

Public Hearing – September 12, 2006
Ventura County Air Pollution Control District
Proposed Amendments to APCD Rule 23 – Exemptions from Permit
To Implement California Senate Bill 700

BACKGROUND

California Health and Safety Code section 42310(e) historically prohibited any air district from requiring a permit to operate for equipment used in agricultural operations. On September 22, 2003, section 42310(e) was repealed because it conflicted with a federal requirement that “major sources” must obtain federal operating permits from local air districts. The definition of a “major source” differs by location depending on the severity of the local air quality problem. The federal government has designated Ventura County to be a “moderate” nonattainment area for the 8-hour ozone standard. Therefore a major source is currently defined locally as a source that has a potential to emit more than 100 tons per year of any regulated air pollutant, or more than 10 tons per year of any single hazardous air pollutant (HAP) or more than 25 tons per year of any combination of HAPs. The “potential to emit” of a source is the maximum emission rate of all equipment located at the source, assuming continuous operation at full power or throughput, or some lower emission rate based on restricted operations specified in a legally enforceable

permit. An agricultural source’s emissions are the sum of emissions from all equipment located on contiguous property under common ownership or control, such as but not limited to, diesel powered water well pumps and irrigation pumps. Emissions from mobile farm equipment such as tractors are excluded. Fugitive particulate matter emissions from tilling and other farming operations are also excluded. The District’s attainment classification is likely to be bumped up from “moderate” to “serious” in the future. At that time, the major source threshold for ROC and NO_x will be decreased from 100 tons per year to 50 tons per year.

On September 22, 2003, California Senate Bill 700 (SB 700) amended state law by removing section 42310(e) from the California Health and Safety Code and adding new requirements for agricultural sources of air pollution. The new requirements paraphrased below apply to Ventura County and other ozone nonattainment areas:

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- Every major agricultural source of air pollution must obtain a federal operating permit from the local air district.
 - Every “large confined animal facility,” as defined by the state board, must obtain a permit from the air district to reduce, to the extent feasible, emissions of air contaminants from the facility.
 - The air district must implement one or the other of the following two options:
 1. The air district must require every agricultural source of air pollution that emits more than 50% of the federal major source threshold for any air pollutant except fugitive dust to obtain a permit, or
 2. The air district must adopt a regulation that requires every agricultural source of air pollution that emits more than 50% of a federal major source threshold to do all of the following:
 - a. All agricultural engines (except propulsion engines) must be replaced with engines that meet or exceed the most stringent standards.
 - b. Emissions from all agricultural activities, including, but not limited to, tilling, discing, cultivation, the raising of livestock and fowl, and similar activities, must be reduced or

mitigated to a level that the district determines does not cause, or contribute to, a violation of a state or federal ambient air standard, toxic air contaminant, or other air emission limitation.

- c. Emissions from any farm equipment, underground petroleum fuel tanks, or other similar equipment used in agricultural activities must be reduced or mitigated to a level that the district determines does not cause or contribute to a violation of a state or federal ambient air standard, toxic air contaminant, or other air emission limitation.
- d. The source must comply with any other conditions required by state or federal law or district rule or regulation.

Additionally, SB 700 authorizes, but does not require, the Ventura County Air Pollution Control Board to require agricultural sources of air pollution that emit less than 50 percent of the

major source thresholds to obtain permits to operate from the District, in a manner similar to other source categories.

PROPOSED RULE AMENDMENT

Sources that are not described in Rule 23 are required to obtain APCD permits. The proposed amendment to Rule 23 describes which agricultural sources of air pollution would continue to remain exempt from the requirement to obtain an APCD Permit to Operate.

At this time, APCD staff is not proposing to require agricultural sources that emit less than 50 percent of the major source threshold to obtain permits. Staff is proposing that the following sources would be required to obtain permits:

- Large confined animal facilities
- Agricultural sources that emit more than 50 percent of any major source threshold for ROC, NO_x, CO, PM₁₀, or SO_x, or more than 10 tons per year of any single hazardous air pollutant (HAP) or more than 25 tons per year of any combination of HAPs

Large Confined Animal Facilities

Ventura County currently has no large confined animal facilities. SB 700 requires large confined animal facilities in federal ozone nonattainment areas “to obtain a permit from the district to reduce, to the extent feasible, emissions of air contaminants from the facility.” Under staff’s proposal, any new facility to be located in Ventura County would be required to first obtain a permit from the District. VCAPCD rules

require any new source that is required to obtain a permit to also comply with Rule 26, New Source Review. The Rule 26 requirement for “best available control technology” (BACT) would require emissions from any new large confined animal facility to be controlled to the extent feasible. The California Air Resources Board has defined a large confined animal facility as follows:

