units. A significant emissions increase of a regulated new source review pollutant is projected to occur if the sum of the emissions increases for each emissions unit, using the appropriate methods specified in this subrule as applicable with respect to each emissions unit, for each type of emissions unit equals or exceeds the significant amount for that pollutant.

(5) For any major stationary source with a plantwide applicability limit for a regulated new source review pollutant, the major stationary source shall comply with R 336.2823.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2803 Ambient air increments

Rule 1803. In areas designated as class I, II, or III, increases in pollutant concentration over the baseline concentration shall be limited to all of the following:

Table 182
Ambient air increments

Pollutant	Maximum allowable increase (micrograms per cubic meter)
CLASS I	
1-1 Particulate matter	
PM-10, annual arithmetic mean	4
PM-10, 24-hour maximum	8
Sulfur dioxide:	
Annual arithmetic mean	2
24-hour maximum	5
3-hour maximum	25
Nitrogen dioxide:	
Annual arithmetic mean	2.5
CLASS II	
Particulate matter:	
PM-10, annual arithmetic mean	17
PM-10, 24-hour maximum	30
Sulfur dioxide:	
Annual arithmetic mean	20
24-hour maximum	91
3-hour maximum	512
Nitrogen dioxide:	
Annual arithmetic mean	25
CLASS III	

Pollutant	Maximum allowable increase (micrograms per cubic meter)
CLASS I	
Particulate matter:	
PM-10, annual arithmetic mean	34
PM-10, 24-hour maximum	60
Sulfur dioxide:	
Annual arithmetic mean	40
24-hour maximum	182
3-hour maximum	700
Nitrogen dioxide:	
Annual arithmetic mean	50

For any period other than an annual period, the applicable maximum allowable increase may be exceeded during 1 period per year at any 1 location.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2804 Ambient air ceilings.

Rule 1804. The concentration of a pollutant shall not exceed either of the following:

(a) The concentration permitted under the national secondary ambient air quality standard.

(b) The concentration permitted under the national primary ambient air quality standard, whichever concentration is lowest for the pollutant for a period of exposure.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2805 Restrictions on area classifications.

Rule 1805. (1) All of the following areas in existence on August 7, 1977, shall be class I areas and shall not be redesignated:

(a) International parks.

(b) National wilderness areas which exceed 5,000 acres in size, including Seney National Wildlife Refuge.

(c) National memorial parks which exceed 5,000 acres in size.

(d) National parks which exceed 6,000 acres in size, including Isle Royale National Park.

(2) Areas which were redesignated as class I under federal regulations promulgated before August 7, 1977, shall remain class I, but may be redesignated as provided in this rule.

(3) Any other area, unless otherwise specified in the legislation creating such an area, is initially designated class II, but may be redesignated as provided in this rule.

(4) Both of the following areas may be redesignated only as class I or II:

(a) An area which as of August 7, 1977, exceeded 10,000 acres in size and was a national monument, a national primitive area, a national preserve, a national recreational area, a national wild and scenic river, a national wildlife refuge, a national lakeshore or seashore.

(b) A national park or national wilderness area established after August 7, 1977, which exceeds 10,000 acres in size.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2806 Exclusions from increment consumption.

Rule 1806. (1) The following concentrations shall be excluded in determining compliance with a maximum allowable increase:

(a) Concentrations attributable to the increase in emissions from stationary sources which have converted from the use of petroleum products, natural gas, or both, by reason of an order in effect under section 2 (a) and (b) of the Energy Supply and Environmental Coordination Act of 1974 over the emissions from the identical sources before the effective date of the order.

(b) Concentrations attributable to the increase in emissions from sources which have converted from using natural gas by reason of natural gas curtailment plan in effect under the Federal Power Act over the emissions from sources before the effective date of the plan.

(c) Concentrations of particulate matter attributable to the increase in emissions from construction or other temporary emission-related activities of new or modified sources.

(d) The increase in concentrations attributable to new sources outside the United States over the concentrations attributable to existing sources which are included in the baseline concentration.

(e) Concentrations attributable to the temporary increase in emissions of sulfur dioxide, particulate matter, or oxides of nitrogen from stationary sources which are affected by plan revisions approved by the United States environmental protection agency.

(2) An exclusion of concentrations shall not apply more than 5 years after the effective date of the order to which subrule (1)(a) of this rule refers or the plan to which subrule (1)(b) of this rule refers, whichever is applicable. If both the order and plan are applicable, then the exclusion shall not apply more than 5 years after the later of such effective dates.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2807 Redesignation.

Rule 1807. (1) All areas of the state, except those designated as class I pursuant to R 336.2805 are designated as class II. Redesignation, except as otherwise precluded by R 336.2805, may be proposed by the department, as provided in subrule (2) of this rule, subject to approval by the United States environmental protection agency as a revision to the state implementation plan.

(2) The department may submit to the United States environmental protection agency a proposal to redesignate areas of the state class I or class II, based on all of the following:

(a) At least 1 public hearing has been held under MCL 324.5511.

(b) Other states, Indian governing bodies, and federal land managers whose lands may be affected by the proposed redesignation were notified at least 30 days before the public hearing.

(c) A discussion of the reasons for the proposed redesignation, including a satisfactory description and analysis of the health, environmental, economic, social, and energy effects of the proposed redesignation, was prepared and made available for public inspection at least 30 days before the hearing and the notice announcing the hearing contained appropriate notification of the availability of such discussion.

(d) Before the issuance of notice respecting the redesignation of an area that includes any federal lands, the department has provided written notice to the appropriate federal land manager and afforded adequate opportunity, not more than 60 days, to confer with the department respecting the redesignation and to submit written comments and recommendations. In redesignating an area with respect to which a federal land manager had submitted written comments and recommendations, the department shall have published a list of any inconsistency between the redesignation and comments and recommendations, together with the reasons for making the redesignation against the recommendation of the federal land manager.

(e) The department has proposed the redesignation after consultation with the elected leadership of local and other substate general purpose governments in the area covered by the proposed redesignation.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2808 Stack heights.

Rule 1808. The degree of emission limitation required for control of any air pollutant under this rule shall not be affected in any manner by either of the following:

(a) So much of a stack height, not in existence before December 31, 1970, as exceeds good engineering practice.

(b) Any other dispersion technique not implemented before December 31, 1970.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2809 Exemptions.

Rule 1809. (1) The requirements of R 336.2810 to R 336.2818 do not apply to a particular major stationary source or major modification if either of the following occurs:

(a) The major stationary source would be a nonprofit health or nonprofit educational institution or a major modification that would occur at such an institution.

