

**List of Subjects in 40 CFR Part 70**

Environmental protection, Administrative practice and procedure, Air pollution control, Intergovernmental relations, Operating permits, Reporting and recordkeeping requirements.

Dated: October 11, 2001.

**Laura Yoshii,**

*Acting Regional Administrator, Region IX.*

[FR Doc. 01-26409 Filed 10-18-01; 8:45 am]

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**ENVIRONMENTAL PROTECTION AGENCY****40 CFR Part 70**

[CA048-OPP; FRL-7087-7]

**Clean Air Act Proposed Full Approval of Operating Permit Program; Santa Barbara County Air Pollution Control District**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** EPA is proposing to approve the operating permit program of the Santa Barbara Air Pollution Control District ("Santa Barbara" or "District"). The District operating permit program was submitted in response to the directive in the 1990 Clean Air Act (CAA) Amendments that permitting authorities develop, and submit to EPA, programs for issuing operating permits to all major stationary sources and to certain other sources within the permitting authorities' jurisdictions. EPA granted interim approval to the Santa Barbara operating permit program on November 1, 1995 but listed certain deficiencies in the program preventing full approval. Santa Barbara has revised its program to correct the deficiencies of the interim approval and this action proposes full approval of those revisions. The District has also made other revisions to its program since interim approval was granted and EPA is also proposing to approve those revisions in this action.

**DATES:** Written comments must be received by November 19, 2001.

**ADDRESSES:** Written comments on this action should be addressed to Gerardo Rios, Acting Chief, Permits Office, Air Division (AIR-3), EPA Region IX, 75 Hawthorne Street, San Francisco, California 94105. You can inspect copies of the District's submittals, and other supporting documentation relevant to this action, during normal business hours at Air Division, EPA Region IX, 75 Hawthorne Street, San Francisco, California 94105. You may

also see copies of the submitted Title V program at the following locations:

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 1001 "I" Street, Sacramento, CA 95814. Santa Barbara County Air Pollution Control District: 26 Castilian Drive B-23, Goleta, CA 93117.

You may also review the District rules by retrieving them from the California Air Resources Board (ARB) website. If you review rules on the website be sure the adoption date on the electronic version matches that of the rule for which EPA proposes approval. The location of the District rules is at <http://arbis.arb.ca.gov/drdb/ven/cur.htm>.

**FOR FURTHER INFORMATION CONTACT:**

Robert Baker, EPA Region IX, at (415) 744-1258 ([Baker.Robert@epa.gov](mailto:Baker.Robert@epa.gov)).

**SUPPLEMENTARY INFORMATION:** This section provides additional information by addressing the following questions:

What is the operating permit program?  
What is being addressed in this document?  
Are there other issues with the program?  
What are the program changes that EPA is proposing to approve?  
What is involved in this proposed action?

**What Is the Operating Permit Program?**

The Clean Air Act Amendments of 1990 required all state and local permitting authorities to develop operating permit programs that met certain federal criteria. In implementing the operating permit programs, the permitting authorities require certain sources of air pollution to obtain permits that contain all applicable requirements under the Clean Air Act (CAA). The focus of the operating permit program is to improve enforcement by issuing each source a permit that consolidates all of the applicable CAA requirements into a federally enforceable document. By consolidating all of the applicable requirements for a facility, the source, the public, and the permitting authorities can more easily determine what CAA requirements apply and how compliance with those requirements is determined.

Sources required to obtain an operating permit under this program include "major" sources of air pollution and certain other sources specified in the CAA or in EPA's implementing regulations. For example, all sources regulated under the acid rain program, regardless of size, must obtain permits. Examples of major sources include those that have the potential to emit 100 tons per year or more of volatile organic compounds, carbon monoxide, lead,

sulfur dioxide, nitrogen oxides (NO<sub>x</sub>), or particulate matter (PM<sub>10</sub>); those that emit 10 tons per year or more of any single hazardous air pollutant (HAP) listed under the CAA; or those that emit 25 tons per year or more of a combination of HAPs. In areas that are not meeting the National Ambient Air Quality Standards for ozone, carbon monoxide, or particulate matter, major sources are defined by the gravity of the non-attainment classification. For example, in ozone non-attainment areas classified as "serious," major sources include those with the potential of emitting 50 tons per year or more of volatile organic compounds or nitrogen oxides.

