**DIVISION 224**

**NEW SOURCE REVIEW**

**340-224-0010**

**Applicability and General Prohibitions**

(1) The owner or operator of one of the following sources must comply with the Major New Source Review requirements of this rule and OAR 340-224-0025 through 340-224-0070 prior to construction or operation:

(a) A new federal major source;

(b) A major modification at existing federal major source; or

(c) An existing source that will become a federal major source because the PSEL is increased to the federal major source level or more.

(2) The owner or operator of a source that is not subject to Major NSR under section (1) and that is one of the following sources must comply with the State New Source Review requirements of this rule and OAR 340-224-0210 through 340-224-0270 prior to construction or operation:

(a) A new non-federal major sources that have emissions equal to or greater than any SER;

(b) PSEL increases equal to or greater than any SER at existing non-federal major sources; or

(c) PSEL increases equal to or greater than any SER that are not the result of a major modification at federal major sources.

(3) The requirements of this division apply on a pollutant by pollutant basis, according to the designation of the area where the source is or will be located.(4) Owners and operators of all sources may be subject to other DEQ rules, including, but not limited to, Notice of Construction and Approval of Plans (OAR 340-210-0205 through 340-210-0250), ACDPs (OAR 340 division 216), Title V permits (OAR 340 division 218), Highest and Best Practicable Treatment and Control (OAR 340-226-0100 through 340-226-0140), Emission Standards for Hazardous Air Contaminants (OAR 340 division 244), and Standards of Performance for New Stationary Sources (OAR 340 division 238), as applicable.

(5) No owner or operator of a source that meets the applicability criteria of sections (1) or (2) may begin construction or operate without an air contaminant discharge permit (ACDP) from DEQ and complying with the requirements of this division.

(6) Beginning May 1, 2011, the pollutant GHG is subject to regulation if:

(a) The source is a new federal major source that commences construction on or after May 1, 2011 for a regulated pollutant that is not GHG, and also emits, will emit or will have the potential to emit 75,000 tons per year CO2e or more; or

(b) The source is or becomes a federal major source subject to OAR 340-224-0070 as a result of a major modification that commences construction on or after May 1, 2011 for a regulated pollutant that is not GHG, and will have an emissions increase of 75,000 tons per year CO2e or more over the netting basis.

(7) Beginning July 1, 2011, in addition to the provisions in section (7), the pollutant GHG must also be subject to regulation at:

(a) A new federal major source that commences construction on or after July 1, 2011; or

(b) A source that is or becomes a federal major source when such source undertakes a major modification that commences construction on or after July 1, 2011.

(8) Subject to the requirements in this division, LRAPA is designated by the EQC as the permitting agency to implement the Oregon Major New Source Review and State New Source Review program within its area of jurisdiction. LRAPA's program is subject to DEQ oversight. The requirements and procedures contained in this division pertaining to the Major New Source Review and State New Source Review program must be used by LRAPA to implement its permitting program until LRAPA adopts superseding rules which are at least as strict as state rules.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025
Hist.: DEQ 25-1981, f. & ef. 9-8-81; DEQ 4-1993, f. & cert. ef. 3-10-93; DEQ 12-1993, f. & cert. ef. 9-24-93, Renumbered from 340-020-0220; DEQ 19-1993, f. & cert. ef. 11-4-93; DEQ 26-1996, f. & cert. ef. 11-26-96; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-1900; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 1-2004, f. & cert. ef. 4-14-04; DEQ 10-2010(Temp), f. 8-31-10, cert. ef. 9-1-10 thru 2-28-11; Administrative correction, 3-29-11; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**340-224-0020**

**Definitions**

The definitions in OAR 340-200-0020, 340-204-0010 and this rule apply to this division. If the same term is defined in this rule and OAR 340-200-0020 or 340-204-0010, the definition in this rule applies to this division.

**NOTE:** This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the

EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025
Hist.: DEQ 14-1999, f. & cert. ef. 10-14-99

**Major New Source Review**

**340-224-0025**

**Major Modification**

(1) "Major Modification" means any physical change or change in the method of operation of a source, except those changes specified in section (6), where section (2) or (3) is satisfied for any regulated pollutant subject to Major New Source Review as specified in subsection (c) of the definition of regulated pollutant in division 200 since the later of:

(a) The baseline period for all regulated pollutants except PM2.5;

(b) May 1, 2011 for PM2.5; or

(c) The most recent Major New Source Review action for that regulated pollutant.

(2)(a) Except as provided in section (5), a PSEL or actual emissions that exceed the netting basis by an amount that is equal to or greater than the SER; and

(b) The accumulation of emission increases due to physical changes or changes in the method of operation, except those changes specified in section (6), since the later of the dates in subsections (1)(a) through (1)(c) that is equal to or greater than the SER.

(A) Emission increases in subsection (b) shall be calculated as follows: For each unit with a physical change or change in the method of operation occurring at the source since the later of the dates in subsections (1)(a) through (1)(c) as applicable for each pollutant, subtract the unit’s portion of the netting basis from its post-change potential to emit taking into consideration any federally enforceable limits on potential to emit. Emissions from categorically insignificant activities, aggregate insignificant emissions, and fugitive emissions must be included in the calculations.

(B) Emission increases due solely to increased use of equipment or facilities that existed or were permitted or approved to construct in accordance with OAR 340 division 210 during the applicable baseline period are not included, except if the increased use is to support a physical change or change in the method of operation.

(3) Any change at a source, including production increases, that would result in a PSEL increase of 1 ton or more for any regulated pollutant for which the source is a federal major source, if the source obtained permits to construct and operate after the applicable baseline period but has not undergone New Source Review.

(a) This section does not apply to PM2.5 and greenhouse gases.

(b) Changes to the PSEL solely due to the availability of more accurate and reliable emissions information are exempt from being considered an increase under this section.

(4) Major modifications for ozone precursors or PM2.5 precursors also constitute major modifications for ozone and PM2.5, respectively.

(5) If a portion of the netting basis or PSEL or both was set based on PTE because the source had not begun normal operations but was permitted or approved to construct and operate, that portion of the netting basis or PSEL or both must be excluded from the tests in section (2) until the netting basis is reset as specified in OAR 340-222-0046(3)(d) and 340-222-0051(3).

(6) The following are not considered major modifications:

(a) Except as provided in section (3), proposed increases in hours of operation or production rates that would cause emission increases above the levels allowed in a permit and would not involve a physical change or change in method of operation in the source.

(b) Routine maintenance, repair, and replacement of components.

(c) Temporary equipment installed for maintenance of the permanent equipment if the temporary equipment is in place for less than six months and operated within the permanent equipment's existing PSEL.

(d) Use of alternate fuel or raw materials, that were available and the source was capable of accommodating in the baseline period.

(7) When more accurate or reliable emissions information becomes available, a recalculation of the PSEL, netting basis, and increases/decreases in emissions must be performed to determine whether a major modification has occurred.

[ED. NOTE: This rule was moved verbatim from OAR 340-200-0020(71) and amended in redline/strikeout. See history under OAR 340-200-0020.]

NOTE: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020, 468A.025, 468A.035, 468A.055 & 468A.070
Stats. Implemented: ORS 468A.025 & 468A.035

**340-224-0030**

**Major New Source Review Procedural Requirements**

(1) Information Required. The owner or operator of a proposed federal major source or major modification must submit all information DEQ needs to perform any analysis or make any determination required under this division and OAR 340 division 225. The information must be in writing on forms supplied or approved by DEQ and include the information for a Standard ACDP as detailed in OAR 340 division 216.

(2) Application Processing:

(a) Within 30 days after receiving an application to construct, or any addition to such application, DEQ will advise the applicant of any deficiency in the application or in the information submitted. For purposes of this section, the date DEQ received a complete application is the date on which DEQ received all required information;

(b) Notwithstanding the requirements of OAR 340-216-0040(11), DEQ will make a final determination on the application within twelve months after receiving a complete application following the public participation procedures of Category IV in OAR 340 division 209.

 3) Approval to construct becomes invalid if construction is not commenced within 18 months after DEQ issues such approval, if construction is discontinued for a period of 18 months or more, or if construction is not completed within 18 months of the scheduled time. This provision does not apply to the time period between construction of the approved phases of a phased construction project; each phase must commence construction within 18 months of the projected and approved commencement date;

(4) If the owner or operator intends to modify the project before construction is completed, the owner or operator must obtain approval for the modification of the project following the permit application requirements in OAR 340 division 216 and this division. If construction has commenced, the owner or operator must temporarily halt construction until the permit modification is issued.

(5) Construction Extensions: DEQ may grant, for good cause, two 18-month extensions as follows:

(a) For the first extension, the owner or operator must submit an application to modify the permit that includes the following:

(A) A LAER or BACT analysis, as applicable, if any new control technologies have become commercially available since the original LAER or BACT analysis for the original regulated pollutants subject to Major New Source Review; and

(B) The moderate technical permit modification fee in OAR 340-216-8010 Table 2 Part 3.