(b) The source or modification would be a major stationary source or major modification only if fugitive emissions, to the extent quantifiable, are considered in

calculating the potential to emit of the stationary source or modification and the source is not required to include fugitives in its potential to emit under R 336.2801(cc)(v).

(c) The source or modification is a portable stationary source which has previously received a permit under R 336.2810 to R 336.2818, if all of the following occur:

(i) The source proposes to relocate and emissions of the source at the new location would be temporary.

(ii) The emissions from the source would not exceed its allowable emissions.

(iii) The emissions from the source would not impact a class I area or an area where an applicable increment is known to be violated.

(iv) Reasonable notice is given to the department before the relocation identifying the proposed new location and the probable duration of operation at the new location. Notice shall be given to the department not less than 10 days in advance of the proposed relocation unless a different time duration is previously approved by the department.

(2) The requirements of R 336.2810 to R 336.2818 do not apply to a major stationary source or major modification with respect to a particular pollutant if the owner or operator demonstrates that, as to that pollutant, the source or modification is subject to new source review for major sources in nonattainment areas regulations.

(3) The requirements of R 336.2811, R 336.2813, and R 336.2815 do not apply to a proposed major stationary source or major modification with respect to a particular pollutant, if the allowable emissions of that pollutant from a new source, or the net emissions increase of that pollutant from a modification, would be temporary and would not impact a class I area or an area where an applicable increment is known to be violated.

(4) The requirements of R 336.2811, R 336.2813, and R 336.2815, as they relate to any maximum allowable increase for a class II area, do not apply to a modification of a major stationary source that was in existence on March 1, 1978, if the net increase in allowable emissions of each regulated new source review pollutant from the modification after the application of best available control technology would be less than 50 tons per year.

(5) The department may exempt a proposed major stationary source or major modification from R 336.2813, with respect to monitoring for a particular pollutant, if any of the following occur:

(a) The emissions increase of the pollutant from a new stationary source or the net emissions increase of the pollutant from a modification would cause, in any area, air quality impacts less than the following amounts:

(i) Carbon monoxide -- 575 micrograms per cubic meter, 8-hour average.

(ii) Nitrogen dioxide -- 14 micrograms per cubic meter, annual average.

(iii) Particulate matter -- 10 micrograms per cubic meter of PM-10, 24-hour average.

(iv) Sulfur dioxide -- 13 micrograms per cubic meter, 24-hour average.

(v) Ozone – There is no de minimis air quality level for ozone. However, any net increase of 100 tons per year or more of volatile organic compounds subject to PSD would be required to perform an ambient impact analysis, including the gathering of ambient air quality data.

(vi) Lead -- 0.1 micrograms per cubic meter, 3-month average.

(vii) Fluorides -- 0.25 micrograms per cubic meter, 24-hour average.

(viii) Total reduced sulfur -- 10 micrograms per cubic meter, 1-hour average.

(ix) Hydrogen sulfide -- 0.2 micrograms per cubic meter, 1-hour average.

(x) Reduced sulfur compounds -- 10 micrograms per cubic meter, 1-hour average.

(b) The concentrations of the pollutant in the area that the source or modification would affect are less than the concentrations listed in subdivision (a) of this subrule.

(c) The pollutant is not listed in subdivision (a) of this subrule.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2810 Control technology review.

Rule 1810. (1) A major stationary source or major modification shall meet each applicable emissions limitation under the state implementation plan and each applicable emission standards and standard of performance under 40 C.F.R. parts 60 and 61, adopted by reference in R 336.2801a.

(2) A new major stationary source shall apply best available control technology for each regulated new source review pollutant that it would have the potential to emit in significant amounts.

(3) A major modification shall apply best available control technology for each regulated new source review pollutant for which it would be a significant net emissions increase at the source. This subrule applies to each proposed emissions unit at which a net emissions increase in the pollutant would occur as a result of a physical change or change in the method of operation in the unit.

(4) For phased construction projects, the determination of best available control technology shall be reviewed and modified as appropriate at the latest reasonable time which occurs not later than 18 months before commencement of construction of each independent phase of the project. At such time, the owner or operator of the applicable stationary source may be required to demonstrate the adequacy of any previous determination of best available control technology for the source.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2811 Source impact analysis.

Rule 1811. The owner or operator of the proposed major source or major modification shall demonstrate that allowable emission increases from the proposed major source or major modification, in conjunction with all other applicable emissions increases or reduction,

including secondary emissions, shall not cause or contribute to air pollution in violation of either of the following:

(a) Any national ambient air quality standard in any air quality control region.

(b) Any applicable maximum allowable increase over the baseline concentration in any area.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2812 Air quality models.

Rule 1812. (1) All applications of air quality modeling involved in R 336.2801 to R 336.2819, R 336.2823, and R 336.2830 shall use the methods specified in R 336.1240.

(2) If an air quality model specified in R 336.1240 is inappropriate, then the model may only be modified or another model substituted with the written approval of the United States environmental protection agency. In addition, use of a modified or substituted model shall be subject to the notice and opportunity for public comment in R 336.2817.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2813 Air quality analysis.

Rule 1813. (1) Preapplication analysis includes all of the following:

(a) Any application for a permit under this rule shall contain an analysis of ambient air quality in the area that the major stationary source or major modification would affect for each of the following pollutants:

(i) For the major source, each pollutant that it would have the potential to emit in a significant amount.

(ii) For the modification, each pollutant for which it would result in a significant net emissions increase.

(b) For a pollutant for which a national ambient air quality standard does not exist, the analysis shall contain air quality monitoring data required by the department to assess ambient air quality for that pollutant in any area that the emissions of that pollutant would affect.

(c) For a pollutant, other than nonmethane hydrocarbons, for which such a standard does exist, the analysis shall contain continuous air quality monitoring data gathered for determining whether emissions of that pollutant would cause or contribute to a violation of the standard or any maxiumum allowable increase.

(d) The continuous air monitoring data that is required shall have been gathered over a period of 1 year and shall represent the year preceding receipt of the application, except that, if the department determines that a complete and adequate analysis may be accomplished with monitoring data gathered over a period less than 1 year, but not less than 4 months, the data that is required shall have been gathered over at least that shorter period.

(e) The owner or operator of a proposed major stationary source or major modification of volatile organic compounds who satisfies all conditions of 40 C.F.R. part 51, appendix S, section IV, may provide post-approval monitoring data for ozone instead of providing preconstruction data as otherwise required by this rule. The provisions of 40 C.F.R., part 51, appendix S, section IV, are adopted by referece in R 336.2801a.