**What Is Being Addressed in This Document?**

Where an operating permit program substantially, but not fully, met the criteria outlined in the implementing regulations codified at 40 Code of Federal Regulations (CFR) part 70, EPA granted interim approval contingent on the state revising its program to correct the deficiencies. Because the District's operating permit program substantially, but not fully, met the requirements of part 70, EPA granted interim approval to the District's program on November 1, 1995. This **Federal Register** notice describes the changes that the District's has made to its operating permit program (Rules 1301, 1303, 1304 and 370) since interim approval was granted.

**Are There Other Issues With the Program?**

On May 22, 2000, EPA promulgated a rulemaking that extended the interim approval period of 86 operating permits programs until December 1, 2001 (65 FR 32035). The action was subsequently challenged by the Sierra Club and the New York Public Interest Research Group (NYPPIRG). In settling the litigation, EPA agreed to publish a notice in the **Federal Register** that would alert the public that they may identify and bring to EPA's attention alleged programmatic and/or implementation deficiencies in Title V programs and that EPA would respond to their allegations within specified time periods if the comments were made within 90 days of publication of the **Federal Register** notice.

EPA received a comment letter from one organization on what they believe to be deficiencies with respect to Title V programs in California. EPA takes no action on those comments in today's action and will respond to them by December 1, 2001. As stated in the **Federal Register** notice published on

December 11, 2000 (65 FR 77376), EPA will respond by December 1, 2001 to timely public comments on programs that have obtained interim approval; and EPA will respond by April 1, 2002 to timely comments on fully approved programs. We will publish a notice of deficiency (NOD) when we determine that a deficiency exists, or we will notify the commentator in writing to explain our reasons for not making a finding of deficiency. A NOD will not necessarily be limited to deficiencies identified by citizens and may include any deficiencies that we have identified through our program oversight.

### What Are the Program Changes That EPA Is Proposing To Approve?

As discussed above, EPA granted final interim approval on November 1, 1995 (60 FR 55460) to the District's title V program. As stipulated in that rulemaking, full approval of the District operating permit program was made contingent upon satisfaction of certain conditions. In response to EPA's interim approval action, the District revised its operating permit program (Rules 1301, 1303, 1304 and 370) to remove the deficiencies identified by EPA. The District made its revised rule available to public review and comments. It also held a workshop on September 27, 2000. On January 18, 2001, the District adopted the revisions. The revised program was submitted to EPA on April 5, 2001. We have included below a discussion of each of the interim approval deficiencies, the conditions for correction, and a summary of how the District has corrected the deficiency. The Technical Support Document (TSD) for this action includes the District's submittal and more details of the revisions made. In the discussion here, each of the EPA cited deficiencies identified in the July 10, 1995 **Federal Register** notice (see 59 FR 60104) that proposed the interim approval is listed followed by a brief description of the District's revisions to its operating permit program to remove these deficiencies.

### Changes Required for Full Program Approval

*Issue a. Variances:* Rule 1305.G(1) had to be revised to read "The terms and conditions of any variance or abatement order that would prescribe a compliance schedule shall be incorporated into the permit as a compliance schedule, to the extent required by Part 70 rules."

*District's Response to Issue a.* After reviewing District Rule 1305.G(1) EPA has determined that the rule already incorporates all of the above language

and that no further revision of the rule is required.

*Issue b. Permit Content:* Rule 1303.D.1.f., permit content requirements, had to be revised to provide adequate specificity with regard to the applicable recordkeeping requirements. See § 70.6(a)(3)(ii)(A) and (B).

*District's response to Issue b.* The District incorporated all of the above requirements in Rule 1303.D.1.f.