(b) For the second extension, the owner or operator must submit an application to modify the permit that includes the following for the original regulated pollutants subject to Major New Source Review:

(A) A review of the original LAER or BACT analysis for potentially lower limits and a review of any new control technologies that may have become commercially available since the original LAER or BACT analysis;

(B) A review of the air quality analysis to address any of the following:

(i) All ambient air quality standards and PSD increments that were subject to review under the original application;

(ii) Any new competing sources or changes in ambient air quality since the original application was submitted;

(iii) Any new ambient air quality standards and PSD increments for the regulated pollutants that were subject to review under the original application; and

(iv) Any changes to EPA approved models that would affect modeling results since the original application was submitted, and

(C) The moderate technical permit modification fee plus the modeling review fee in OAR 340-216-8010 Table 2 Part 3.

(D) If during the first 36 months of the original permit, the area impacted by the source is subject to any of the following redesignations, the permit will be terminated.

(i) The area is redesignated from attainment to sustainment or nonattainment;

(ii) The area is redesignated from sustainment to nonattainment.

(c) The New Source Review permit will be terminated 54 months after it was initially issued if construction does not commence during that 54 month period. If the owner or operator wants approval to construct beyond the termination of the New Source Review permit, the owner or operator must submit an application for a new Major New Source Review permit.

(d) If construction is commenced within 54 months, the permit can be renewed or the owner or operator may apply for a Title V permit as required in OAR 340-218-0190.

(e) To request a construction extension as provided in subsection (a) or (b), the owner or operator must submit an application to modify the permit at least 30 days prior but no more than 90 days prior to the end of the current construction approval period.

(A) Construction may not commence during the period from the end of the preceding construction approval to the time DEQ approves the next extension.

(B) DEQ will make a proposed permit modification available using the following public participation procedures:

(i) Category II for an extension that does not require an air quality analysis; or

(ii) Category III for an extension that requires an air quality analysis.

(C) If DEQ determines that the project will continue to meet Major New Source Review requirements, the approval to construct will be extended for 18 months from the end of the first or second 18-month construction period, whichever is applicable.

 (6) Approval to construct does not relieve any owner or operator of the responsibility to comply fully with applicable provisions of the SIP and any other requirements under local, state or federal law;

(7) Except as prohibited in section (8), approval to construct a source under an ACDP issued under OAR 340 division 216 authorizes construction and operation of the source, until the later of:

(a) One year from the date of initial startup of operation of the federal major source or major modification; or

(b) If a timely and complete application for an Oregon Title V Operating Permit is submitted, the date of final action by DEQ on the Oregon Title V Operating Permit application.

(8) Where an existing Oregon Title V Operating Permit would prohibit construction or change in operation, the owner or operator must obtain a Title V permit revision before commencing construction or operation.

**NOTE:** This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025
Hist.: DEQ 25-1981, f. & ef. 9-8-81; DEQ 18-1984, f. & ef. 10-16-84; DEQ 13-1988, f. & cert. ef. 6-17-88; DEQ 4-1993, f. & cert. ef. 3-10-93; DEQ 12-1993, f. & cert. ef. 9-24-93; Renumbered from 340-020-0230; DEQ 19-1993, f. & cert. ef. 11-4-93; DEQ 24-1994, f. & cert. ef. 10-28-94; DEQ 22-1995, f. & cert. ef. 10-6-95; DEQ 26-1996, f. & cert. ef. 11-26-96; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-1910; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 1-2004, f.& cert. ef. 4-14-04

**340-224-0034**

**Exemptions**

Temporary emission sources that would be in operation at a site for less than two years, such as pilot plants and portable facilities, and emissions resulting from the construction phase of a new major source or major modification must comply with only the control technology requirements of OAR 340-224-0050(1), 340-224-0060(1) or 340-224-0070(2), whichever is applicable, but are exempt from the remaining requirements of OAR 340-224-0050, 340-224-0060 and 340-224-0070 provided that the major source or major modification would not impact a Class I area or an area with a known violation of a ambient air quality standard or a PSD increment.

NOTE: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-020-0047.

[ED. NOTE: This rule was moved verbatim from OAR 340-224-0080 and amended in redline/strikeout.]

Stat. Auth.: ORS 468 & 468A
Stats. Implemented: ORS 468 & 468A
Hist.: DEQ 25-1981, f. & ef. 9-8-81; DEQ 4-1993, f. & cert. ef. 3-10-93; DEQ 12-1993, f. & cert. ef. 9-24-93; Renumbered from 340-020-0250; DEQ 19-1993, f. & cert. ef. 11-4-93; DEQ 22-1995, f. & cert. ef. 10-6-95; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-1950; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 1-2004, f.& cert. ef. 4-14-04

**340-224-0038**

**Fugitive and Secondary Emissions**

Fugitive emissions are included in the calculation of emission rates of all air contaminants. Fugitive emissions are subject to the same control requirements and analyses required for emissions from identifiable stacks or vents. Secondary emissions are not included in calculations of potential emissions that are made to determine if a proposed source is a federal major source or if the source’s modification is a major modification at a federal major source. Once a source is identified as being a federal major source or proposing a major modification, secondary emissions also become subject to the air quality impact analysis requirements in this division and OAR 340 division 225.

NOTE: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

[ED. NOTE: This rule was moved verbatim from OAR 340-224-0100 and amended in redline/strikeout.]

Stat. Auth.: ORS 468 & ORS 468A
Stats. Implemented: ORS 468 & ORS 468
Hist.: DEQ 25-1981, f. & ef. 9-8-81; DEQ 4-1993, f. & cert. ef. 3-10-93; DEQ 12-1993, f. & cert. ef. 9-24-93; Renumbered from 340-020-0270; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-1990; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01

**340-224-0040**

**Review of New Sources and Modifications for Compliance With Regulations**

The owner or operator of a proposed federal major source or major modification at a federal major source must demonstrate the ability of the proposed source or modification to comply with all applicable air quality requirements of DEQ.

**NOTE:** This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025
Hist.: DEQ 25-1981, f. & ef. 9-8-81; DEQ 4-1993, f. & cert. ef. 3-10-93; DEQ 12-1993, f. & cert. ef. 9-24-93; Renumbered from 340-020-0235; DEQ 26-1996, f. & cert. ef. 11-26-96; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-1920; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01

**340-224-0045**

**Requirements for Sources in Sustainment Areas**

Within a designated sustainment area, proposed federal major sources and major modifications at federal major sources of a sustainment pollutant must meet the requirements listed below:

(1) OAR 340-224-0070; and

(2) For the sustainment pollutant, including precursors, demonstrate a net air quality benefit under OAR 340-224-0510 and 340-224-0520 for ozone areas or under OAR 340-224-0510 and 340-224-0530(4) for non-ozone areas, whichever is applicable, unless the source can demonstrate that the impacts are less than the significant impact levels at all receptors within the designated area.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0050**

**Requirements for Sources in Nonattainment Areas**

Within a designated nonattainment area, proposed federal major sources and major modifications at federal major sources of a nonattainment pollutant, including VOC or NOx in a designated ozone nonattainment area or NOx or SO2 in a designated PM2.5 nonattainment area, must meet the requirements listed below:

(1) Lowest Achievable Emission Rate (LAER). The owner or operator must apply LAER for each nonattainment pollutant and precursor emitted at or above the SER. LAER applies separately to the nonattainment pollutant or precursor if emitted at or above a SER over the netting basis.

(a) For a major modification, the requirement for LAER applies to the following:

(A) Each emissions unit that emits the nonattainment pollutant or precursor and is not included in the most recent netting basis established for that pollutant; and

(B) Each emissions unit that emits the nonattainment pollutant or precursor and is included in the most recent netting basis and contributed to the emissions increase calculated in OAR 340-224-0025(2)(b) for the nonattainment pollutant or precursor.

(b) For phased construction projects, the LAER determination must be reviewed at the latest reasonable time before commencing construction of each independent phase.

(c) When determining LAER for a change that was made at a source before the current Major NSR application, DEQ will consider technical feasibility of retrofitting required controls provided:

(A) The physical change or change in the method of operation at a unit that contributed to the emissions increase calculated in OAR 340-224-0025(2)(b) was made in compliance with Major NSR requirements in effect when the change was made, and

(B) No limit will be relaxed that was previously relied on to avoid Major NSR.

(d) Physical changes or changes in the method of operation to individual emissions units that contributed to the emissions increase calculated in OAR 340-224-0025(2)(b) but only increased the potential to emit less than 10 percent of the SER are exempt from this section unless:

(A) They are not constructed yet;

(B) They are part of a discrete, identifiable, larger project that was constructed within the previous 5 years and is equal to or greater than 10 percent of the SER; or

(C) They were constructed without, or in violation of, DEQ's approval.