(2) For post-construction monitoring, the owner or operator of a major stationary source or major modification shall, after construction of the major stationary source or major modification, conduct such ambient monitoring as the department requires to determine the effect emissions from the major stationary source or major modification may have, or are having, on air quality in any area.

(3) For operation of monitoring stations, the owner or operator of a major stationary source or major modification shall meet the requirements of 40 C.F.R. part 58, appendix B, during the operation of monitoring stations for purposes of satisfying this rule. The provisions of 40 C.F.R., part 58, appendix B, are adopted by reference in R 336.2801a.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2814 Source information.

Rule 1814. (1) The owner or operator of a proposed major source or major modification shall submit all information necessary to perform an analysis or make a determination required under this rule.

(2) Information shall include all of the following:

(a) A description of the nature, location, design capacity, and typical operating schedule of the major source or major modification, including specifications and drawings showing its design and plant layout.

(b) A detailed schedule for construction of the major source or major modification.

(c) A detailed description as to what system of continuous emission reduction is planned by the major source or major modification, emission estimates, and any other information to determine that best available control technology, as applicable, would be applied.

(3) Upon request of the department, the owner or operator shall provide information on both of the following:

(a) The air quality impact of the major source or major modification, including meteorological and topographical data necessary to estimate impact.

(b) The air quality impacts and the nature and extent of any or all general commercial, residential, industrial, and other growth which has occurred since August 7, 1977, in the area the major source or major modification would affect.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2815 Additional impact analyses.

Rule 1815. (1) The owner or operator shall provide an analysis of the impairment to visibility, soils, and vegetation that would occur as a result of the major source or major modification and general commercial, residential, industrial, and other growth associated with the major source or major modification. The owner or operator need not provide an analysis of the impact on vegetation having no significant commercial or recreational value.

(2) The owner or operator shall provide an analysis of the air quality impact projected for the area as a result of general commercial, residential, industrial, and other growth associated with the major source or major modification.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2816 Sources impacting federal class I areas; additional requirements.

Rule 1816. (1) The department shall transmit to the United States environmental protection agency a copy of each permit application relating to a major stationary source or major modification and provide notice to the United States environmental protection agency of every action related to the consideration of the permit.

(2) If an applicant submits a permit application to the department for a the proposed major stationary source or major modification that affects a federal class I area, the applicant must submit to the department and the federal land manager charged with direct responsibility for management of class I lands a demonstration of the impact the emissions from the proposed source or modification would have on the air quality related values of class I lands, including visibility. The department shall be available to consult with and provide additional information to the federal land manager during the federal land manager's review of the demonstration submitted by the applicant, if necessary, to complete the review of the demonstration.

(3) the department shall not approve the permit application If the federal land manager's review of the applicant's demonstration results in a finding that the emissions from the proposed major source or major modification would have an adverse impact on the air quality related values of class I lands, including visibility, notwithstanding that the change in air quality resulting from emissions from a major source or major modification would not cause or contribute to concentrations that would exceed the maximum allowable increases for a class I area, and if the department concurs with such finding, then the department shall not approve the permit application.

(4) If the department determines that the emissions from a proposed major source or major modification would cause or contribute to concentrations which would exceed the maximum allowable increases for a class I area, the department shall not approve a permit application unless the applicable requirements of Michigan's state implementation plan are otherwise met and 1 of the following occurs:

(a) The applicant submits a written certification that the applicant has demonstrated to the federal land manager that the emissions from the proposed major source or major modification would have no adverse impact on the air quality related values of class I lands, including visibility, notwithstanding that the change in air quality resulting from emissions

from a major source or major modification would cause or contribute to concentrations that would exceed the maximum allowable increases for a class I area. The department may then, provided that applicable requirements are otherwise met, issue the permit with emission limitations to assure that emissions of sulfur dioxide, particulate matter, and oxides of nitrogen would not exceed the following maximum allowable increases over minor source baseline concentration for the pollutants:

Table 183

Maximum allowable increases over minor source baseline concentrations

Pollutant	Maximum allowable increase (micrograms per cubic meter)
Particulate matter:	
PM-10, annual arithmetic mean	17
PM-10, 24-hour maximum	30
Sulfur dioxide:	
Annual arithmetic mean	20
24-hour maximum	91
3-hour maximum	325
Nitrogen dioxide:	
Annual arithmetic mean	25

(b) If the department cannot approve the permit application under R 336.2816(4)(a) due to sulfur dioxide emissions resulting in increases greater than those specified in Table 183 for periods of 24 hours or less, the applicant may obtain approval by providing a written certification that the applicant has demonstrated to the federal land manager that the emissions from the proposed major source or major modification would have no adverse impact on the air quality related values of class I lands, including visibility, and that both the governor and the federal land manager have granted a sulfur dioxide variance for the federal class I area on which variance the public has received notice and opportunity for public hearing.

(c) If the department cannot approve the permit application under R 336.2816(4)(a) due to sulfur dioxide emissions resulting in increases greater than those specified in Table 183 for periods of 24 hours or less, and the department cannot approve the permit application under R 336.2816(4)(b) because the federal land manager does not concur with the governor's issuance of a sulfur dioxide variance that is otherwise consistent with R 336.2816(4)(b), the applicant may obtain approval by providing a written certification that the applicant has demonstrated to the president that a sulfur dioxide variance is in the national interest and the president concurs with the issuance of the sulfur dioxide variance by the governor. The applicant shall transfer the recommendations of the governor and the federal land manager to the president in any case where the governor recommends a variance in which the federal land manager does not concur.

(5) The department will not issue a permit affecting a class I area in which a sulfur dioxide variance was granted under R 336.2816(4)(b) or (c), unless the permit includes emission limitations necessary to assure that emissions of sulfur dioxide from the major source or

major modification would not, during any day on which the otherwise applicable maximum allowable increases are exceeded, cause or contribute to concentrations which would exceed the following maximum allowable increases over the baseline concentration and to assure that emissions would not cause or contribute to concentrations which exceed the otherwise applicable maximum allowable increases for periods of exposure of 24 hours or less for more than 18 days, not necessarily consecutive, during any annual period.

Table 184
Maximum allowable sulfur dioxide increments

Period of exposure	Maximum allowable increase (micrograms per cubic meter)	
	Terrain areas	
	Low	High
24-hour maximum	36	62
3-hour maximum	130	221

History: 2006 MR 23, Eff. December 4, 2006; 2008 MR 8, Eff. September 11, 2008.

R 336.2817 Public participation.

Rule 1817. (1) The department shall notify all applicants within a specified time period as to the completeness of the application or any deficiency in the application or information submitted. If there is a deficiency, then the date of receipt of the application shall be the date on which the department received all required information.

