


Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer 

CONTACT: David Harris, Engineering Division Manager, (805) 979-8311

SUBJECT: District Permitting Program

RECOMMENDATION:

Receive and file a presentation from District staff on the District's permitting program.

BACKGROUND:

The District's Engineering Division implements a stationary source permitting program, pursuant to California Health and Safety Code §42300. The goals of the District's permitting program are to ensure that businesses are designed, constructed, and operated to minimize air pollution and to provide information to the District on the type and amount of air pollution generated.

DISCUSSION:

The U.S. Environmental Protection Agency and the California Air Resources Board have established health-based clean air standards and given the District primary responsibility for controlling air pollution from local stationary sources to help attain these standards. Air pollution is caused by large and small businesses, motor vehicles, consumer products, and natural sources. In order to develop a comprehensive strategy to achieve clean air, the District needs to know how much pollution is created by each source and must ensure that every business is operated to minimize the air pollution they cause.

To fulfill this responsibility, the District adopts rules in accordance with state and federal laws, and issues permits requiring compliance with these regulations. Permits specify conditions of construction and operation that are consistent with the District's county-wide clean air strategy, and quantify and track emissions that have been permitted to occur. To avoid confusion and

regulatory burden, we combine multiple local, state, and federal requirements into a single permit. Eliminating the need to issue multiple permits, enables for a more efficient process for both the applicant and the District.

Regulated Facilities

The District regulates “stationary sources” of air pollution. We do not regulate motor vehicles, marine vessels, trains, aircraft, consumer products, or “indoor” air pollution. The stationary sources we regulate include a broad range of industries, processes, and equipment as shown in the table below:

Permitted Facility / Equipment Examples	
Dry Cleaners	Gasoline stations
Autobody Shops	Combustion Equipment (e.g., boilers, process heaters, prime engines, diesel generators)
Onshore Oilfields	Offshore Oil Platforms
Landfill & Wastewater Treatment Plants	Commercial Space Operations
Contaminated Soil Clean-up Projects	Mineral Processing Facilities
Wineries	Cannabis Manufacturing Facilities

Permit Process

The basic permit process involves two steps. First, the applicant applies for an Authority to Construct (ATC) permit. This application is subject to a 30-day completeness review where staff determine whether the application has sufficient information for processing. Once deemed complete, the District has 180 days to make a final decision to issue or deny the permit.¹ Once issued, the ATC permit is valid for one year.

Construction begins when equipment is physically installed at the facility. After construction is completed, the company is allowed to temporarily operate the permitted equipment during what is termed a Source Compliance Demonstration Period (SCDP), which provides the permit holder time to shake down the equipment and work out any start-up operational issues. During the SCDP, the District inspects the facility and witnesses source testing², if applicable, to ensure that the equipment complies with the permit’s conditions as well as applicable local, state, and federal rules and regulations.

Upon successfully demonstrating that the permitted equipment complies with all applicable requirements, the business then applies for a Permit to Operate (PTO) within a timeframe stipulated in the ATC permit. Once issued, this operating permit governs operation of the permitted equipment for a three-year period. During this time, District staff perform field inspections, reviews data submittals, and observes source tests. After three years, the permit is reevaluated, revised if needed, and then re-issued for another three-year period.

Elements of a District Permit

In general, all District permits contain similar information and permit conditions. All permits include the facility name, location, the company that owns and operates the equipment, and a unique permit number. Permit conditions normally include emission limits, which restrict how

¹ Reference: District Rule 208 and California Government Code §65952.

² Source tests involve extracting emission samples from the permitted equipment for detailed analysis. Results are compared to the permitted emission levels in the ATC permit.

much pollution the equipment can emit; operational restrictions, which ensure compliance with the emission limits and require the equipment be operated to minimize air pollution; and monitoring, recordkeeping, and reporting requirements, which require the data necessary for the District to evaluate compliance, is monitored, recorded, and reported. In addition, all permits contain an engineering evaluation that discusses the applicable federal, state and local rules, regulations and requirements, as well as any other analyses that were performed during the permitting process.

New Source Review

New Source Review (NSR) is an important tool to help the District attain and maintain all State and Federal ambient air quality standards while still allowing for new businesses to open and existing businesses to expand. All permit applications for new sources and modifications to existing sources are subject to NSR. NSR requirements include Best Available Control Technology (BACT), Air Quality Impact Analysis (AQIA), Offsets, and Public Noticing. During completeness review, District staff evaluate permit applications to determine which NSR requirements apply. In general, larger projects and modifications at larger sources trigger more NSR requirements.

Permit Data

The District's Engineering Division processes approximately 600 permitting actions per year. We currently have 187 permit applications being processed and 28 permit applications being reviewed for completeness. Overall, the District has 2,271 active permits at 1,397 permitted facilities. Approximately 39% of the permits we issue are for combustion equipment, 22% are oil and gas related, 10% are for gas stations and other fuel storage operations, 10% are for businesses that use coatings and solvents, and the remaining 18% are divided amongst various other industries and equipment that we permit. The District's online [Permitted Facilities Map](#) tool is a useful tool to find permitted facilities throughout the county and download their current operating permits.

FISCAL IMPACT:

The costs for the District's permitting efforts and activities described above are included in the budget approved by your Board. There are no additional fiscal impacts.