(2) Air Quality Protection:

(a) Air Quality Analysis: The owner or operator of a federal major source must conduct the air quality related values protection analysis under OAR 340-225-0070.

 (b) Net Air Quality Benefit: The owner or operator of a federal major source must demonstrate net air quality benefit using offsets under OAR 340-224-0510 and 340-224-0520 for ozone areas or under OAR 340-224-0510 and 340-224-0530(2) and (5) for non-ozone areas, whichever is applicable.

(3) Sources Impacting Other Designated Areas: The owner or operator of any federal major source that will have a significant impact on air quality in a designated area other than the one the source is locating in must also meet the requirements for demonstrating net air quality benefit under OAR 340-224-0520 for ozone areas or OAR 340-224-0540 for non-ozone areas, whichever is applicable.

(4) Additional Requirements: (a) The owner or operator of a federal major source subject to this rule must evaluate alternative sites, sizes, production processes, and environmental control techniques for the proposed source or major modification and demonstrate that benefits of the proposed source or major modification will significantly outweigh the environmental and social costs imposed as a result of its location, construction or modification.

(b) The owner or operator of a federal major source subject to this rule must demonstrate that all federal major sources owned or operated by such person (or by an entity controlling, controlled by, or under common control with such person) in the state are in compliance, or are on a schedule for compliance, with all applicable emission limitations and standards under the FCAA.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025
Hist.: DEQ 25-1981, f. & ef. 9-8-81; DEQ 5-1983, f. & ef. 4-18-83; DEQ 27-1992, f. & cert. ef. 11-12-92; DEQ 4-1993, f. & cert. ef. 3-10-93; DEQ 12-1993, f. & cert. ef. 9-24-93, Renumbered from 340-020-0240; DEQ 19-1993, f. & cert. ef. 11-4-93; DEQ 10-1995, f. & cert. ef. 5-1-95; DEQ 22-1995, f. & cert. ef. 10-6-95; DEQ 26-1996, f. & cert. ef. 11-26-96; DEQ 16-1998, f. & cert. ef. 9-23-98; DEQ 1-1999, f. & cert. ef.1-25-99; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-1930; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 1-2004, f. & cert. ef. 4-14-04; DEQ 3-2007, f. & cert. ef. 4-12-07; DEQ 10-2010(Temp), f. 8-31-10, cert. ef. 9-1-10 thru 2-28-11; Administrative correction, 3-29-11; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**340-224-0055**

**Requirements for Sources in Reattainment Areas** Within a designated reattainment area, proposed federal major sources and major modifications at federal major sources of a reattainment pollutant, including VOC or NOx in a designated ozone area and NOx or SO2 in a designated PM2.5 area, must meet the requirements listed below:

(1) OAR 340-224-0050;

(2) Additional impacts analysis in OAR 340-225-0050(3); and

(3) The owner or operator must not cause or contribute to a new violation of an ambient air quality standard or PSD increment even if the single source impact is less than the significant impact level under OAR 340-225-0050(1).**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0060**

**Requirements for Sources in Maintenance Areas**

Within a designated maintenance area, proposed federal major sources and major modifications at federal major sources of a maintenance pollutant, including VOC or NOx in a designated ozone maintenance area or NOx or SO2 in a designated PM2.5 maintenance area, must meet the requirements listed below:

(1) The requirements for attainment or unclassified areas in OAR 340-224-0070; and

(2) Net Air Quality Benefit: The owner or operator of a federal major source must demonstrate net air quality benefit by satisfying one of the requirements listed below:

(a) Obtain offsets using OAR 340-224-0510 and 340-224-0520 for ozone areas or OAR 340-224-0510 and 340-224-0530(3) for non-ozone areas, whichever is applicable;(A) Sources within or affecting the Medford Ozone Maintenance Area are exempt from the requirement for NOx offsets relating to ozone formation.

(B) Sources within or affecting the Salem Ozone Maintenance Area are exempt from the requirement for VOC and NOx offsets relating to ozone formation;

(b) Comply with the limits in OAR 340-202-0225 by performing the analysis specified in OAR 340-225-0045;

(c) Obtain an allocation from a growth allowance. The requirements of this section may be met in whole or in part in an ozone or carbon monoxide maintenance area with an allocation by DEQ from a growth allowance, if available, under the applicable maintenance plan in the SIP adopted by the EQC and approved by EPA. An allocation from a growth allowance used to meet the requirements of this section is not subject to subsection (2)(a). Procedures for allocating the growth allowances for the Oregon portion of the Portland-Vancouver Interstate Maintenance Area for Ozone and the Portland Maintenance Area for Carbon Monoxide are contained in OAR 340-242-0430 and OAR 340-242-0440.

(3) Sources Impacting Other Designated Areas: The owner or operator of any federal major source that will have a significant impact on air quality in a designated area other than the one the source is locating in must also meet the requirements for demonstrating net air quality benefit under OAR 340-224-0510 and 340-224-0520 for ozone areas or OAR 340-224-0510 and 340-224-0540 for non-ozone areas, whichever is applicable.

(4) Contingency Plan Requirements. If the contingency plan in an applicable maintenance plan is implemented due to a violation of an ambient air quality standard, this section applies in addition to other requirements of this rule until the EQC adopts a revised maintenance plan and EPA approves it as a SIP revision.

(a) The source must comply with the LAER requirement in OAR 340-224-0050(1) in lieu of the BACT requirement in section (1); and

(b) The alternatives provided in subsections (2)(b) and (2)(c) no longer apply.

(5) Medford-Ashland AQMA: Proposed federal major sources and major modifications at federal major sources that would emit PM10 within the Medford-Ashland AQMA must meet the LAER emission control technology requirements in OAR 340-224-0050.

(6) Pending Redesignation Requests. This rule does not apply to a proposed federal major source or major modification at federal major sources for which a complete application to construct was submitted to DEQ before the maintenance area was redesignated from nonattainment to attainment by EPA. Such a source is subject to OAR 340-224-0050 or OAR 340-224-0055, whichever is applicable.

**NOTE:** This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

[Publications: Publications referenced are available from the agency.]

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025
Hist.: DEQ 26-1996, f. & cert. ef. 11-26-96; DEQ 15-1998, f. & cert. ef. 9-23-98; DEQ 1-1999, f. & cert. ef. 1-25-99; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-1935; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 11-2002, f. & cert. ef. 10-8-02; DEQ 1-2005, f. & cert. ef. 1-4-05; DEQ 9-2005, f. & cert. ef. 9-9-05; DEQ 3-2007, f. & cert. ef. 4-12-07; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**340-224-0070**

**Prevention of Significant Deterioration Requirements for Sources in Attainment or Unclassified Areas**

Within a designated attainment or unclassified area, proposed federal major sources and major modifications at federal major sources of all regulated pollutants for which the increase in emissions exceeds the netting basis by an amount that is equal to or greater than the SER, except for any pollutant for which the area is otherwise designated, must meet the requirements listed below.
(1) (a) Preconstruction Air Quality Monitoring:

(A) The owner or operator of a source must submit with the application an analysis of ambient air quality in the area impacted by the proposed project. This analysis, which is subject to DEQ's approval, must be conducted for each regulated pollutant potentially emitted at a SER by the proposed source or major modification except as allowed by paragraph (B).

(i) The analysis must include continuous air quality monitoring data for any regulated pollutant that may be emitted by the major source or major modification, except for volatile organic compounds.

(ii) The data must relate to the year preceding receipt of the complete application and must have been gathered over the same time period.

(iii) DEQ may allow the owner or operator to demonstrate that data gathered over some other time period would be adequate to determine that the source or major modification would not cause or contribute to a violation of an ambient air quality standard or any applicable PSD increment.

(iv) When PM10/PM2.5 preconstruction monitoring is required by this section, at least four months of data must be collected, including the season DEQ judges to have the highest PM10/PM2.5 levels. PM10/PM2.5 must be measured using 40 CFR Part 50, Appendices J and L. In some cases, a full year of data will be required.

(v) Pursuant to the requirements of these rules, the owner or operator must submit for DEQ's approval, a preconstruction air quality monitoring plan. This plan must be submitted in writing at least 60 days prior to the planned beginning of monitoring and approved in writing by DEQ before monitoring begins.

(vi) Required air quality monitoring must be conducted using 40 CFR 58 Appendix A, "Quality Assurance Requirements for SLAMS, SPMs and PSD Air Monitoring" and with other methods on file with DEQ.

(vii) DEQ may allow the owner or operator to demonstrate that representative or conservative background concentration data would be adequate to determine that the source or major modification would not cause or contribute to a violation of an ambient air quality standard or any applicable PSD increment.

