



South Coast Air Quality Management District
Engineering & Compliance

*Policies &
Procedures*

Subject: CO Attainment Status

Date: August 9, 2007

Electronic Mail Memo

From: Mohsen Nazemi

As you may already know, effective June 11, 2007 EPA has re-designated South Coast Air Basin (SCAB) as attainment with respect to CO National Ambient Air Quality Standards (NAAQS). Since AQMD was already attainment with State standards and NAAQS for the rest of AQMD, and CO is not identified as a precursor to any non-attainment pollutants in Regulation XIII, the requirements of Regulation XIII (Rule 1303) does not apply to any new or modified source with a net emission increase in CO.

Therefore, for all new permits that we are issuing for equipment with CO emission increases no CO offsets will be required in the form of ERCs and we should not use any NSR codes from the Priority Reserve or Rule 1304 exemptions to offset emission increases for CO.

However, since the NSR system would still require any CO emission increases to be offset prior to granting approval to a permit, on the "NSR Emission Data" screen, please use the "Exemption" section and under the "District" drop down list pick the code "1301(b)(1)-12/07/95-General [NSR] – attainment air contaminant" to account for any emission increases of CO.

In addition, for combustion sources we will continue to require CO BACT, which is typically an oxidation catalyst, since in most cases an oxidation catalyst would be probably BACT for ROGs any way and since we do not have any continuous monitoring systems or continuous monitoring requirements for ROG and since in most combustion processes ROG and CO emissions typically change in the same direction, the CO controls and CEMS should be used as a surrogate to have a better continuous accounting for ROG emissions. Therefore, the only exemptions under NSR at this time should be for offsets and modeling.

Finally, please keep in mind that although we are now in attainment with CO and CO emission increases are not subject to Regulation XIII any more, CO is still subject to PSD regulations. So for all new or modified sources of CO we need to inform the applicant that a PSD determination needs to be also made (unless of course the total facility CO potential to emit is less than the CO major source threshold listed in our Regulation XVII). Furthermore, AQMD presently does not have PSD delegation from EPA. However, we are in the final stages of signing a new PSD Delegation Agreement with EPA Region 9. The proposed new PSD Delegation Agreement will only apply to new sources and to a limited extent to modifications of existing sources. Once such an agreement is finalized you will be notified accordingly, however until then EPA is still in charge of PSD permitting issues.

Please pass this on to all of your permitting staff. Thanks

P.S. We are presently having preliminary internal discussions on whether any changes to Regulation XIII is necessary related to CO BACT requirements and once a decision is made you will be notified accordingly.

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