*Issue c. Insignificant Activities:* The District had to provide a demonstration that activities that are exempt from permitting under Rule XIII, (pursuant to Rule 202, the District's permit exemption list) are truly insignificant and are not likely to be subject to an applicable requirement. Alternatively, Rule XIII may restrict the exemptions to activities that are not likely to be subject to an applicable requirement and emit less than District-established emission levels. The District would have to establish separate emission levels for HAP and for other regulated pollutants and demonstrate that these emission levels are insignificant compared to the level of emissions from and type of units that are required to be permitted or subject to applicable requirements. See § 70.4(b)(2).

Additionally, Rule XIII had to be revised to require that insignificant activities that are exempted because of size or production rate be listed in the permit application. See § 70.5(c). See 1302.D.1.f., Definition of Insignificant Activities.

Additionally, Rule 1301 definition of "Insignificant Activities" had to be revised deleting the last sentence, which contradicts the requirement that applications may not omit information needed to determine the applicability of, or to impose, any applicable requirement, or to evaluate the fee amount required. See § 70.5(c).

*District's response to Issue c.* The District deleted the current definition of "Insignificant Activities" and added: "Insignificant emission levels" means the emission levels from any emission unit, that for regulated air pollutants excluding Hazardous Air Pollutants, are less than 2 tons per year potential to emit, and less than 0.5 tons per year potential to emit of any Hazardous Air Pollutants regulated under Section 112(g) of the Clean Air Act.

The District also deleted the last sentence in the definition of "Insignificant Activities" and added: "Insignificant Activities mean activities whose emissions do not exceed insignificant emission levels". Activities exempted because of size, emission

levels, or production rate shall be listed in the permit application.

*Issue d. Definition of Administrative Permit Amendment:* The District had to revise Rule 1301, definition of "Administrative Permit Amendment" Part 6. Santa Barbara had to define by rule what "other changes" will be determined to be administrative permit amendments. In order for "other changes" to qualify as an administrative permit amendment, the specific changes must be approved by the Administrator as part of the part 70 program. See § 70.7(d)(1)(iv).

*District's response to Issue d.* The District deleted part 6 of the definition of "Administrative Permit Amendment" which would have allowed the Control Officer and the USEPA to incorporate "other changes" into a permit as an Administrative Permit Amendment.

*Issue e. Operational Flexibility Notification:* Rule 1304.E.2 and E.3 had to be revised to incorporate a requirement that sources notify EPA of changes made under the operational flexibility provisions. See § 70.4(b)(12).

*District's response to Issue e.* The District added to the second paragraph of 1303.E.2: "The owner or operator shall also provide written notification to USEPA of emission trades made, a minimum of seven days in advance."

The District also added to the first paragraph of 1303.E.3: "The owner or operator shall also provide written notification to USEPA, a minimum of seven days in advance, of express permit conditions contravened."

*Issue f. Public Notification Requirement:* The District had to revise Rule 1304.D.6 to include notice "by other means if necessary to assure adequate notice to the affected public." See § 70.7(h)(1).

*District's response to Issue f.* The District added to the first paragraph of 1304.D.6: "Notice shall be provided by other means if necessary to assure adequate notice to the affected public."

*Issue g. Significant Changes to Monitoring Requirements:* Rule 1301, definition of "Minor Permit Modification" part (4) had to be revised to read "The modification does not involve any relaxation of any existing reporting or recordkeeping requirements in the permit, or any significant changes to existing monitoring requirements in the permit." See §§ 70.7(e)(2)(i)(2) and 70.7(e)(4)(i).

*District's response to Issue g.* The District revised the definition of "Minor Permit Modification" part 4 of 1301.C to add the exact language cited above.

*Issue h. Form of Applicable Requirement:* The District rule did not require the identification of any

difference in form from the applicable requirement upon which the term or condition is based. Regulation XIII had to be revised to include this requirement. This requirement is included in the Standard Permit Format. See § 70.6(a)(1)(i).

*District's response to Issue h.* The District added text to Rule 1303.D.1. to require that each Part 70 permit include elements that describe the origin of and authority for each permit term and condition and identify any difference in form as compared to the applicable requirement upon which the term or condition is based.