(B) DEQ may exempt the owner or operator of a proposed major source or major modification from preconstruction monitoring for a specific regulated pollutant if the owner or operator demonstrates that the air quality impact from the emissions increase would be less than the amounts listed below or that modeled competing source concentration plus the general background concentration of the regulated pollutant within the source impact area, as defined in OAR 430 division 225, are less than the following significant monitoring concentrations:

(i) Carbon monoxide; 575 ug/m3, 8 hour average;

(ii) Nitrogen dioxide; 14 ug/m3, annual average;

(iii) PM10; 10 ug/m3, 24 hour average;

(iv) PM2.5; 0 ug/m3, 24-hour average;

(v) Sulfur dioxide; 13 ug/m3, 24 hour average;

(vi) Ozone; Any net increase of 100 tons/year or more of VOCs from a major source or major modification subject to PSD requires an ambient impact analysis, including the gathering of ambient air quality data. However, requirement for ambient air monitoring may be exempted if existing representative monitoring data shows maximum ozone concentrations are less than 50 percent of the ozone NAAQS based on a full season of monitoring;

(vii) Lead; 0.1 ug/m3, 24 hour average;

(viii) Fluorides; 0.25 ug/m3, 24 hour average;

(ix) Total reduced sulfur; 10 ug/m3, 1 hour average;

(x) Hydrogen sulfide; 0.04 ug/m3, 1 hour average;

(xi) Reduced sulfur compounds; 10 ug/m3, 1 hour average.

(C) In addition to the exemption provided in paragraph (B), the requirement for preconstruction monitoring in paragraph (A) may be satisfied by the submittal of representative or conservative general background concentration data.

(b) Post-Construction Air Quality Monitoring: After construction has been completed, DEQ may require ambient air quality monitoring as a permit condition to establish the effect of emissions, other than volatile organic compounds, on the air quality of any area that such emissions could affect.

(2) Best Available Control Technology (BACT). The owner or operator must apply BACT for each regulated pollutant or precursor emitted at or above a SER. BACT applies separately to the regulated pollutant or precursor if emitted at or above a SER over the netting basis. In the Medford-Ashland AQMA, the owner or operator of any proposed new federal major PM10 source, or proposed major modification at a federal major PM10 source must comply with the LAER emission control technology requirement in 340-224-0050(1), and is exempt from the BACT provision of this section.

(a) For a major modification, the requirement for BACT applies to the following:

(A) Each emissions unit that emits the regulated pollutant or precursor and is not included in the most recent netting basis established for that regulated pollutant; and

(B) Each emissions unit that emits the regulated pollutant or precursor and is included in the most recent netting basis and contributed to the emissions increase calculated in OAR 340-224-0025(2)(b) for the attainment pollutant or precursor.

(b) For phased construction projects, the BACT determination must be reviewed at the latest reasonable time before commencement of construction of each independent phase.

(c) When determining BACT for a change that was made at a source before the current Major NSR application, any additional cost of retrofitting required controls may be considered provided:

(A) The change was made in compliance with Major NSR requirements in effect at the time the change was made, and

(B) No limit is being relaxed that was previously relied on to avoid Major NSR.

(d) Modifications to individual emissions units that increase the potential to emit less than 10 percent of the SER are exempt from this section unless:

(A) They are not constructed yet;

(B) They are part of a discrete, identifiable larger project that was constructed within the previous 5 years and that is equal to or greater than 10 percent of the SER; or

(C) They were constructed without, or in violation of, DEQ's approval.

(3) Air Quality Protection:

(a) Air Quality Analysis: The owner or operator of a source must provide an analysis of the air quality impacts of each regulated pollutant for which emissions will exceed the netting basis by the SER or more due to the proposed major source or major modification under OAR 340-225-0050, 340-225-0060, and 340-225-0070.

(b) For increases of direct PM2.5 or PM2.5 precursors equal to or greater than the SERs, the owner or operator must provide an analysis of PM2.5 air quality impacts based on all increases of direct PM2.5 and PM2.5 precursors.

(c) The owner or operator of a federal major source must not cause or contribute to a new violation of an ambient air quality standard or PSD increment even if the single source impact is less than the significant impact level under OAR 340-225-0050(1). (4) Sources Impacting Other Designated Areas: The owner or operator of any federal major source that will have a significant impact on air quality in a designated area other than the one the source is locating in must also meet the requirements for demonstrating net air quality benefit under OAR 340-224-0510 and 340-224-0520 for ozone areas or OAR 340-224-0510 and 340-224-0540 for non-ozone areas, whichever is applicable.

[ED. NOTE: Section (1) of this rule was moved verbatim from OAR 340-225-0050(4) and amended in redline/strikeout.]

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

[Publications: Publications referenced are available from the agency.]

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025
Hist.: DEQ 25-1981, f. & ef. 9-8-81; DEQ 5-1983, f. & ef. 4-18-83; DEQ 18-1984, f. & ef. 10-16-84; DEQ 14-1985, f. & ef. 10-16-85; DEQ 5-1986, f. & ef. 2-21-86; DEQ 8-1988, f. & cert. ef. 5-19-88 (and corrected 5-31-88); DEQ 27-1992, f. & cert. ef. 11-12-92, Section (8) Renumbered from 340-020-0241; DEQ 4-1993, f. & cert. ef. 3-10-93; DEQ 12-1993, f. & cert. ef. 9-24-93, Renumbered from 340-020-0245; DEQ 19-1993, f. & cert. ef. 11-4-93; DEQ 26-1996, f. & cert. ef. 11-26-96; DEQ 16-1998, f. & cert. ef. 9-23-98; DEQ 1-1999, f. & cert. ef. 1-25-99; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-1940; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 11-2002, f. & cert. ef. 10-8-02; DEQ 1-2004, f. & cert. ef. 4-14-04; DEQ 1-2005, f. & cert. ef. 1-4-05; DEQ 10-2010(Temp), f. 8-31-10, cert. ef. 9-1-10 thru 2-28-11; Administrative correction, 3-29-11; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**State New Source Review**

**340-224-0200**

**Applicability**

OAR 340-224-0200 through 340-224-0270 contain requirements for State New Source Review.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0210**

**Procedural Requirements**

(1) Information Required. The owner or operator subject to OAR 340-224-0200 must submit all information DEQ needs to perform any analysis or make any determination required under this division and OAR 340 division 225. The information must be in writing on forms supplied or approved by DEQ and include the information for a permit or permit modification as detailed in OAR 340 division 216 or 218, whichever is applicable.

(2) Application Processing: Applications will be reviewed and permits issued using the procedures in OAR 340 division 216 or 218, whichever is applicable.

(3) If the owner or operator intends to modify the project before construction is completed, the owner or operator must obtain approval for the modification of the project following the permit application requirements in OAR 340 division 216 and this division. If construction has commenced, the owner or operator must temporarily halt construction until the permit modification is issued.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0245**

**Requirements for Sources in Sustainment Areas**

Within a designated sustainment area, proposed new sources or existing sources with emission increases of a sustainment pollutant subject to OAR 340-224-0010(2) must meet the requirements of either section (1) and subsection (2)(b), (c) and (d), or subsection (2)(a), (c), and (d):

(1) If the increase in emissions is the result of a major modification, the owner or operator must apply BACT under OAR 340-224-0070(2).

(2) Air Quality Protection:

(a) Air Quality Analysis: The owner or operator must provide an analysis of the air quality impacts of each regulated pollutant for which emissions will exceed the netting basis by the SER or more due to the proposed source or modification using OAR 340-225-0050(1) and (2) and OAR 340-225-0060. For increases of direct PM2.5 or PM2.5 precursors equal to or greater than the SER, the owner or operator must provide an analysis of PM2.5 air quality impacts based on all increases of direct PM2.5 and PM2.5 precursors.

(b) Net Air Quality Benefit: The owner or operator must demonstrate net air quality benefit under OAR 340-224-0510 and 340-224-0520 for ozone areas and OAR 340-224-0510 and 340-224-0530(4) and (5) for non-ozone areas, whichever is applicable.

(c) The owner or operator of a federal major source must conduct the air quality related values protection analysis under OAR 340-225-0070.

 (d) The owner or operator must not cause or contribute to a new violation of an ambient air quality standard or PSD increment even if the single source impact is less than the significant impact level under OAR 340-225-0050(1).

(3) Sources Impacting Other Designated Areas: The owner or operator of any source that will have a significant impact on air quality in a designated area other than the one the source is locating in must also demonstrate net air quality benefit under OAR 340-224-0520 for ozone areas or OAR 340 340-224-0540 for non-ozone areas, whichever is applicable.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0250**

**Requirements for Sources in Nonattainment Areas**

Within a designated nonattainment area, proposed new sources or existing sources with emission increases of a nonattainment pollutant subject to OAR 340-224-0010(2) must meet the following requirements:

(1) If the increase in emissions is the result of a major modification, the owner or operator must apply BACT under OAR 340-224-0070(2).

