

VENTURA COUNTY AIR POLLUTION CONTROL DISTRICT

RULE 26.5 - NEW SOURCE REVIEW - ESSENTIAL PUBLIC SERVICE BANK

(Adopted 10/22/91, Revised 12/22/92, 2/13/96, 1/13/98, 3/14/06)

A. Applicability

This rule provides for the banking, by the District, of emission reductions of reactive organic compounds (ROC) and nitrogen oxides (NOx) as essential public service credits and the disbursement of these credits.

B. Essential Public Service Bank Funding

The following emission reductions shall be certified as essential public service credits and shall be deposited in the essential public service bank:

1. The discounted portion of any emission reduction resulting from a reduction in throughput for an emissions unit or the shutdown of an emissions unit which is discounted pursuant to Rule 26.4.C.1 on or after October 22, 1991.
2. The discounted portion of any emission reduction resulting from the application of control equipment, a modified emissions unit or the replacement of an emissions unit with a lower emitting emissions unit which is discounted pursuant to Rule 26.4.C.2 on or after October 22, 1991.
3. The portion of any emission reduction credit which is used as an offset at a tradeoff ratio greater than 1.0, as required pursuant to Rule 26.2.B.2 on or after October 22, 1991.
4. Any emission reduction resulting from a shutdown of an emissions unit, which occurred on or after October 22, 1991, and which is not banked pursuant to Rule 26.4, provided the emissions unit is located at a stationary source with a potential to emit of greater than or equal to five tons per year with respect to the pollutant being deposited into the essential public service bank and provided there is reasonable evidence to determine that the reduction is real, quantifiable, permanent, enforceable, and surplus.

For the purposes of this subsection the potential to emit of a source shall be equal to the potential to emit at the time immediately prior to the occurrence of such shutdown.

5. The discounted portion of any existing emission reduction credit which is discounted pursuant to Rule 26.4.G.1.

6. Any essential public service credits which are returned from an essential public service pursuant to subsection C.3 or Rule 26.6.E.4.d on or after October 22, 1991.

C. Disbursement and Return of Essential Public Service Credits

1. The APCO shall disburse essential public service credits to an essential public service, which is required to provide offsets and which is eligible to use the essential public service bank, on the date the Authority to Construct for such essential public service is issued. If the requests for credits for essential public services exceed the amount of essential public service credits available for use by essential public services, priority shall be given to the application which was deemed complete the earliest. Notwithstanding the previous sentence, the Ventura County Air Pollution Control Board may determine that a specific essential public service shall be given priority for access to the essential public service bank based on public health or safety regardless of the date on which the application was deemed complete.
2. Essential public services may reserve essential public service credits to allow multi-year projects to be planned. The reservation of any essential public service credits pursuant to this subsection shall be subject to the approval of the Ventura County Air Pollution Control Board. When approving such reservation, the Ventura County Air Pollution Control Board shall consider whether the project is consistent with the growth projections in the most recently adopted version of the Ventura County Air Quality Management Plan. An application for an Authority to Construct which proposes to utilize such reserved credits shall be submitted to the District within two years after the date on which such reservation is approved by the Ventura County Air Pollution Control Board. If such application is not submitted on or before the required date, the reservation shall be canceled.
3. Essential public service credits shall be returned to the essential public service bank under the following conditions:
 - a. Construction has not started prior to the expiration of an Authority to Construct. In this case all essential public service credits which were granted to obtain the Authority to Construct shall be returned.
 - b. The voluntary surrender or the revocation of an Authority to Construct or Permit to Operate. In this case all essential public service credits which were granted to obtain the Authority to Construct or Permit to Operate shall be returned.

D. Transferability

Essential public service credits shall not be transferable except in the case where a Permit to Operate is transferred pursuant to Rule 20.