(2) Within 120 days after receipt of a technically complete application, the department shall do all of the following:

(a) Make a preliminary determination whether construction should be approved, approved with conditions, or disapproved.

(b) Make available in at least 1 location in each region in which the proposed major source would be constructed a copy of all materials the applicant submitted, a copy of the preliminary determination, and a copy or summary of other materials, if any, considered in making the preliminary determination.

(c) Notify the public, by advertisement in a newspaper of general circulation in each region in which the proposed major source would be constructed, of the application, the preliminary determination, the degree of increment consumption that is expected from the major source or major modification, and of the opportunity for comment at a public hearing as well as written public comment.

(d) Send a copy of the notice of public comment to the applicant, to the United States environmental protection agency, and to officials and agencies having cognizance over the location where the proposed construction would occur. The notice shall also be sent to any other state or local air pollution control agencies; the chief executives of the city and county where the major source would be located; any comprehensive regional land use

planning agency; and any state, federal land manager, or Indian governing body whose lands may be affected by emissions from the major source or major modification.

(e) Provide opportunity for a public hearing for interested persons to appear and submit written or oral comments on the air quality impact of the major source, alternatives to it, the control technology required, and other appropriate considerations.

(f) Consider all written comments submitted within a time specified in the notice of public comment and all comments received at any public hearing in making a final decision on the approvability of the application. The department shall make all comments available for public inspection in the same locations where the department made available preconstruction information relating to the proposed major source or major modification.

(g) Make a final determination whether construction should be approved, approved with conditions, or disapproved.

(h) Notify the applicant in writing of the final determination and make the notification available for public inspection at the same location where the department made available preconstruction information and public comments relating to the major source.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2818 Source obligation.

Rule 1818. (1) Approval to construct shall not relieve an owner or operator of the responsibility to comply fully with applicable provisions of the state implementation plan and any other requirements under local, state, or federal law.

(2) If a particular major source or major modification becomes a major stationary source or major modification solely by virtue of a relaxation in any enforceable limitation which was established after August 7, 1980, on the capacity of the major source or major modification otherwise to emit a pollutant, such as a restriction on hours of operation, then the requirements of R 336.2810 to R 336.2819 shall apply to the major source or major modification as though construction had not yet commenced on the major source or major modification.

(3) All of the following provisions apply to any regulated new source review pollutant emitted from projects at existing emissions units at a major stationary source, other than projects at a major source with a plantwide applicability limit, where there is a reasonable possibility, as defined in R 336.2818(3)(f), that a project that is not a part of a major modification may result in a significant emissions increase of such pollutant, and the owner or operator elects to use the method specified in R 336.2801(ll)(ii)(A) to (C) for calculating projected actual emissions:

(a) Before beginning actual construction of the project, the owner or operator shall document and maintain a record of all of the following information:

(i) A description of the project.

(ii) Identification of the emissions unit or units whose emissions of a regulated new major source review pollutant may be affected by the project.

(iii) A description of the applicability test used to determine that the project is not a major modification for any regulated new source review pollutant, including the baseline actual emissions, the projected actual emissions, the amount of emissions excluded under R 336.2801(ll)(ii)(C) and an explanation for why such amount was excluded, and any netting calculations, if applicable.

(b) If the emissions unit is an existing electric utility steam generating unit, then before beginning actual construction, the owner or operator shall provide a copy of the information required by subdivision (a) of this subrule to the department. This subdivision does not require the owner or operator of the unit to obtain any determination from the department before beginning actual construction.

(c) The owner or operator shall monitor the emissions of a regulated new source review pollutant that could increase as a result of the project and that is emitted by any emissions unit identified in subdivision (a)(ii) of this subrule; and calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of 5 years following resumption of regular operations after the change, or for a period of 10 years following resumption of regular operations after the change if the project increases the design capacity or potential to emit of that regulated new major source review pollutant at the emissions unit.

(d) If the unit is an existing electric utility steam generating unit, then the owner or operator shall submit a report to the department within 60 days after the end of each year during which records are generated under subdivision (c) of this subrule setting out the unit's annual emissions during the calendar year before submission of the report.

(e) If the unit is an existing unit other than an electric utility steam generating unit, then the owner or operator shall submit a report to the department if the annual emissions, in tons per year, from the project exceed the baseline actual emissions by a significant amount for that regulated new source review pollutant, and if such emissions differ from the preconstruction projection. The owner or operator shall submit the report to the department within 60 days after the end of such year. The report shall contain all of the following:

(i) The name, address, and telephone number of the major stationary source.

(ii) The annual emissions as calculated under subdivision (c) of this subrule.

(iii) Any other information that the owner or operator wishes to include in the report; for example, an explanation as to why the emissions differ from the preconstruction projection.

(f) A reasonable possibility occurs when the owner or operator calculates the project to result in either of the following:

(i) A projected actual emissions increase of at least 50% of the amount that is a significant emissions increase, as defined in R 336.2801(rr), without reference to the amount that is a significant net emissions increase for the regulated new source review pollutant.

(ii) A projected actual emissions increase that, added to the amount of emissions excluded under R 336.2801(ll)(ii)(C), sums to at least 50% of the amount that is a

significant emissions increase, as defined in R 336.2801(rr), without reference to the amount that is a significant net emissions increase for the regulated new source review pollutant. For a project for which a reasonable possibility occurs only within the meaning of R 336.2818(3)(f)(ii), and not also within the meaning of R 336.2818(3)(f)(i), then the provisions of R 336.2818(3)(b) to (e) do not apply to the project.

(4) The owner or operator of the major source shall make the information required to be documented and maintained under this rule available for review upon request for inspection by the department or the general public under MCL 324.5516(2).

History: 2006 MR 23, Eff. December 4, 2006; 2008 MR 8, Eff. September 11, 2008.

R 336.2819 Innovative control technology.

Rule 1819. (1) An owner or operator of a proposed major stationary source or major modification may request the department to approve a system of innovative control technology.

(2) The department may, with notice to and advice from each affected state, determine that the major source or major modification may employ a system of innovative control technology, if all of the following occurs:

(a) The proposed control system would not cause or contribute to an unreasonable risk to public health, welfare, or safety in its operation or function.

(b) The owner or operator agrees to achieve a level of continuous emissions reduction equivalent to that which would have been required by R 336.2810(2), by a date specified by the department. The date shall not be later than 4 years from the time of startup or 7 years from permit issuance.