(2) Air Quality Protection:

(a) Air Quality Analysis: An air quality analysis is not required except that the owner or operator of a federal major source must conduct the air quality related values protection analysis under OAR 340-225-0070.

(b) Net Air Quality Benefit: The owner or operator of the source must meet the requirements of paragraph (A), (B), or (C), as applicable:

(A) For ozone areas, OAR 340-224-0510 and 340-224-0520;

(B) For federal major sources in non-ozone areas, OAR 340-224-0510 and 340-224-0530(2) and (5);

(C) For non-federal major sources in non-ozone areas, OAR 340-224-0510 and 340-224-0530(3) and (5).

(3) Sources Impacting Other Designated Areas: The owner or operator of any source that will have a significant impact on air quality in a designated area other than the one the source is locating in must also demonstrate net air quality benefit in OAR 340-224-0510 and 340-224-0520 for ozone areas or OAR 340-224-0510 and 340-224-0540 for non-ozone areas, whichever is applicable.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0255**

**Requirements for Sources in Reattainment Areas**

Within a designated reattainment area, proposed new sources or existing sources with emission increases of a reattainment pollutant subject to OAR 340-224-0010(2) must meet the requirements in OAR 340-224-0260, except sections (2)(b)(C) and (5) of OAR 340-224-0260 are not applicable unless a contingency plan exists for the reattainment area.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0260**

**Requirements for Sources in Maintenance Areas**

Within a designated maintenance area, proposed new sources or existing sources with emission increases of a maintenance pollutant subject to OAR 340-224-0010(2) must meet the following requirements:

(1) If the increase in emissions is the result of a major modification, the owner or operator of the source must apply BACT under OAR 340-224-0070(2), except in the Medford/Ashland AQMA where the owner or operator of the source must apply LAER under OAR 340-224-0050(1).

(2) Air Quality Protection: The owner or operator of the source must satisfy the requirements of section (a), (c), and (d) or (b), (c) and (d):

(a) Air Quality Analysis: The owner or operator of the source must provide an analysis of the air quality impacts of each regulated pollutant for which emissions will exceed the netting basis by the SER or more using OAR 340-225-0050(1) and (2) and OAR 340-225-0060. For increases of direct PM2.5 or PM2.5 precursors equal to or greater than the SER, the owner or operator must provide an analysis of PM2.5 air quality impacts based on all increases of direct PM2.5 and PM2.5 precursors.

 (b) Net Air Quality Benefit: The owner or operator of the source must satisfy one of the following requirements:

(A) Demonstrate net air quality benefit under OAR 340-224-0510 and 340-224-0520 for ozone areas or OAR 340-224-0510 and 340-224-0530(3) and (5) for non-ozone areas, whichever is applicable;

 (B) Comply with the limits in OAR 340-202-0225 by performing the analysis specified in OAR 340-225-0045; or

(C) Obtain an allocation from a growth allowance. The requirements of this section may be met in whole or in part in an ozone or carbon monoxide maintenance area with an allocation by DEQ from a growth allowance, if available, under the applicable maintenance plan in the SIP adopted by the EQC and approved by EPA. Procedures for allocating the growth allowances for the Oregon portion of the Portland-Vancouver Interstate Maintenance Area for Ozone and the Portland Maintenance Area for Carbon Monoxide are contained in OAR 340-242-0430 and 340-242-0440.

(c) The owner or operator of a federal major source must conduct the air quality related values protection analysis under OAR 340-225-0070.

(d) The owner or operator of the source must not cause or contribute to a new violation of an ambient air quality standard or PSD increment even if the single source impact is less than the significant impact level under OAR 340-225-0050(1).

(3) Sources Impacting Other Designated Areas: The owner or operator of any source that will have a significant impact on air quality in a designated area other than the one the source is locating in must also demonstrate net air quality benefit under OAR 340-224-0510 and 340-224-0520 for ozone areas or OAR 340-224-0510 and 340-224-0540 for non-ozone areas, whichever is applicable.

(4) Contingency Plan Requirements. If the contingency plan in an applicable maintenance plan is implemented due to a violation of an ambient air quality standard, this section applies in addition to other requirements of this rule until the EQC adopts a revised maintenance plan and EPA approves it as a SIP revision.

(a) The source must comply with the LAER requirement in OAR 340-224-0050(1) in lieu of the BACT requirement in section (1); and

(b) The alternatives provided in paragraphs (2)(b)(B) and (2)(b)(C) no longer apply.

(5) Medford-Ashland AQMA: Proposed major sources and major modifications that would emit PM10 within the Medford-Ashland AQMA must meet the LAER emission control technology requirements in OAR 340-224-0050.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0270**

**Requirement for Sources in Attainment and Unclassifiable Areas**

Within a designated attainment or unclassifiable area, proposed new sources or existing sources with emission increases of an attainment pollutant subject to OAR 340-224-0010(2) must meet the following requirements:

(1) Air Quality Protection:

(a) Air Quality Analysis: The owner or operator of the source must provide an analysis of the air quality impacts of each regulated pollutant for which emissions will exceed the netting basis by the SER or more using OAR 340-225-0050(1) and (2) and 340-225-0060.

 (b) For increases of direct PM2.5 or PM2.5 precursors equal to or greater than the SER, the owner or operator of the source must provide an analysis of PM2.5 air quality impacts based on all increases of direct PM2.5 and PM2.5 precursors.

(c) The owner or operator of a federal major source must conduct the air quality related values protection analysis under OAR 340-225-0070.

(d) The owner or operator of the source must not cause or contribute to a new violation of an ambient air quality standard or PSD increment even if the single source impact is less than the significant impact level under OAR 340-225-0050(1).

(2) Sources Impacting Other Designated Areas: The owner or operator of any source that will have a significant impact on air quality in a designated area other than the one the source is locating in must also demonstrate net air quality benefit in OAR 340-224-0510 and 340-224-0520 for ozone areas or OAR 340-224-0510 and 340-224-0540 for non-ozone areas, whichever is applicable.

**NOTE**: This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-200-0040.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**Net Air Quality Benefit Emission Offsets**

**OAR 340-224-0500**

**Net Air Quality Benefit for Sources Locating Within or Impacting Designated Areas**

OAR 340-224-0510 through 340-224-0540 are the requirements for demonstrating net air quality benefit using offsets.

**NOTE:** This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-020-0047.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**340-224-0510**

**Common Offset Requirements**

The purpose of these rules is to demonstrate reasonable further progress toward achieving or maintaining the ambient air quality standards for sources locating within or impacting designated areas. A source may make such demonstration by providing emission offsets to balance the level of projected emissions by the source at the applicable ratios described in this division.

(1) Unless otherwise specified in the rules, offsets required under this rule must meet the requirements of Emission Reduction Credits in OAR 340 division 268 and Requirements for New Sources When Using Residential Wood Fuel-Fired Device Offsets in OAR 340-240-0550.

(2) Except as provided in section (3), the emission reductions used as offsets must be of the same type of regulated pollutant as the emissions from the new source or modification. Sources of PM10 must be offset with particulate in the same size range.

(3) For PM2.5; inter-pollutant offsets are allowed as follows:

(a) 1 ton of direct PM2.5 may be used to offset 40 tons of SO2;

(b) 1 ton of direct PM2.5 may be used to offset 100 tons of NOx;

(c) 40 tons of SO2 may be used to offset 1 ton of direct PM2.5;

(d) 100 tons of NOx may be used to offset 1 ton of direct PM2.5.

(4) Emission reductions used as offsets must be equivalent in terms of short term, seasonal, and yearly time periods to mitigate the effects of the proposed emissions.

(5) If the complete New Source Review permit application or New Source Review permit that is issued based on that application is amended due to changes to the proposed project, the owner or operator may continue to use the original offsets and any additional offsets that may become necessary for the project provided that the changes to the project do not result in a change to the two digit Standard Industrial Classification (SIC) code associated with the project and that the offsets will continue to satisfy the offset criteria.

**NOTE:** This rule, except section (3), is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-020-0047.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**OAR 340-224-0520**

**Requirements for Demonstrating Net Air Quality Benefit for Ozone Areas**

For sources capable of impacting a designated ozone area:

(1) Offsets for VOC and NOx are required if the source will be located within the designated area or within the ozone precursor distance.

(2) Ozone precursor distance is the distance in kilometers from the nearest boundary of an ozone designated area within which a major new or modified source of VOC or NOx is considered to significantly affect that designated area. The determination of significance is made by either the formula method or the demonstration method.

(a) The Formula Method.

