SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

Allowed Operation of Portable Registered Equipment at a Stationary Source

Approved by:	<u>signed</u> David Warner Director of Permit Services	Dat	e: _	12/8/11	
	<u>signed</u> Morgan Lambert Director of Compliance	Da	te: _	12/8/11	

I. Purpose:

This policy is to provide clarification when California Air Resources Board (CARB) Statewide Portable Equipment Registration Program (PERP) or District Rule 2280 (Portable Equipment Registration) portable registered equipment may be operated at a stationary source.

This policy supersedes District policy "Applicability of Rule 2280, Portable Equipment Registration" dated 11/5/02.

II. Background:

The CARB PERP (under Title 13 California Code of Regulations (CCR), Sections 2450-2465) is a statewide program to register portable equipment. This program allows the operation of PERP registered equipment in some cases without obtaining permits from any of California's air quality management or air pollution control districts.

District Rule 2280 established standards for registration of certain portable emissions units for operation at participating districts throughout the State of California. This rule allows operators of portable equipment the flexibility to operate at various locations in some cases without having to obtain permits at each new location within the participating districts. However, there are limitations regarding the use of portable registered equipment at a stationary source as discussed in the following Policy and Example sections below.

III. Policy:

Pursuant to the CARB PERP regulations (§ 2451(c)(3)) a portable equipment registration is not valid when the emissions unit is operated in a way that it becomes part of a stationary source.

District Rule 2201 Section 3.37, defines stationary source. This definition includes all equipment that have emissions that are under common control, part of the same industrial process, and located on contiguous or adjacent properties. Addition of emission units that replace or supplement an ongoing function of a facility result in those emission units becoming part of that facility's stationary source (even if permits were not previously required for the facility).

Equipment that is used to replace or supplement an ongoing function of, or utility used at a stationary source is part of that stationary source and therefore does not qualify for registration. Such equipment is subject to the Requirements of Rule 2201 including BACT and offsets.

Please be advised that the requirements of Rule 2201 are much more stringent than the requirements for portable registered equipment. As such, a particular device with a portable equipment registration may not meet the requirements of Rule 2201 and may not be approvable.

In general, maintenance and construction activities at a stationary source are not part of the "same industrial process" as the stationary source and equipment used for such maintenance or construction activities is therefore not part of the same stationary source. Therefore, portable registered equipment can be used for maintenance and construction activities (provided the maintenance or construction activity does not facilitate the ongoing operation of the stationary source itself).

In limited circumstances and when associated with a District variance portable registered equipment (without a District permit) may be allowed to be used at a stationary source as part of an effort to mitigate excess emissions. In such cases, the portable registered equipment must be used to reduce excess emissions that would occur in the absence of it's use, e.g. the use of a portable registered IC engine to power a an organic liquid vapor control system during an outage of the electrical utility. Such uses must be approved by the APCO on a case by case basis.

IV. Examples:

The following are examples of situations when the use of portable registered equipment is valid and when it is not valid at a stationary source.

Example 1:

A bulk gasoline storage facility is requesting to contract a company with registered portable equipment for unconfined abrasive blasting equipment to blast their aboveground tanks in preparation for repainting.

Since the facility is in the business of storing and dispensing of gasoline, the abrasive blasting of the aboveground tanks may be performed under the portable equipment registration and a District stationary source permit is not required. The abrasive blasting operation will not be replacing or supplementing the ongoing function of storing and dispensing gasoline. In addition, the abrasive blasting company may also utilize portable registered IC engine/generators to power their equipment.

Example 2:

A cheese products manufacturing facility is expanding their facility and will have a large amount of concrete work performed onsite. They have contracted a company to bring in a portable registered concrete batch plant to provide the required concrete. In addition, the portable concrete plant will also be utilizing portable registered IC engine/generators to power the concrete plant.

Since the facility is in the business of manufacturing cheese products, the portable registered concrete plant and associated electric generators may be used at the stationary source and a District stationary source permit is not required. The concrete manufacturing operation will not be replacing or supplementing the ongoing function of manufacturing cheese products.

Example 3:

A composting facility has a wood chipper to grind wood waste under permit. The facility has received a large quantity of wood waste, which must be ground and is requesting to bring in a portable registered wood chipper to temporarily operate at their facility. Since the portable registered wood chipper will supplement an ongoing function at the facility (i.e. processing and grinding wood waste) the portable registered wood chipper is not allowed. The operator must obtain a District stationary source permit to operate the additional wood chipper at their facility.

Example 4:

A construction company has a various location permit for their portable hot mix asphalt (HMA) plant, which is permitted to operate on utility power. The permittee is moving the HMA plant to a remote location where utility power is not available and is requesting to bring in portable registered IC engine/ generators to power their HMA plant.

Since the portable registered electric generators will be providing electrical power to operate the HMA plant (which is a stationary source), the portable registered IC engine/generator cannot be utilized in conjunction with the HMA plant. The operator is replacing the electric power required to operate the HMA plant. Therefore, the operator must obtain a District stationary source permit to operate the portable IC engine/generator in conjunction with the HMA plant.

Example 5:

A tomato processing facility is planning to utilize portable registered electric generators powered by IC engines to provide emergency standby electric power.

Since the portable registered emergency IC engine/generator will be providing emergency standby electric power to the facility (including the tomato processing operations), it would be supplementing the facility's tomato processing operations. Consequently, the portable registered emergency IC engine/generator cannot be used at the facility. The operator must obtain a District stationary source permit to utilize the emergency IC engine/generator.