(c) The major source or major modification would meet the requirements equivalent to those in R 336.2810 and R 336.2811, based on the emissions rate that the major stationary source employing the system of innovative control technology would be required to meet on the date specified by the department.

(d) The major source or major modification would not do either of the following before the date specified by the department:

(i) Cause or contribute to any violation of an applicable national ambient air quality standard.

(ii) Impact any area where an applicable increment is known to be violated.

(e) All other applicable requirements including those for public participation have been met.

(f) The provisions of R 336.2816, relating to class I areas, have been satisfied with respect to all periods during the life of the major source or major modification.

(3) The department shall withdraw an approval to employ a system of innovative control technology made under this rule, if any of the following occurs:

(a) The proposed system fails by the specified date to achieve the required continuous emissions reduction rate.

(b) The proposed system fails before the specified date so as to contribute to an unreasonable risk to public health, welfare, or safety.

(c) The department decides at any time that the proposed system is unlikely to achieve the required level of control or to protect the public health, welfare, or safety.

(4) If a major source or major modification fails to meet the required level of continuous emissions reduction within the specified time period, or if the approval is withdrawn under subrule (3) of this rule, then the department may allow the major source or major modification up to an additional 3 years to meet the requirement for the application of best available control technology through use of a demonstrated system of control.

History: 2006 MR 23, Eff. December 4, 2006.

R 336.2823 Actuals plantwide applicability limits (PALs).

Rule 1823. (1) The following definitions apply to the use of actuals PALs consistent with this rule. If a term is not defined in these paragraphs, it shall have the meaning given in R 336.2801 or R 336.1101 to R 336.1127.

(a) “Actuals PAL for a major stationary source” means a PAL based on the baseline actual emissions of all emissions units at the major source that emit or have the potential to emit the PAL pollutant.

(b) “Allowable emissions” means allowable emissions as defined in R 336.2801, except as this definition is modified by the following:

(i) The allowable emissions for any emissions unit shall be calculated considering any emission limitations that are enforceable as a practical matter on the emissions unit's potential to emit.

(ii) An emissions unit's potential to emit shall be determined using the definition in R 336.2801, except that the words "or enforceable as a practical matter" should be added after "federally enforceable."

(c) “Small emissions unit” means an emissions unit that emits or has the potential to emit the PAL pollutant in an amount less than the significant level for that PAL pollutant, as defined in R 336.2801 or in the clean air act, whichever is lower.

(d) “Major emissions unit” means either of the following:

(i) Any emissions unit that emits or has the potential to emit 100 tons per year or more of the PAL pollutant in an attainment area.

(ii) Any emissions unit that emits or has the potential to emit the PAL pollutant in an amount that is equal to or greater than the major source threshold for the PAL pollutant as defined by the clean air act for nonattainment areas.

(e) “Plantwide applicability limitation” or “PAL” means 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 this rule.

(f) "PAL effective date" means the date of issuance of the PAL permit. However, the PAL effective date for an increased PAL is the date any emissions unit that is part of the PAL major modification becomes operational and begins to emit the PAL pollutant.

(g) "PAL effective period" means the period beginning with the PAL effective date and ending 10 years later.

(h) "PAL major modification" means, notwithstanding the definitions for major modification and net emissions increase, any physical change in or change in the method of operation of the PAL major source that causes it to emit the PAL pollutant at a level equal to or greater than the PAL.

(i) "PAL permit" means the permit to install issued under R 336.1201(1)(a) or R 336.1214a that establishes a PAL for a major stationary source.

(j) "PAL pollutant" means the pollutant for which a PAL is established at a major stationary source.

(k) "Significant emissions unit" means an emissions unit that emits or has the potential to emit a PAL pollutant in an amount that is equal to or greater than the significant level, as defined in R 336.2801 or in the clean air act, whichever is lower, for that PAL pollutant, but less than the amount that would qualify the unit as a major emissions unit.

(2) The following provisions describe the applicability of other federal regulations to major sources with PALs:

(a) The department may approve the use of an actuals PAL for any existing major stationary source if the PAL meets all of the requirements of this rule. The term "PAL" shall mean "actuals PAL" in this rule.

(b) Any physical change in or change in the method of operation of a major stationary source that maintains its total source-wide emissions below the PAL level, meets the requirements of this rule, and complies with the PAL permit. If the change complies with the PAL permit, then the following statements apply:

(i) The change is not a major modification for the PAL pollutant.

(ii) The change does not have to otherwise be approved under prevention of significant deterioration of air quality regulations or new source review for major sources in nonattainment areas regulations.

(iii) The change is not subject to R 336.2818(2), restrictions on relaxing enforceable emission limitations that the major stationary source used to avoid applicability of the major new source review program.

(c) Except as provided under subdivision (b)(iii) of this subrule, a major stationary source shall continue to comply with all applicable federal or state requirements, emission limitations, and work practice requirements that were established before the effective date of the PAL.

(3) As part of a permit application requesting a PAL, the owner or operator of a major stationary source shall submit the following information to the department for approval:

(a) A list of all emissions units at the major source designated as small, significant or major based on their potential to emit. In addition, the owner or operator of the major source shall indicate which, if any, federal or state applicable requirements, emission limitations, or work practices apply to each unit.

(b) Calculations of the baseline actual emissions with supporting documentation. Baseline actual emissions shall include emissions associated not only with operation of the unit, but also emissions associated with startup, shutdown, and malfunction.

(c) The calculation procedures that the major stationary source owner or operator proposes to use to convert the monitoring system data to monthly emissions and annual emissions based on a 12-month rolling total for each month as required by subrule (13)(a) of this rule.

(4) The following requirements establish PALs:

(a) The department may establish a PAL at a major stationary source, provided that, at a minimum, the following requirements are met:

(i) The PAL shall impose an annual emission limitation in tons per year, that is enforceable as a practical matter, for the entire major stationary source. For each month during the PAL effective period after the first 12 months of establishing a PAL, the major stationary source owner or operator shall show that the sum of the monthly emissions from each emissions unit under the PAL for the previous 12 consecutive months is less than the PAL, a 12-month average rolled monthly. For each month during the first 11 months from the PAL effective date, the major stationary source owner or operator shall show that the sum of the preceding monthly emissions from the PAL effective date for each emissions unit under the PAL is less than the PAL.

(ii) The PAL shall be established in a PAL permit that meets the public participation requirements in subrule (5) of this rule.

(iii) The PAL permit shall comply with subrule (7) of this rule.

(iv) The PAL shall include fugitive emissions, to the extent quantifiable, from all emissions units that emit or have the potential to emit the PAL pollutant at the major stationary source.

(v) Each PAL shall regulate emissions of only 1 pollutant.