(A) For sources with complete permit applications submitted before January 1, 2003: D = 30 km

(B) For sources with complete permit applications submitted on or after January 1, 2003: D = (Q/40) x 30 km

(C) D is the Ozone Precursor Distance in kilometers. The value for D is 100 kilometers when D is calculated to exceed 100 kilometers. Q is the larger of the NOx or VOC emissions increase above the netting basis from the source being evaluated in tons/year.

(D) If a source is located at a distance less than D from the designated area, the source is considered to have a significant effect on the designated area. If the source is located at a distance equal to or greater than D, it is not considered to have a significant effect.

(b) The Demonstration Method. An applicant may demonstrate to DEQ that the source or proposed source would not significantly impact a designated area. This demonstration may be based on an analysis of major topographic features, dispersion modeling, meteorological conditions, or other factors. If DEQ determines that the source or proposed source would not significantly impact the designated area under high ozone conditions, the ozone precursor distance is zero kilometers.

(3) The amount and location of offsets must be determined using this section:

(a) For new or modified sources locating within a designated area, the offset ratio is 1.1:1. These offsets must come from within either the same designated area as the new or modified source or another ozone nonattainment area with equal or higher nonattainment classification that contributes to a violation of the NAAQS in the same designated area as the new or modified source.

(b) For new or modified sources locating within a designated maintenance area, the offset ratio is 1.1:1. These offsets may come from within either the designated area or the ozone precursor distance.

(c) For new or modified sources locating outside the designated area, but within the ozone precursor distance, the offset ratio is 1:1. These offsets may come from within either the designated area or the ozone precursor distance.

(d) Offsets from outside the designated area but within the ozone precursor distance must be from sources affecting the designated area in a comparable manner to the proposed emissions increase. Methods for determining offsets are described below.

(4) Ozone precursor offsets are the emission reductions required to offset emission increases from a major new or modified source located inside the designated nonattainment or maintenance area or within the ozone precursor distance. Emission reductions must come from within the designated area or from within the ozone precursor distance of the offsetting source as described above. The offsets determination is made by either the formula method or the demonstration method.

(a) The Formula Method.

(A) Required offsets (RO) for new or modified sources are determined as follows:

(i) For sources with complete permit applications submitted before January 1, 2003: RO = SQ

(ii) For sources with complete permit applications submitted on or after January 1, 2003: RO = (SQ minus (SD multiplied by 40/30))

(B) Contributing sources may provide offsets (PO) calculated as follows: PO = CQ minus (CD multiplied by 40/30)

(C) Multiple sources may contribute to the required offsets of a new source. For the formula method to be satisfied, total provided offsets (PO) must equal or exceed the required offset (RO).

(D) Definitions of factors used in paragraphs (A) (B) and (C):

(i) RO is the required offset of NOx or VOC in tons per year as a result of the source emissions increase. If RO is calculated to be negative, RO is set to zero;

(ii) SQ is the source emissions increase of NOx or VOC in tons per year above the netting basis;

(iii) SD is the source distance in kilometers to the designated area. SD is zero for sources located within the designated area.

(iv) PO is the provided offset from a contributing source and must be equal to or greater than zero;

(v) CQ is the contributing emissions reduction in tons per year calculated as the contemporaneous pre-reduction actual emissions less the post-reduction allowable emissions from the contributing source (OAR 340-268-0030(1)(b)).

(vi) CD is the contributing source distance in kilometers to the designated area. For a contributing source located within the designated area, CD equals zero.

(b) The Demonstration Method. An applicant may demonstrate to DEQ using dispersion modeling or other analyses the level and location of offsets that would be sufficient to provide actual reductions in concentrations of VOC or NOx in the designated area during high ozone conditions. The modeled reductions of ambient VOC or NOx concentrations resulting from the emissions offset must be demonstrated over a greater area and over a greater period of time within the designated area as compared to the modeled ambient VOC or NOx concentrations resulting from the emissions increase from the source subject to this rule. If DEQ determines that the demonstration is acceptable, then DEQ will approve the offsets proposed by the applicant. The demonstration method does not apply to sources located inside an ozone nonattainment area.

(c) Offsets obtained for a previous PSEL increase that did not involve resetting the netting basis can be credited toward offsets currently required for a PSEL increase.

(5) In lieu of obtaining offsets, the owner or operator may obtain an allocation at the rate of 1:1 from a growth allowance, if available, in an applicable maintenance plan.

[ED. NOTE: This rule was moved verbatim from OAR 340-225-0010(10) and (11) and OAR 340-225-0090(1) and amended in redline/strikeout. See history under OAR 340-225-0010 and 340-225-0090.]

**NOTE:** This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-020-0047.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**OAR 340-224-0530**

**Requirements for Demonstrating Net Air Quality Benefit for Non-Ozone Areas**

(1) When directed by the Major and State New Source Review rules, the owner or operator of the source must comply with sections (2) through (5), whichever are applicable as specified in the designated area rules. For purposes of this rule, priority sources are sources identified in OAR 340-204-0320 for the designated area.

(2) The ratio of offsets compared to the source’s potential emissions increase is 1.2:1. If the offsets include offsets from priority sources, the ratio will be decreased by the offsets obtained from priority sources as a percentage of the source’s potential emissions increase. For example, if the owner or operator obtains offsets from priority sources equal to 10% of its potential emissions increase, then the offset ratio is reduced by 0.10, to 1.1:1. In no event, however, will the offset ratio be less than 1.0:1, even if more than 20% of offsets are from priority sources.

 (3) The ratio of offsets compared to the source’s potential emissions increase is 1.0:1. If the offsets include offsets from priority sources, the ratio will be decreased by the offsets obtained from priority sources as a percentage of the source’s potential emissions increase. For example, if the owner or operator obtains offsets from priority sources equal to 20% of its potential emissions increase, then the offset ratio is reduced by 0.2, to 0.8:1. In no event, however, will the offset ratio be less than 0.5:1, even if more than 50% of offsets are from priority sources.

(4) The ratio of offsets compared to the source’s potential emissions increase is 0.1:1. If the offsets include offsets from priority sources, the ratio will be decreased by the offsets obtained from priority sources as a percentage of the source’s potential emissions increase. For example, if the owner or operator obtains offsets from priority sources equal to 2% of its potential emissions increase, then the offset ratio is reduced by 0.02, to 0.08:1. In no event, however, will the offset ratio be less than 0.05:1, even if more than 5% of offsets are from priority sources.

(5) Except as provided in section (6), the owner or operator must conduct dispersion modeling in accordance with OAR 340 division 225 that demonstrates compliance with the criteria in either subsection (a) or (b) :

(a) The impacts from the emission increases above the source’s netting basis are less than the Class II SIL at all receptors within the designated area; or

(b)(A) The impacts from the emission increases above the source’s netting basis are less than the Class II SIL at an average of receptors within an area as designated by DEQ representing a neighborhood scale, as specified in 40 CFR Part 58, Appendix D, a reasonably homogeneous urban area with dimensions of a few kilometers that represent air quality where people commonly live and work in a representative neighborhood, centered on the DEQ approved ambient monitoring sites; and

(B) The impacts of the emission increases above the source’s netting basis, plus the impacts of emission increases or decreases since the date of the current area designation of all other sources within the designated area or having a significant impact on the designated area are less than 10 percent of the NAAQS at all receptors within the designated area, determined as follows:

(i) Subtract the offsets from priority sources from the new or modified source’s emission increase;

 (ii) If the source’s emissions are not offset 100 percent by priority sources, conduct dispersion modeling of the source’s remaining emission increases after subtracting the priority source offsets specified in subparagraph (i); and the emission increases or decreases from all other sources since the date the area was designated, including offsets used for the proposed project, but excluding offsets from priority sources; and

(iii) If the source’s emissions are offset 100 percent by priority sources, no further analysis is required; or

(6) Small scale local energy projects and any infrastructure related to that project located in the same area are not subject to the requirements in section (5) provided that the proposed source or modification would not cause or contribute to a violation of the national ambient air quality standard or otherwise pose a material threat to compliance with air quality standards in the nonattainment area.

**NOTE:** This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-020-0047.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**OAR 340-224-0540**

**Sources in a Designated Area Impacting Other Designated Areas**

(1) When directed by the Major and State New Source Review rules, sources locating outside, but impacting any designated area other than an attainment or unclassified area:

(a) For the purpose of this section, a source has a significant impact on a designated area if the source’s emissions have a single source impact greater than the Class II SIL at any receptor within the designated area.

(b) The owner or operator must obtain offsets sufficient to reduce impacts to less than the Class II SIL at all receptors within the designated area; or

(c) The owner or operator must obtain offsets in accordance with OAR 340-224-0510 and 340-224-0530(3), provided the offsets are demonstrated to have a significant impact on the designated area.