*Issue i. Applicable Requirement Trading:* The District had to add emissions trading provisions to Rule 1301 consistent with § 70.6(a)(10), which require that trading must be allowed where an applicable requirement provides for trading increases and decreases without a case-by-case approval.

*District's response to Issue i.* The District revised Rule 1301.D.1.s. and added all of the required provisions consistent with § 70.6(a)(10).

*Issue j. Prompt Reporting of Deviations:* Santa Barbara had not defined "prompt" in their program with respect to reporting of all deviations. Part 70 of the operating permits regulations requires prompt reporting of deviations from the permit requirements. Section 70.6(a)(3)(iii)(B) requires the permitting authority to define prompt in relation to the degree and type of deviation likely to occur and the applicable requirements. Santa Barbara's requirement for reporting of deviations was limited to deviations due to emergency upset conditions. Under part 70, deviations include, but are not limited to, upset conditions. In our final interim approval, we provided Santa Barbara three options to correct this deficiency. Santa Barbara had to revise rule 1303.D.1.g to be consistent with the more inclusive part 70 requirement.

*District's response to issue j.* The District revised Rules 1303.D.1.g. and h. to require the reporting of all permit deviations within 7 days after discovery of the violation.

*Issue k. Exemptions:* The District had to delete Rule 1301.B.4. Section 70.3(b) requires that major sources, affected sources (acid rain sources), and solid waste incinerators regulated pursuant to section 129(e) of the CAA may not be exempted from the program. Although Section 129(g)(1)(3) of the CAA exempts solid waste incineration units subject to Section 3005 of the Solid Waste Disposal Act, part 70 does not exempt these units. Any solid waste incineration unit that meets the

definition of "major source" under part 70 would be subject to the requirement to obtain a part 70 permit regardless of the unit's applicability under Section 129.

*District's response to issue k.* The District deleted Rule 1301.B.4. which exempted solid waste incineration units from the operating permit program.

*Issue l. Recordkeeping for off-permit changes:* Santa Barbara's rule did not require that the permittee keep records describing off-permit changes and the emissions resulting from these changes. Santa Barbara's rule had to be revised to be consistent with the requirements of § 70.4(b)(14)(iv).

*District's response to issue l.* Under the District's rules, a source is required to obtain an Authority to Construct or minor modification for all changes at a Part 70 source. The application for the Authority to Construct describes the changes and the emissions resulting from the change.

*Issue m. Definition of Title I Modifications and Significant Part 70 Permit Modifications:* Rule 1301 defined "modification" to include all modifications under 40 CFR part 60. However, the definitions of "title I (or major) modification" and "significant part 70 permit modification" did not clearly define all modifications under part 60 as title I modifications and did not clearly ensure that they will be treated as significant permit modifications. In order to receive full approval, Santa Barbara had to clarify the definitions of "title I (or major) modification" and "significant part 70 permit modification" to include all modifications under 40 CFR part 60.

*District response to issue m.* The District revised the definitions of "Significant Part 70 Permit Modification" and "Title I (or Major) Modification" in Rule 1301.C. by adding clarifying language that these modifications include all modifications under 40 CFR Part 60.

*Issue n. Reporting of an Emergency:* In order to obtain an affirmative defense in an emergency, Santa Barbara required in Rule 1303.F.d., among other things, that the permittee submit a description of the emergency within 4 days of the emergency. Santa Barbara had to revise 1303.F.d. to require submittal of notice of emergency to the permitting authority within 2 working days of the time when emission limitations were exceeded due to the emergency, to be consistent with § 70.6(g)(3)(iv) and in order to maintain the affirmative defense of emergency.

*District response to issue n.* The District revised Rule 1303.F.4. to require the permittee to submit a description of the emergency and all mitigating and

corrective actions taken to the District within two (2) working days of the emergency.