(vi) Each PAL shall have a PAL effective period of 10 years.

(vii) The owner or operator of the major stationary source with a PAL shall comply with the monitoring, recordkeeping, and reporting requirements provided in subrules (12) to (14) of this rule for each emissions unit under the PAL through the PAL effective period.

(b) Emissions reductions of a PAL pollutant that occur during the PAL effective period are not creditable as decreases for emissions offsets unless the level of the PAL is reduced by the amount of the emissions reductions and the reductions would be creditable in the absence of the PAL.

(5) PALs for existing major stationary sources shall be established, renewed, or increased, through a permit to install issued under R 336.1201(1)(a). The department shall provide the

public with notice of the proposed approval of a PAL permit and at least a 30-day period for submittal of public comment. The department shall address all material comments before taking final action on the permit.

(6) The following apply to setting the 10-year actuals PAL level:

(a) Except as provided in subdivision (b) of this subrule, the actuals PAL level for a major stationary source shall be established as the sum of the baseline actual emissions of the PAL pollutant for each emissions unit at the major source; plus an amount equal to the applicable significant level for the PAL pollutant as defined in R 336.2801 or the clean air act, whichever is lower. When establishing the actuals PAL level, for a PAL pollutant, only 1 consecutive 24-month period shall be used to determine the baseline actual emissions for all existing emissions units. However, a different consecutive 24-month period may be used for each different PAL pollutant. Emissions associated with units that were permanently shut down after this 24-month period shall be subtracted from the PAL level. The department shall specify a reduced PAL level, in tons per year, in the PAL permit to become effective on the future compliance dates of any applicable federal or state regulatory requirement before issuance of the PAL permit. For example, if the major source owner or operator will be required to reduce emissions from industrial boilers in half from baseline emissions of 60 parts per million oxides of nitrogen to a new rule limit of 30 parts per million, then the permit shall contain a future effective PAL level that is equal to the current PAL level reduced by half of the original baseline emissions of the units.

(b) For newly constructed units, which do not include modifications to existing units, on which actual construction began after the 24-month period, instead of adding the baseline actual emissions as specified in subdivision (a) of this subrule, the emissions shall be added to the PAL level in an amount equal to the potential to emit of the units.

(7) The PAL permit shall contain, at a minimum, all of the following information:

(a) The PAL pollutant and the applicable source-wide emission limitation in tons per year.

(b) The PAL permit effective date and the expiration date of the PAL (PAL effective period).

(c) Specification in the PAL permit that if a major stationary source owner or operator applies to renew a PAL under subrule (10) of this rule before the end of the PAL effective period, then the PAL shall not expire at the end of the PAL effective period. It shall remain in effect until a revised PAL permit is issued by the department.

(d) A requirement that emission calculations for compliance purposes include emissions from startups, shutdowns, and malfunctions.

(e) A requirement that, once the PAL expires, the major stationary source is subject to subrule (9) of this rule.

(f) The calculation procedures that the major stationary source owner or operator shall use to convert the monitoring system data to monthly emissions and annual emissions based on a 12-month rolling total for each month as required by subrule (3)(a) of this rule.

(g) A requirement that the major stationary source owner or operator monitor all emissions units in accordance with the provisions under subrule (13) of this rule.

(h) A requirement to retain the records required under subrule (13) of this rule on site. The records may be retained in an electronic format.

(i) A requirement to submit the reports required under subrule (14) of this rule by the required deadlines.

(j) Any other requirements that the department determines necessary to implement and enforce the PAL.

(8) All of the following apply to the PAL effective period and reopening of the PAL permit:

(a) The department shall specify a PAL effective period of 10 years.

(b) All of the following apply to reopening of the PAL permit.

(i) During the PAL effective period, the department shall reopen the PAL permit to do any of the following:

(A) Correct typographical and calculation errors made in setting the PAL or reflect a more accurate determination of emissions used to establish the PAL.

B) Reduce the PAL if the owner or operator of the major stationary source creates creditable emissions reductions for use as offsets under new source review for major sources in nonattainment areas regulations.

C) Revise the PAL to reflect an increase in the PAL as provided under subrule (11) of this rule.

(ii) The department may reopen the PAL permit to accomplish any of the following:

(A) Reduce the PAL to reflect newly applicable federal requirements with compliance dates after the PAL effective date.

(B) Reduce the PAL consistent with any other requirement that is enforceable as a practical matter and that the state may impose on the major stationary source under the state implementation plan.

(C) Reduce the PAL if the department determines that a reduction is necessary to avoid causing or contributing to a national ambient air quality standard or PSD increment violation, or to an adverse impact on an air quality related value that has been identified for a federal class I area by a federal land manager and for which information is available to the general public.

(iii) Except for a permit reopening for the correction of typographical and calculation errors that do not increase the PAL level, all reopenings shall be carried out in accordance with the public participation requirements of subrule (5) of this rule.

(9) Any PAL that is not renewed in accordance with subrule (10) of this rule shall expire at the end of the PAL effective period, and the following requirements shall apply:

(a) Each emissions unit, or each group of emissions units, that existed under the PAL shall comply with an allowable emission limitation under a revised permit established according to both of the following:

(i) Within the time frame specified for PAL renewals in subrule (10)(b) of this rule, the major stationary source shall submit a proposed allowable emission limitation for each emissions unit, or each group of emissions units, if such a distribution is more appropriate as determined by the department, by distributing the PAL allowable emissions for the major stationary source among each of the emissions units that existed under the PAL. If the PAL had not yet been adjusted for an applicable requirement that became effective during the PAL effective period, as required under subrule (10)(e) of this rule, the distribution shall be made as if the PAL had been adjusted.

(ii) The department shall determine whether and how the PAL allowable emissions shall be distributed and issue a revised permit incorporating allowable limits for each emissions unit, or each group of emissions units, as the department determines is appropriate.

(b) Each emissions unit shall comply with the allowable emission limitation on a 12-month rolling basis. The department may approve the use of monitoring systems, such as source testing and emission factors, other than CEMS, CERMS, PEMS or CPMS to demonstrate compliance with the allowable emission limitation.

(c) Until the department issues the revised permit incorporating allowable limits for each emissions unit, or each group of emissions units, as required under subrule (9)(a)(ii) of this rule, the major source shall continue to comply with a source-wide, multiunit emissions cap equivalent to the level of the PAL emission limitation.

(d) Any physical change or change in the method of operation at the major stationary source shall be subject to major new source review requirements if such change meets the definition of major modification in R 336.2801.

