

INTER-OFFICE COMMUNICATION

TO: Stationary Sources Staff and Local Agencies

FROM: Dave Ouimette

DATE: January 30, 2002

RE: PS Memo # 02-01 **Revised APENs; Construction permit requirements**

This memo will address two items, the first involves revised APENs, the second involves the construction permit requirements of Regulation 3, Part B, Section III.D.6.

REVISED APENS

Regulation 3, Part A, Section II. C. contains requirements for submitting revised APENs. Section 1.b. requires a revised APEN whenever there is a change in the owner or operator of any facility, process or activity. This requirement is applicable to transfer of ownership, when a company is sold or is otherwise transferred to another entity. When a transfer occurs a revised APEN must be submitted.

There are other situations involving company name changes and mergers, which also must be addressed. Regulation 3, Part B, Section III.B. states that in situations where a company is changing its name only, and all other information on existing APENs is unchanged, that only one APEN need be submitted. In this situation one APEN needs to be submitted for each facility location affected by the name change (note: this APEN will not be considered a renewed APEN which would establish a new five year renewal date). In cases where two or more companies merge and use the name of one of the original companies, the company whose name is changing is considered to be a transfer of owner and individual APENs must be submitted as noted in the first paragraph above. If the merger results in a new company name then new APENs should be submitted for all emission units, the same as is required for transfer of ownership.

For any APEN to be considered as a renewed APEN it must have appropriate fields completed as discussed below. These APENs will then establish a new five-year period before expiration occurs. The APEN cannot just note 'no change' but must state what the current operating conditions are. It must be remembered that APENs are considered to be legal documents and should be completed with accurate information. In many cases however, the source operator may not be capable of completing all the technical information and we will have to assist them.

Required APEN information needed to renew an APEN

A balance needs to be achieved for renewed APENs to ensure that they contain accurate information but don't frustrate submitters who may not know how to complete each box. It would be ideal to require that all revised APENs be completely filled out, since in that way we would have confidence that the owner knew about the accuracy of the information submitted for an emission unit. In many cases an operator may not know all the technical information associated with an emission unit and

therefore the Division will not require that revised APENs be completely filled out. On the other hand we cannot just have the original APEN first submitted for the source be the only complete APEN on file and have subsequent APENs just note – NO CHANGE. To ensure that source owners/operators understand their emission units and the basis for their annual fees the following fields will need to be completed for all renewed/revised APENs.

APEN fields to be completed for Revised and Renewed APENs

1. General Company Information at top of form
2. Section C (fuel information) - Fill out: description of equipment, kind of fuel burned, and previous year consumption.
3. Section D (process information) – Fill out description of equipment, type of raw material used, previous year consumption of raw material, finished product description and amount.
4. Section E (Pollution Control Equipment) – Fill out type of control equipment, and actual emissions from previous calendar year (unless they check box requesting the Division to calculate it).
5. Signature, title, date.

The following table summarizes the APEN requirements addressed in this memo.

ACTION	APEN REQUIREMENT
Transfer of Owner	Individual APEN for each emission unit
Name Change (no other changes)	One APEN per plant site
Mergers of one or more companies	Individual APEN for each emission unit
Renew APEN for another 5-year term	APEN must be filled out for type of equipment and current year data, as noted in this memo

CONSTRUCTION PERMIT REQUIREMENTS OF REGULATION 3 PART B SECTION III.D.6

REGULATION 3, PART B, SECTION III.D.6 states that: "When a facility which was previously exempt from permit requirements exceeds one of the permit de minimis levels listed in paragraph 2, 3, or 4, above, due to addition of new emission points, a permit will be issued for the entire facility." In order to ensure that this requirement is implemented consistently it needs to be explained.

The purpose of this section is to require a construction permit for a source, which was previously exempt, because its actual uncontrolled emissions were less than the thresholds which trigger construction permits. As an example consider a source which had three engines emitting 9 tons per year (TPY) total on an actual uncontrolled basis. Since these emissions are below the 10 TPY construction permit threshold for sources in attainment areas, no permit is required. A year later the source installs another engine with emissions of 5 tons per year, since this engine puts the source total over the 10 TPY threshold, a permit will now be issued for all four engines.

The requirement does not apply to grandfathered sources, which are those sources operating prior to February 1, 1972 (this is the effective date of the first requirement for construction permits). However, new emission units being added to a grandfathered source will require construction permits, once the permit threshold is exceeded. This requirement does not apply to sources, which are specifically listed in Regulation 3, Part B, Section III.D, as being exempt from construction permits. For example, the source with three engines, mentioned in the last paragraph, installs a natural gas fired boiler rated at 9 million Btu/hour. The boiler by itself is exempt from construction permit requirements, since exemption 'e' exempts boilers with design rates less than 10 million Btu/hour from construction permit requirements. The facility emissions have now exceeded 10 TPY so a permit would be issued for the 3 engines, however, the boiler would still be exempt, so its exempt status should be included in the notes to the permit holder.