(2) When directed by the Major and State New Source Review rules, sources locating outside, but impacting any attainment and unclassified areas must provide an analysis of the air quality impacts of each regulated pollutant for which emissions will exceed the netting basis by the SER or more due to the proposed source or modification in accordance with OAR 340-225-0050(1) and (2).

**NOTE:** This rule is included in the State of Oregon Clean Air Act Implementation Plan as adopted by the EQC under OAR 340-020-0047.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A.025

**DIVISION 225**

**AIR QUALITY ANALYSIS REQUIREMENTS**

**340-225-0010**

**Purpose**

This division contains the definitions and requirements for air quality analysis referred to in OAR 340 divisions 200 through 268. It does not apply unless a rule in another division refers the reader here. For example, divisions 222 (Stationary Source Plant Site Emissions Limits) and 224 ( New Source Review) refer the reader to provisions in this division for specific air quality analysis requirements.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A
Hist.: DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01

**340-225-0020**

**Definitions**

The definitions in OAR 340-200-0020, 340-204-0010 and this rule apply to this division. If the same term is defined in this rule and OAR 340-200-0020 or 340-204-0010, the definition in this rule applies to this division.

(1) "Allowable emissions" means the emissions rate of a stationary source calculated using the maximum rated capacity of the source (unless the source is subject to federally enforceable limits which restrict the operating rate, or hours of operation, or both) and the most stringent of the following:

(a) The applicable standards as set forth in 40 CFR Parts 60, 61, 62 and 63;

(b) The applicable SIP emissions limitation, including those with a future compliance date; or

(c) The emissions rate specified as a federally enforceable permit condition.

 (2) "Baseline concentration" means:

(a) Except as provided in subsection (c), the ambient concentration level for sulfur dioxide and PM10 that existed in an area during the calendar year 1978. Actual emission increases or decreases occurring before January 1, 1978 must be included in the baseline calculation, except that actual emission increases from any major source or major modification on which construction commenced after January 6, 1975 must not be included in the baseline calculation;

(b) The ambient concentration level for nitrogen oxides that existed in an area during the calendar year 1988.

(c) For the area of northeastern Oregon within the boundaries of the Umatilla, Wallowa-Whitman, Ochoco, and Malheur National Forests, the ambient concentration level for PM10 that existed during the calendar year 1993. DEQ may allow the source to use an earlier time period if DEQ determines that it is more representative of normal emissions.

(d) For PM10 in the Medford-Ashland AQMA: the ambient PM10 concentration levels that existed during the year that EPA redesignated the AQMA to attainment for PM10, 2006.

(e) The ambient concentration level for PM2.5 that existed in an area during the calendar year 2007.

(f) If no ambient air quality data is available in an area, the baseline concentration may be estimated using modeling based on actual emissions for the years specified in subsections (a) through (e).

(3) "Competing PSD increment consuming source impacts" means the total modeled concentration above the modeled baseline concentration resulting from increased and decreased emissions of all other sources since the baseline concentration year that are within the range of influence of the source in question. Allowable emissions may be used as a conservative estimate of increased emissions, in lieu of actual emissions, in this analysis. 4) "Competing NAAQS source impacts" means total modeled concentrations resulting from allowable emissions of all other sources expected to cause a significant concentration gradient in the vicinity of the source or sources under consideration.

(5) "FLAG" refers to the Federal Land Managers' Air Quality Related Values Work Group Phase I Report — REVISED. See 75 Federal Register 66125, October 27, 2010.

(6) "General background concentration" means impacts from natural sources and unidentified sources that were not explicitly modeled. DEQ may accept site-specific ambient monitoring or representative ambient monitoring from another location.

(7) "Nitrogen deposition" means the sum of anion and cation nitrogen deposition expressed in terms of the mass of total elemental nitrogen being deposited. As an example, nitrogen deposition for NH4NO3 is 0.3500 times the weight of NH4NO3 being deposited.

(8) "Predicted maintenance area concentration" means the future year ambient concentration predicted by DEQ in the applicable maintenance plan as follows:

(a) The future year (2015) PM10 concentrations for the Grants Pass UGB are 89 µg/m3 (24-hour average) and 21 µg/m3 (annual average).

(b) The future year (2015) PM10 concentrations for the Klamath Falls UGB are 114 µg/m3 (24-hour average) and 25 µg/m3 (annual average).

(c) The future year (2025) PM10 concentrations for the Lakeview UGB are 126 µg/m3 (24-hour average) and 27 µg/m3 (annual average).

 (9) "Range of influence (ROI)" means:

(a) For PSD Class II and Class III areas, the Range of Influence of a competing source (in kilometers) is defined by:

(A) ROI (km) = Q (tons/year) / K (tons/year km).

(B) Definition of factors used in paragraph (A):

(i) ROI is the distance a source has an effect on an area and is compared to the distance from a potential competing source to the source impact area of a proposed new source. Maximum ROI is 50 km, however DEQ may request that sources at a distance greater than 50 km be included in a competing source analysis.

(ii) Q is the emission rate of the potential competing source in tons per year.

(iii) K (tons/year km) is a regulated pollutant specific constant as defined below:

(I) For PM2.5, PM10, SOx and NOx, K = 5;

(II) For CO, K = 40; and

(III) For lead, K = 0.15.

(b) For PSD Class I areas, the Range of Influence of a competing source includes emissions from all sources that occur within the modeling domain of the source being evaluated. DEQ determines the modeling domain on a case-by-case basis.

(10) "Source impact area" means a circular area with a radius extending from the source to the largest distance to where predicted impacts from the source or modification equal or exceed the Class II Significant Impact Levels set out in OAR 340-200-0020. This definition only applies to PSD Class II areas and is not intended to limit the distance for PSD Class I modeling.

(11) "Sulfur deposition" means the sum of anion and cation sulfur deposition expressed in terms of the total mass of elemental sulfur being deposited. As an example, sulfur deposition for (NH4)2SO4 is 0.2427 times the weight of (NH4)2SO4 being deposited.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A
Hist.: DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 11-2002, f. & cert. ef. 10-8-02; DEQ 12-2002(Temp), f. & cert. ef. 10-8-02 thru 4-6-03; Administrative correction 11-10-03; DEQ 1-2004, f. & cert. ef. 4-14-04; DEQ 1-2005, f. & cert. ef. 1-4-05; DEQ 9-2005, f. & cert. ef. 9-9-05; DEQ 10-2010(Temp), f. 8-31-10, cert. ef. 9-1-10 thru 2-28-11; Administrative correction, 3-29-11; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**340-225-0030**

**Procedural Requirements**

(1) When required to conduct an air quality analysis by division 224, the owner or operator must submit a modeling protocol to DEQ and have it approved before submitting a permit application.

(2) In addition to the requirements defined in OAR 340-216-0040 for permit applications, the owner or operator of a source, where required by OAR 340 division 224, must submit all information necessary to perform any analysis or make any determination required under these rules. Such information may include, but is not limited to:

(a) Emissions data for all existing and proposed emission points from the source or modification. This data must represent maximum emissions for the averaging times by regulated pollutant consistent with the ambient air quality standards in OAR 340 division 202.

(b) Stack parameter data, height above ground, exit diameter, exit velocity, and exit temperature, for all existing and proposed emission points from the source or modification;

(c) An analysis of the air quality and visibility impact of the source or modification, including meteorological and topographical data, specific details of models used, and other information necessary to estimate air quality impacts; and

(d) An analysis of the air quality and visibility impacts, and the nature and extent of all commercial, residential, industrial, and other source emission growth, that has occurred since the baseline concentration year in the area the source or modification would significantly affect.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A
Hist.: DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 10-2010(Temp), f. 8-31-10, cert. ef. 9-1-10 thru 2-28-11; Administrative correction, 3-29-11; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**340-225-0040**

**Air Quality Models**

All modeled estimates of ambient concentrations required under this rule must be based on the applicable air quality models, data bases, and other requirements specified in 40 CFR Part 51, Appendix W, "Guidelines on Air Quality Models (Revised)." Where an air quality impact model specified in 40 CFR Part 51, Appendix W is inappropriate, the methods published in the FLAG are generally preferred for analyses in PSD Class I areas. Where an air quality impact model other than that specified in 40 CFR Part 51, Appendix W is appropriate in PSD Class II and III areas, the model may be modified or another model substituted. Any change or substitution from models specified in 40 CFR Part 51, Appendix W is subject to notice and opportunity for public comment and must receive prior written approval from DEQ and the EPA.

[Publications: The publications referenced in this rule are available from the agency.]