Any confined animal facility that maintains on any one day:

- 1,000 or more milk-producing dairy cows;
- 2,500 or more beef cattle;
- 7,500 or more calves, heifers, or other cattle;
- 100,000 or more turkeys;
- 650,000 or more chickens other than laying hens
- 650,000 or more laying hens
- 3,000 or more swine;
- 15,000 or more sheep, lambs, or goats;
- 2,500 or more horses;
- 650,000 or more ducks;
- 30,000 or more rabbits or other animals.

Agricultural Sources that Emit More Than 50 Percent of Any Major Source Threshold for ROC, NO_x, CO, PM₁₀ or SO_x

Staff has not identified any agricultural source in Ventura County that exceeds 50 percent of any federal major source threshold for moderate or serious ozone nonattainment areas. The pollutant

and equipment that would most likely trigger the permit requirement is NOx emissions from non-vehicular agricultural diesel engines that power water well pumps and irrigation pumps (portable and permanently installed). Mobile propulsion engines on farm equipment are considered vehicular and are not included when determining if a permit is required. Annual emissions from all diesel driven pumps located on contiguous property under common ownership or control are added together to determine if the source must obtain a permit. The best way to calculate annual emissions is to base it on the amount of diesel fuel burned annually. If fuel records are not

available, annual emissions can be estimated from the volume of water pumped and the depth of the water wells, or total hours of engine operation.

Staff will determine if any permit applications that may be submitted to satisfy SB700 will trigger federal permitting requirements. The District will issue a federal operating permit (Title V permit) to any such major source.

Staff is proposing to add the following new exemption to Rule 23, Section J – Miscellaneous.

16. *Emission units used exclusively in agricultural operations, except where the total actual annual emissions, excluding fugitive PM10 emissions, from an agricultural source is equal to or greater than 50 percent of any of the following federal major source thresholds:*

<u>Pollutant</u>	<u>Threshold (Tons Per Year)</u>
Any single HAP	10
Combination of HAPs	25
CO, PM10, or SOx	100
<u>Attainment / Nonattainment</u>	<u>Threshold (TPY)</u>
<u>Classification (Ozone)</u>	<u>(ROC, NOx)</u>
Attainment, Marginal, or Moderate	100
Serious	50
Severe	25
Extreme	10

This provision shall not exempt any large confined animal facility or any source required to be issued a permit pursuant to Title I (42 U.S.C. Sec. 7401 et seq.) or Title V (42 U.S.C. Sec. 7661 et seq.) For the purpose of this subsection, agricultural operations are operations conducted in the raising of fowl or animals or the production of products of the soil, including crops, orchard fruits, trees, vines, rose bushes, ornamental plants, floricultural crops, and other horticultural crops. An agricultural source includes all emissions units that are not exempt pursuant to other provisions of this rule which are used in agricultural operations located on contiguous property under common ownership or control. For the purpose of this subsection a “large confined animal facility” is defined by the California Air Resources Board.

Socioeconomic Impacts, Cost-Effectiveness, and CEQA

SOCIOECONOMIC IMPACTS

California Health and Safety Code Section 40728.5 requires the APCD Board to consider the socioeconomic impacts of the adoption, amendment, or repeal of any rule that will significantly affect air quality or emissions limitations. This section does not apply to the proposed revisions to Rule 23, as the revisions

do not significantly affect air quality or emissions limitations. Rule 23 is an administrative rule that specifies which sources are exempt from permit requirements. Rule 23 does not impose emissions limitations.

COST-EFFECTIVENESS

California Health and Safety Code Section 40703 requires the District, in adopting a regulation, to consider and make public its findings related to cost-effectiveness of control measures. This section does not apply to revisions to Rule 23 as it does not adopt or revise a control measure.

WRITTEN ANALYSIS

California Health and Safety Code Section 40727.2 requires the District to prepare a written analysis identifying all federal air pollution control requirements that apply to the same equipment or source type as the rule or regulation proposed for modification by the district. This requirement is satisfied pursuant to Section 40727.2(g), as the proposed revision does not impose new or more stringent emission limits, standards, or reporting requirements on existing sources.

CEQA

The proposed revisions are exempt from CEQA under section 15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that these changes may have a significant effect on the environment.