Example 6:

A soil remediation contractor has a permit for their soil remediation operation (approved to operate either at a single location or at various unspecified locations). The location of the soil remediation operation does not have utility power available and is requesting to bring in a portable registered IC engine/generator to provide power for the remediation operation.

Since the portable registered electric generators will be providing electrical power to operate the soil remediation operation (which is considered a stationary source), the portable registered IC engine/generator cannot be utilized in conjunction with the soil remediation operation as the operator is replacing the electric power required for operation. Therefore, the operator must obtain a District stationary source permit to operate the portable IC engine/generator in conjunction with the soil remediation operation.

Example 7:

An oil production company must disconnect their operations from the electrical supply to allow maintenance activities to be performed. The permittee is requesting to bring in a portable registered IC engine/ generator to provide power to the oil production operation during the maintenance activity.

Since the portable registered IC engine/generator would be providing electrical power to the oil production operation, the portable registered IC engine/generator cannot be utilized in conjunction with the oil production operation as the operator is replacing the electric power required to operate the oil production operation. Therefore, the operator must obtain a District stationary source permit to operate the portable IC engine/generator in conjunction with the oil production operation.

Example 8:

A metal parts fabrication and coating operation requests to bring in a portable registered abrasive blasting operation with an IC engine on a temporary basis to sandblast a large item that they will subsequently paint.

Since the portable registered abrasive blasting operation with an IC engine would be supplementing the ongoing function of the stationary source, i.e. sandblasting metal parts for subsequent coating, the portable registered abrasive blasting operation with an IC engine cannot be utilized in conjunction the facility. Therefore, the operator must obtain a District stationary source permit to operate the portable registered abrasive blasting operation with an IC engine in conjunction with the metal parts fabrication and coating operation.

Example 9:

A cell phone transmitter tower site with no permitted equipment wants to bring in an emergency generator to provide emergency backup power for the operation.

The addition of the emergency IC engine/generator results in the facility being a stationary source. Additionally, the IC engine/generator is augmenting the normal operation of the facility, therefore the IC engine/generator requires a District stationary source permit. A portable equipment registration is not valid for such use.

Example 10:

An asphalt production operation also collects used asphalt on site. Periodically the facility brings in a registered, IC-engine driven portable crusher to grind up the asphalt.

Because the grinding operation is not part of the same industrial process as asphalt manufacturing and the grinding operation is not located at the site for more than 12 months for CARB registered units (6 months for District registered units) this would be allowed. However, if the ground asphaltic material is then used to produce new asphalt, the grinding operation has become part of the stationary source process. A District stationary source permit would be required to operate this equipment in conjunction with the asphalt production operation.

Example 11:

A dairy operation (subject to District permit) wants to bring in portable registered IC engine to power a grinding operation for cattle feed (the feed will be used at the dairy).

Since the portable registered IC engine powering the feed grinding operation would be supplementing the ongoing function of the stationary source, i.e. providing feed for cattle at the dairy, the portable registered IC engine powering the feed grinding operation cannot be utilized in conjunction with the facility. Therefore, the operator must obtain a District stationary source permit to operate the portable registered IC engine powering the feed grinding operation with the dairy.

Example 12:

An agricultural operation (not subject to District permit) wants to bring in portable registered IC engine/pump to replace an existing IC engine/pump authorized by a District Permit Exempt Equipment Registration (PEER).

When the agricultural operation is not subject to permit (because actual emissions are less than 50% of the major source threshold), the portable registered IC engine/pump can be installed without a District stationary source permit. However, if the portable registered IC engine/pump is subject to the emission limits of Rule 4702, e.g. past the compliance deadline, a PEER is required. The operator must satisfy the requirements of Rule 2250 Permit Exempt Equipment Registration for the replacement IC engine/pump.

Example 13:

An oil production company needs to bring in a drilling rig to add some new wells. The rig has draw works, a rotary table, and several pumps all powered by IC Engines. The engines have CARB Registrations but they have not been renewed and are no longer current. Does this constitute a violation?

Yes, the registrations must be current for this equipment to operate legally. If the registrations were up to date, the drilling operation could continue under registration.

Drilling new wells, well maintenance operations, or well abandonment are not considered part of the day-to-day work of producing oil. Although drilling, well work, and well abandonment all have to occur to produce oil, they are considered an ancillary maintenance activity for the oil production operation. Therefore such equipment is not part of the oil production stationary source.

Example 14:

A rock mining and crushing operation utilizes portable registered IC engines powering rock crushers at their facility. As a business necessity the equipment is periodically moved to different sites within that facility and is not located at any one spot, i.e. site, at the facility for more than 12 months.

Since the portable registered IC engine powering the rock crushers is part of the ongoing function of the stationary source, i.e. providing an integral function of the facility, the portable registered IC engine powering the rock crushers cannot be utilized in conjunction with the facility. Therefore, the operator must obtain a District stationary source permit to operate the portable registered IC engines powering the rock crushers at the facility.

Example 15:

An portable MRI device (used in medical diagnosis) utilizes a portable registered IC engine powering a generator. This equipment moves to different locations, i.e. different medical offices, to perform MRI's periodically at any number of different facilities.

The MRI provides an ancillary service at the medical offices at which it operates. It does not support the normal operation of the medical offices. As such, the portable registration is valid for this use. A District stationary source permit is not required.