#### *Agricultural Operations*

One of EPA's conditions for full title V program approval was the California Legislature's revision of the Health and Safety Code to eliminate the provision that exempts "any equipment used in agricultural operations in the growing of crops or the raising of fowl or animals" from the requirement to obtain a permit. See California Health and Safety Code section 42310(e). Even though the local Districts have, in many cases, removed the title V exemption for agricultural sources from their own rules, the Health and Safety Code has not been revised to eliminate this provision.

In evaluating the impact of the Health and Safety Code exemption, EPA believes there are a couple of key factors to consider. First, many post-harvest activities are not covered by the exemption and, thus, are still subject to title V permitting. For example, according to the California Air Resources Board (CARB), the Health and Safety Code exemption does not include activities such as milling and crushing, or canning or cotton ginning operations. Activities such as these are subject to review under the State's title V programs. See letter from Michael P. Kenny, Executive Officer, California Air Resources Board, to Jack Broadbent, Director, Air Division, U.S. EPA Region 9, dated September 19, 2001. In addition, since the granting of interim approval, the EPA has discovered that, in general, there is not a reliable or complete inventory of emissions associated with agricultural operations in California that are subject to the exemption. Although further research on this issue is needed, many sources with activities covered by the exemption may not have emission levels that would subject them to title V, and the State and/or individual Districts may be able to demonstrate that none of the sources that are exempt under the State law are subject to title V.

Based, in part, on these factors, EPA has tentatively concluded that requiring the immediate commencement of title V permitting of the limited types of agricultural activities presently subject to the exemption, without a better understanding of the sources and their emissions, would not be an appropriate utilization of limited local, state and federal resources. As a result, despite the State of California's failure to eliminate the agricultural permitting exemption, EPA is proposing to grant full approval to local Air District operating permit programs and allow a

deferral of title V permitting of agricultural operations involved in the growing of crops or the raising of fowl or animals for a further brief period, not to exceed three years. During the deferral period, we expect to develop the program infrastructure and experience necessary for effective implementation of the title V permitting program to this limited category of sources.

EPA believes it is appropriate to defer permitting for this limited category of agricultural sources because the currently available techniques for determining emissions inventories and for monitoring emissions (e.g., from irrigation pumps and feeding operations) are problematic and will be dramatically enhanced by several efforts currently being undertaken with the cooperation and participation of the operators and agricultural organizations, as well as EPA, other Federal agencies, and the State and local air pollution agencies. For example, the National Academy of Sciences is undertaking a study addressing emissions from animal feeding operations. Their report is due next year. In addition, EPA's Office of Air and Radiation is working with the U.S. Department of Agriculture to better address the impact of agricultural operations on air quality. We consider the effort to evaluate the existing science, improve on assessment tools, collect additional data, remove any remaining legal obstacles, and issue any necessary guidance within the three year deferral time frame to be ambitious. We welcome comments on other areas that might also warrant study, as well as ways that this work might be done more quickly.

During the interim deferral period, EPA will continue to work with the agricultural industry and our state and federal regulatory partners to pursue, wherever possible, voluntary emission reduction strategies. At the end of this period, EPA will, taking into consideration the results of these studies, make a determination as to how the title V operating permit program will be implemented for any potential major agricultural stationary sources.

#### *Other Changes*

In addition to addressing interim approval deficiencies, the District has also adopted additional changes to its operating permit program. EPA has reviewed these changes and has determined that they are approvable. We have listed these other changes below.

#### Rule 1301.C. and Rule 370

The District revised the definitions of "Part 70 Source" and "Major Source of Regulated Air Pollutants (excluding Hazardous Air Pollutants)" to reflect the redesignation of attainment status.

#### Rule 1303.D.1.c.i. and Rule 1304.D.1.a.v.

The District revised its rules to allow for permit terms of less than five years.

#### **What Is Involved in This Proposed Action?**

Today, we are proposing to fully approve the District's revised operating permit program (Rules 1301, 1303, 1304 and 370). We have determined that the revisions made by the District removes the deficiencies identified by us in 1995. In addition, the District has made other changes to its operating permit program that are unrelated to the changes made to correct interim approval deficiencies. EPA is also proposing to approve these changes. We will make our final decision on our proposal after considering public comments submitted during the 30-day period from this publication date.