(e) The major stationary source owner or operator shall continue to comply with any state or federal applicable requirements that may have applied either during the PAL effective period or before the PAL effective period, except for those emission limitations that had been established under R 336.2818(2), but were eliminated by the PAL under subrule (2)(b)(iii) of this rule.

(10) All of the following apply to renewal of a PAL:

(a) The department shall comply with subrule (5) of this rule in approving any request to renew a PAL for a major stationary source and shall provide both the proposed PAL level and a written rationale for the proposed PAL level to the public for review and comment. During public review, any person may propose a PAL level for the major source for consideration by the department.

(b) A major stationary source owner or operator shall submit a timely application to the department to request renewal of a PAL. A timely application is one that is submitted at least 6 months before, but not earlier than 18 months from, the date of permit expiration. This deadline for application submittal is to ensure that the permit will not expire before the permit is renewed. If the owner or operator of a major stationary source submits a complete application to renew the PAL within this time period, then the PAL shall continue to be effective until the revised permit with the renewed PAL is issued.

(c) The application to renew a PAL permit shall contain all of the following information:

(i) The information required in subrule (3)(a) to (c) of this rule.

(ii) A proposed PAL level.

(iii) The sum of the potential to emit of all emissions units under the PAL, with supporting documentation.

(iv) Any other information the owner or operator requests the department to consider in determining the appropriate level for renewing the PAL.

(d) In determining whether and how to adjust the PAL, the department shall consider the following:

(i) If the emissions level calculated in accordance with subrule (6) of this rule is equal to or greater than 80% of the PAL level, the department may renew the PAL at the same level without considering the factors in subrule (10)(d)(ii) of this rule.

(ii) The department may set the PAL at a level that it determines to be more representative of the major source's baseline actual emissions, or that it determines to be appropriate considering air quality needs, advances in control technology, anticipated economic growth in the area, desire to reward or encourage the major source's voluntary emissions reductions, or other factors as specifically identified by the department in its written rationale.

(iii) Notwithstanding subrule (10)(d)(i) and (ii) of this rule, both of the following shall apply:

(A) If the potential to emit of the major stationary source is less than the PAL, then the department shall adjust the PAL to a level not greater than the potential to emit of the major source.

(B) The department shall not approve a renewed PAL level higher than the current PAL, unless the major stationary source has complied with subrule (11) of this rule.

(e) If the compliance date for a state or federal requirement that applies to the PAL major source occurs during the PAL effective period, and if the department has not already adjusted for the requirement, then the PAL shall be adjusted at the time of PAL permit renewal or renewable operating permit renewal, whichever occurs first.

(11) The following shall apply to increasing a PAL during the PAL effective period:

(a) The department may increase a PAL emission limitation only if the major stationary source complies with the following provisions:

(i) The owner or operator of the major stationary source shall submit a complete application to request an increase in the PAL limit for a PAL major modification. The application shall identify the emissions units contributing to the increase in emissions so as to cause the major stationary source's emissions to equal or exceed its PAL.

(ii) As part of this application, the major stationary source owner or operator shall demonstrate that the sum of the baseline actual emissions of the small emissions units,

plus the sum of the baseline actual emissions of the significant and major emissions units assuming application of BACT equivalent controls, plus the sum of the allowable emissions of the new or modified emissions units, exceeds the PAL. The level of control that would result from BACT equivalent controls on each significant or major emissions unit shall be determined by conducting a new BACT analysis at the time the application is submitted, unless the emissions unit is currently required to comply with a BACT or LAER requirement that was established within the preceding 10 years. In such a case, the assumed control level for that emissions unit shall be equal to the level of BACT or LAER with which that emissions unit must currently comply.

(iii) The owner or operator obtains a major new source review permit for all emissions units identified in subrule (11)(a)(i) of this rule, regardless of the magnitude of the emissions increase resulting from them, that is, no significant levels apply. These emissions units shall comply with any emissions requirements resulting from the major new source review process, even though they have also become subject to the PAL or continue to be subject to the PAL.

(iv) The PAL permit shall require that the increased PAL level shall be effective on the day any emissions unit that is part of the PAL major modification becomes operational and begins to emit the PAL pollutant.

(b) The department shall calculate the new PAL as the sum of the allowable emissions for each modified or new emissions unit, plus the sum of the baseline actual emissions of the significant and major emissions units, assuming application of BACT equivalent controls as determined under subdivision (a)(ii) of this subrule, plus the sum of the baseline actual emissions of the small emissions units.

(c) The PAL permit shall be revised to reflect the increased PAL level under the public notice requirements of subrule (5) of this rule.

(12) The following are monitoring requirements for PALs:

(a) All of the following general provisions are required:

(i) Each PAL permit shall contain enforceable requirements for the monitoring system that accurately determine plantwide emissions of the PAL pollutant in terms of mass per unit of time. Any monitoring system authorized for use in the PAL permit shall be based on sound science and meet generally acceptable scientific procedures for data quality and manipulation. Additionally, the information generated by the system shall meet minimum legal requirements for admissibility in a judicial proceeding to enforce the PAL permit.

(ii) The PAL monitoring system shall employ 1 or more of the 4 general monitoring approaches in subdivision (b) of this subrule and shall be approved by the department.

(iii) Notwithstanding paragraph (ii) of this subdivision, the PAL may also employ an alternative monitoring approach that meets paragraph (i) of this subdivision if approved by the department.

(iv) Failure to use a monitoring system that meets the requirements of this rule renders the PAL invalid.

(b) The following are acceptable general monitoring approaches when conducted in accordance with subdivisions (c) to (i) of this subrule:

(i) Mass balance calculations for activities using coatings or solvents.

(ii) CEMS.

(iii) CPMS or PEMS.

(iv) Emission factors.

(c) An owner or operator using mass balance calculations to monitor PAL pollutant emissions from activities using coating or solvents shall meet all of the following requirements:

(i) Provide a demonstrated means of validating the published content of the PAL pollutant that is contained in or created by all materials used in or at the emissions unit.

(ii) Assume that the emissions unit emits all of the PAL pollutant that is contained in or created by any raw material or fuel used in or at the emissions unit, if it cannot otherwise be accounted for in the process.

(iii) Where the vendor of a material or fuel, which is used in or at the emissions unit, publishes a range of pollutant content from such material, then the owner or operator shall use the highest value of the range to calculate the PAL pollutant emissions unless the department determines there is site-specific data or a site-specific monitoring program to support another content within the range.

(d) An owner or operator using CEMS to monitor PAL pollutant emissions shall meet both of the following requirements:

(i) CEMS shall comply with applicable performance specifications found in 40 C.F.R. part 60, appendix B, adopted by reference in R 336.2801a.