#### **Request for Public Comment**

EPA requests comments on the program revisions discussed in this proposed action. Copies of the California submittals and other supporting documentation used in developing the proposed full approval are contained in docket files maintained at the EPA Region 9 office. The docket is an organized and complete file of all the information submitted to, or otherwise considered by, EPA in the development of this proposed full approval. The primary purposes of the docket are: (1) To allow interested parties a means to identify and locate documents so that they can effectively participate in the approval process, and (2) to serve as the record in case of judicial review. EPA will consider any comments received in writing by November 19, 2001.

#### **Administrative Requirements**

Under Executive Order 12866, "Regulatory Planning and Review" (58 FR 51735, October 4, 1993), this proposed action is not a "significant regulatory action" and therefore is not subject to review by the Office of Management and Budget. Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) the Administrator certifies that this proposed rule will not have a significant economic impact on a substantial number of small entities because it merely approves state law as meeting federal requirements and

imposes no additional requirements beyond those imposed by state law. This rule does not contain any unfunded mandates and does not significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4) because it proposes to approve pre-existing requirements under state law and does not impose any additional enforceable duties beyond that required by state law. This rule also does not have tribal implications because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes, as specified by Executive Order 13175, "Consultation and Coordination with Indian Tribal Governments" (65 FR 67249, November 9, 2000). This rule also does not have Federalism implications because it will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132, "Federalism" (64 FR 43255, August 10, 1999). The rule merely proposes to approve existing requirements under state law, and does not alter the relationship or the distribution of power and responsibilities between the State and the Federal government established in the Clean Air Act. This proposed rule also is not subject to Executive Order 13045, "Protection of Children from Environmental Health Risks and Safety Risks" (62 FR 19885, April 23, 1997) or Executive Order 13211, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use" (66 FR 28355 (May 22, 2001), because it is not a significantly regulatory action under Executive Order 12866. This action will not impose any collection of information subject to the provisions of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*, other than those previously approved and assigned OMB control number 2060-0243. For additional information concerning these requirements, see 40 CFR part 70. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

In reviewing State operating permit programs submitted pursuant to Title V of the Clean Air Act, EPA will approve

State programs provided that they meet the requirements of the Clean Air Act and EPA's regulations codified at 40 CFR part 70. In this context, in the absence of a prior existing requirement for the State to use voluntary consensus standards (VCS), EPA has no authority to disapprove a State operating permit program for failure to use VCS. It would thus be inconsistent with applicable law for EPA, when it reviews an operating permit program, to use VCS in place of a State program that otherwise satisfies the provisions of the Clean Air Act. Thus, the requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 *note*) do not apply.

#### List of Subjects in 40 CFR Part 70

Environmental protection, Administrative practice and procedure, Air pollution control, Intergovernmental relations, Operating permits, Reporting and recordkeeping requirements.

Dated: October 11, 2001.

**Laura Yoshii,**

*Acting Regional Administrator, Region IX.*

[FR Doc. 01-26410 Filed 10-18-01; 8:45 am]

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## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 70

[CA 044-OPP; FRL-7087-8]

#### Clean Air Act Proposed Full Approval of Operating Permit Program; San Luis Obispo County Air Pollution Control District

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** EPA proposes to fully approve the operating permit program of the San Luis Obispo County Air Pollution Control District (District). The program was submitted in response to the directive in the 1990 Clean Air Act (CAA) Amendments that permitting authorities develop, and submit to EPA, programs for issuing operating permits to all major stationary sources and to certain other sources within the permitting authorities' jurisdiction.

On November 1, 1995, EPA granted interim approval to the District's operating permit program (60 FR 55460). The District has revised its operating permit program (Rule 216) to satisfy the conditions of the interim approval and this action proposes approval of these revisions made since the interim approval was granted. In addition, EPA proposes to approve two

other changes that were made by the District but were not required to correct an interim approval issue.