(ii) CEMS shall sample, analyze, and record data at least every 15 minutes while the emissions unit is operating.

(e) An owner or operator using CPMS or PEMS to monitor PAL pollutant emissions shall meet both of the following requirements:

(i) The CPMS or the PEMS shall be based on current site-specific data demonstrating a correlation between the monitored parameters and the PAL pollutant emissions across the range of operation of the emissions unit.

(ii) Each CPMS or PEMS shall sample, analyze, and record data at least every 15 minutes, or at another less frequent interval approved by the department, while the emissions unit is operating.

(f) An owner or operator using emission factors to monitor PAL pollutant emissions shall meet all of the following requirements:

(i) All emission factors shall be adjusted, if appropriate, to account for the degree of uncertainty or limitations in the factors' development.

(ii) The emissions unit shall operate within the designated range of use for the emission factor, if applicable.

(iii) If technically practicable, the owner or operator of a significant emissions unit that relies on an emission factor to calculate PAL pollutant emissions shall conduct validation testing to determine a site-specific emission factor within 6 months of PAL permit issuance, unless the department determines that testing is not required.

(g) A major source owner or operator shall record and report maximum potential emissions without considering enforceable emission limitations or operational restrictions for an emissions unit during any period of time that there is no monitoring data, unless another method for determining emissions during such periods is specified in the PAL permit.

(h) Notwithstanding the requirements in subdivisions (c) to (g) of this subrule, if an owner or operator of an emissions unit cannot demonstrate a correlation between the monitored parameters and the PAL pollutant emissions rate at all operating points of the emissions unit, then the department shall do either of the following at the time of permit issuance:

(i) Establish default values for determining compliance with the PAL based on the highest potential emissions reasonably estimated at each unmonitored operating point.

(ii) Determine that operation of the emissions unit during operating conditions when there is no correlation between monitored parameters and the PAL pollutant emissions is a violation of the PAL.

(i) All data used to establish the PAL pollutant shall be revalidated through performance testing or other scientifically valid means approved by the department. Testing shall occur at least once every 5 years after issuance of the PAL.

(13) The PAL permit shall require the following recordkeeping requirements:

(a) Require an owner or operator to retain a copy of all records necessary to determine compliance with this rule and the PAL, including a determination of each emissions unit's 12-month rolling total emissions, for 5 years from the date of such record.

(b) Require an owner or operator to retain a copy of all of the following records, for the duration of the PAL effective period plus 5 years:

(i) A copy of the PAL permit application and any applications for revisions to the PAL.

(ii) Each annual certification of compliance under the renewable operating permit and the data relied on in certifying compliance.

(14) The owner or operator shall submit semiannual monitoring reports and prompt deviation reports to the department in accordance with the applicable renewable operating permit program. The reports shall meet the following requirements:

(a) The semiannual report shall be submitted to the department concurrently with the semiannual report required by the renewable operating permit for the stationary source. The report shall contain all of the following information:

(i) The identification of owner and operator and the permit number.

(ii) Total annual emissions in tons per year based on a 12-month rolling total for each month in the reporting period recorded under subrule (13)(a) of this rule.

(iii) All data relied upon, including, but not limited to, any quality assurance or quality control data, in calculating the monthly and annual PAL pollutant emissions.

(iv) A list of emissions units modified or added to the major stationary source during the preceding 6-month period.

(v) The number, duration, and cause of deviations or monitoring malfunctions, other than the time associated with zero and span calibration checks, and any corrective action taken.

(vi) A notification of a shutdown of any monitoring system, whether the shutdown was permanent or temporary, the reason for the shutdown, the anticipated date that the monitoring system will be fully operational or replaced with another monitoring system, and whether the emissions unit monitored by the monitoring system continued to operate, and the calculation of the emissions of the pollutant or the number determined by method included in the permit, as provided by subrule (12)(g) of this rule.

(vii) A signed statement by the responsible official, as defined by the applicable renewable operating permit program, certifying the truth, accuracy, and completeness of the information provided in the report.

(b) The major stationary source owner or operator shall promptly submit reports of any deviations or exceedance of the PAL requirements, including periods where monitoring is not available. A report submitted under R 336.1213(3)(c) shall satisfy the reporting requirement. The deviation reports shall be submitted within the time limits prescribed by the major source's renewable operating permit. The reports shall contain all of the following information:

(i) The identification of owner and operator and the permit number.

(ii) The PAL requirement that experienced the deviation or that was exceeded.

(iii) Emissions resulting from the deviation or the exceedance.

(iv) A signed statement by the responsible official, as defined by the renewable operating permit, certifying the truth, accuracy, and completeness of the information provided in the report.

(c) The owner or operator shall submit to the department the results of any revalidation test or method within 3 months after completion of the test or method.

(15) The owner or operator of a facility complying with an actuals PAL may install a new emissions unit without first obtaining a permit to install under R 336.1201, if the following requirements are met:

(a) The new emissions unit will not cause a meaningful change in the nature or quantity of toxic air contaminants emitted from the major stationary source, unless the new emissions unit is otherwise exempt under R 336.1278 to R 336.1290. In determining whether the new emissions unit will cause a meaningful change in the nature or quantity of toxic air contaminants, the following shall apply:

(i) The owner or operator shall demonstrate to the department that a meaningful change in the nature or quantity of toxic air contaminants has not occurred. The owner or operator may devise its own method to perform this demonstration subject to approval by the department. However, if the applicant demonstrates that all toxic air contaminant emissions from a new emissions unit are within the levels specified in R 336.1226 or R 336.1227, then a meaningful change in toxic air contaminants has not occurred.

(ii) If, using the methods described in paragraph (i) of this subdivision, the owner or operator determines that the installation of new emission units will cause a meaningful change in the nature or quantity of toxic air contaminant emissions, then the owner or operator shall obtain a state-only enforceable permit to install under R 336.1201(1)(b).

(iii) A copy of the demonstration required by paragraph (i) of this subdivision shall be kept on site for the life of the new emissions unit and made available to the department upon request.

(b) The new emissions unit will not emit a regulated new source review pollutant that is not subject to a PAL, unless the new emissions unit is eligible for an exemption listed in R 336.1201 to R 336.1290.

(c) The new emissions unit will not be a newly constructed or reconstructed major source of hazardous air pollutants.

(d) The installation of the new emissions unit will not cause the violation of any other applicable requirement.

(e) The owner or operator shall notify the department of the installation of a new emissions unit using the procedure specified in R 336.1215(3)(c).

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R 336.2830 Rescinded.

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