**DATES:** Written comments must be received by November 19, 2001.

**ADDRESSES:** Written comments on this action should be addressed to Gerardo Rios, Acting Chief, Permits Office, Air Division (AIR-3), EPA Region IX, 75 Hawthorne Street, San Francisco, California, 94105. You can inspect copies of the District's submittals, and other supporting documentation relevant to this action, during normal business hours at Air Division, EPA Region IX, 75 Hawthorne Street, San Francisco, California, 94105. You may also see copies of the submitted Title V program at the following locations:

- California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 1001 "I" Street, Sacramento, CA 95814.
- San Luis Obispo County Air Pollution Control District: 3433 Roberto Court, San Luis Obispo, CA 93401.

You may review all the District rules by retrieving them from the California Air Resources Board (ARB) Web site. The location of the District rules on the ARB Web site is <http://arbis.arb.ca.gov/drdb/slo/cur.htm>.

**FOR FURTHER INFORMATION CONTACT:**

Gerardo Rios, EPA Region IX, at (415) 744-1259 ([rios.gerardo@epa.gov](mailto:rios.gerardo@epa.gov)) or Nahid Zoueshtiagh at (415) 744-1261.

**SUPPLEMENTARY INFORMATION:**

Throughout this document, "we," "us" and "our" refer to EPA.

**Table of Contents**

- I. District's Operating Permit Program
  - A. What Is the Operating Permit Program?
  - B. What Is Being Addressed in this Document?
  - C. Are There Other Issues with the Program?
  - D. What Are the Program Changes That EPA Is Proposing to Approve?
  - E. What Is Involved in this Action?
- II. Request For Public Comment

**I. District's Operating Permit Program**

*A. What Is the Operating Permit Program?*

Title V of the Clean Air Act Amendments of 1990 required all State and local permitting authorities to develop operating permit programs that met certain federal criteria. In implementing the operating permit programs, the permitting authorities require certain sources of air pollution to obtain permits that contain all applicable requirements under the Clean Air Act (CAA). One goal of the operating permit program is to improve compliance by issuing each source a permit that consolidates all of the

applicable CAA requirements into a federally enforceable document. By consolidating all of the applicable requirements for a facility, the source, the public, and the permitting authorities can more easily determine what CAA requirements apply and how compliance with those requirements is determined.

Sources required to obtain an operating permit under this program include "major" sources of air pollution and certain other sources specified in the CAA or in EPA's implementing regulations. For example, all sources regulated under the acid rain program, regardless of size, must obtain permits. Examples of major sources include those that have the potential to emit 100 tons per year or more of volatile organic compounds, carbon monoxide, lead, sulfur dioxide, nitrogen oxides (NO<sub>x</sub>), or particulate matter (PM<sub>10</sub>); those that emit 10 tons per year or more of any single hazardous air pollutant (HAP) listed under the CAA; or those that emit 25 tons per year or more of a combination of HAPs. In areas that are not meeting the National Ambient Air Quality Standards (NAAQS) for ozone, carbon monoxide, or particulate matter, major sources are defined by the gravity of the non-attainment classification.

San Luis Obispo County is classified as an attainment area for all NAAQS.

*B. What Is Being Addressed in This Document?*

Where an operating permit program substantially, but not fully, met the criteria outlined in the implementing regulations codified at 40 Code of Federal Regulations (CFR) part 70, EPA granted interim approval contingent on the State revising its program to correct any deficiencies. Because the District's operating permit program substantially, but not fully, met the requirements of part 70, EPA granted interim approval to the District's program on November 1, 1995 (60 FR 55460).

This **Federal Register** notice describes the changes that the District has made to its Rule 216 (District's Operating Permit Program) since interim approval was granted. The District also revised its Rule 201 (Equipment Not Requiring a Permit) to correct one of the deficiency issues. Our notice also describes the change to this rule.

*C. Are There Other Issues With the Program?*

On May 22, 2000, EPA promulgated a rulemaking that extended the interim approval period of 86 operating permits programs until December 1, 2001, (65 FR 32035). The action was subsequently challenged by the Sierra Club and the