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A
Hist.: DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01

**340-225-0045**

**Requirements for Analysis in Maintenance Areas**

Modeling: For determining compliance with the NAAQS and PSD increments, the owner or operator must conduct the modeling required by OAR 340-225-0050(1) and (2). For determining compliance with the maintenance area limits established in OAR 340-202-0225, the following methods must be used:

(1) For each maintenance area pollutant and its precursors, a single source impact analysis is sufficient to show compliance with the maintenance area limits if:

(a) The modeled impacts from emission increases equal to or greater than a SER above the netting basis due to the proposed source or modification being evaluated are less than the Class II Significant Impact Levels specified in OAR 340-200-0020; and

(b) The owner or operator provides an assessment of factors that may impact the air quality conditions in the area showing that the SIL by itself is protective of the maintenance area limits. The assessment must take into consideration but is not limited to the following factors:

(A) The background ambient concentration relative to the maintenance area limit;

(B) The emission increases and decreases from other sources within the range of influence since the area was designated as a maintenance area; and

(C) Other factors such as spatial distribution of existing emission sources, topography, and meteorological conditions.

(2) If the requirement in section (1) is not satisfied, , the owner or operator of a proposed source or modification must show that modeled impacts from the proposed increased emissions plus competing source impacts, plus the predicted maintenance area concentration are less than the limits in OAR 340-202-0225 for all averaging times.

[ED. NOTE: Tables referenced are available from the agency.]

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A, 468A.025 & 468A.035
Hist.: DEQ 11-2002, f. & cert. ef. 10-8-02; DEQ 1-2005, f. & cert. ef. 1-4-05; DEQ 10-2010(Temp), f. 8-31-10, cert. ef. 9-1-10 thru 2-28-11; Administrative correction, 3-29-11; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**340-225-0050**

**Requirements for Analysis in PSD Class II and Class III Areas**

Modeling: For determining compliance with the NAAQS and PSD Increments in PSD Class II and Class III areas, the following methods must be used:

(1) For each regulated pollutant and its precursors, a single source impact analysis is sufficient to show compliance with the ambient air quality standards and PSD increments if:

(a) The modeled impacts from emission increases equal to or greater than a SER above the netting basis due to the proposed major source or major modification being evaluated are less than the Class II Significant Impact Levels specified in OAR 340-200-0020; and

(b) The owner or operator provides an assessment of factors that may impact the air quality conditions in the area showing that the SIL by itself is protective of the NAAQS and PSD Increments. The assessment must take into consideration but is not limited to the following factors:

(A) The background ambient concentration relative to the NAAQS;

(B) The emission increases and decreases from other sources within the range of influence since the baseline concentration year; and

(C) Other factors such as spatial distribution of existing emission sources, topography, and meteorological conditions.

(2) If the requirement in section (1) is not satisfied, the owner or operator of a proposed major source or major modification being evaluated must perform competing source modeling as follows:

(a) For demonstrating compliance with the PSD Class II and III Increments (as defined in OAR 340-202-0210), the owner or operator of a proposed major source or major modification must show that modeled impacts from the proposed increased emissions, above the modeled baseline concentration, plus competing PSD increment consuming source impacts above the modeled baseline concentration are less than the PSD increments for all averaging times.

(b) For demonstrating compliance with the NAAQS, the owner or operator of a proposed source must show that the total modeled impacts plus total competing NAAQS source impacts plus general background concentrations are less than the NAAQS for all averaging times.

(3) The owner or operator must not cause or contribute to a new violation of an ambient air quality standard or PSD increment even if the single source impact is less than the significant impact level, in accordance with OAR 340-202-0050(2).

 (4) Additional Impact Modeling:

(a) When referred to this rule by OAR 340 division 224, the owner or operator of a source must provide an analysis of the impairment to visibility, soils and vegetation that would occur as a result of the major source or major modification, and general commercial, residential, industrial and other growth associated with the major source or major modification. As a part of this analysis, deposition modeling analysis is required for sources emitting heavy metals above the SERs as defined in OAR 340-200-0020. Concentration and deposition modeling may also be required for sources emitting other compounds on a case-by-case basis;

(b) The owner or operator must provide an analysis of the air quality concentration projected for the area as a result of general commercial, residential, industrial and other growth associated with the major source or major modification.

 [Publications: Publications referenced are available from the agency.]

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A
Hist.: DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 11-2002, f. & cert. ef. 10-8-02; DEQ 1-2004, f. & cert. ef. 4-14-04; DEQ 10-2010(Temp), f. 8-31-10, cert. ef. 9-1-10 thru 2-28-11; Administrative correction, 3-29-11; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**340-225-0060**

**Requirements for Demonstrating Compliance with Standards and Increments in PSD Class I Areas**

For determining compliance with standards and increments in PSD Class I areas, the following methods must be used:

(1) Before January 1, 2003, the owner or operator of a source, where required by division 224, must model impacts and demonstrate compliance with standards and increments on all PSD Class I areas that may be affected by the source or modification.

(2) On or after January 1, 2003, the owner or operator of a source, where required by division 224, must meet the following requirements:

(a) For each regulated pollutant and its precursors, a single source impact analysis will be sufficient to show compliance with PSD increments if modeled impacts from emission increases equal to or greater than a SER above the netting basis due to the proposed source or modification being evaluated are demonstrated to be less than the Class I significant impact levels specified in OAR 340-200-0020.

(b) If the requirement in subsection (a) is not satisfied, the owner or operator must also show that the increased source impacts above baseline concentration plus competing PSD increment consuming source impacts are less than the PSD Class I increments for all averaging times.

(c) For each regulated pollutant and its precursors, a single source impact analysis will be sufficient to show compliance with standards if modeled impacts from emission increases equal to or greater than a SER above the netting basis due to the proposed source or modification being evaluated are demonstrated to be less than the Class II significant impact levels specified in OAR 340-200-0020. The owner or operator must not cause or contribute to a new violation of an ambient air quality standard or PSD increment even if the single source impact is less than the significant impact level, in accordance with OAR 340-202-0050(2).

(d) If the requirement of subsection (2)(a) is not satisfied, and background monitoring data for each PSD Class I area shows that the NAAQS is more controlling than the PSD increment then the source must also demonstrate compliance with the NAAQS by showing that their total modeled impacts plus total modeled competing NAAQS source impacts plus general background concentrations are less than the NAAQS for all averaging times.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A
Hist.: DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01; DEQ 11-2002, f. & cert. ef. 10-8-02; DEQ 10-2010(Temp), f. 8-31-10, cert. ef. 9-1-10 thru 2-28-11; Administrative correction, 3-29-11; DEQ 5-2011, f. 4-29-11, cert. ef. 5-1-11

**340-225-0070**

**Requirements for Demonstrating Compliance with Air Quality Related Values Protection**

(1) Non-federal major sources are exempt from the requirements of this rule.

(2) When directed by division 224, the requirements of this rule apply to each emissions unit that increases the actual emissions of the regulated pollutant in question above the portion of the netting basis attributable to that emissions unit.

(3) DEQ must provide notice of permit applications involving AQRV analysis to EPA and Federal Land Managers as follows:

(a) If a proposed major source or major modification could impact air quality related values, including visibility, within a Class I area, DEQ will provide written notice to the EPA and to the appropriate Federal Land Manager within 30 days of receiving such permit application. The notice will include a copy of all information relevant to the permit application, including analysis of anticipated impacts on Class I area air quality related values, including visibility. DEQ will also provide at least 30 days notice to EPA and the appropriate Federal Land Manager of any scheduled public hearings and preliminary and final actions taken on the application;

(b) If DEQ receives advance notice of a permit application for a source that may affect Class I area visibility, DEQ will notify all affected Federal Land Managers within 30 days of receiving the advance notice;

(c) During its review of source impacts on Class I area air quality related values, including visibility, pursuant to this rule, DEQ will consider any analysis performed by the Federal Land Manager that is received by DEQ within 30 days of the notice required by subsection (a). If DEQ disagrees with the Federal Land Manager's demonstration, DEQ will include a discussion of the disagreement in the Notice of Public Hearing;

(d) As a part of the notification required in OAR 340-209-0060, DEQ will provide the Federal Land Manager an opportunity to demonstrate that the emissions from the proposed major source or major modification would have an adverse impact on air quality related values, including visibility, of any federal mandatory Class I area. This adverse impact determination may be made even if there is no demonstration that a Class I PSD increment has been exceeded. If DEQ agrees with the demonstration, it will not issue the permit.

(4) Visibility impact analysis requirements:

(a) If division 224 requires a visibility impact analysis, the owner or operator must demonstrate that the potential to emit any regulated pollutant at a SER in conjunction with all other applicable emission increases or decreases, including secondary emissions, permitted since January 1, 1984 and other increases or decreases in emissions, will not cause or contribute to significant impairment of visibility on any Class I area.

(b) The owner or operator must conduct a visibility analysis on the Columbia River Gorge National Scenic Area if it is affected by the source;

(c) The owner or operator must submit all information necessary to perform any analysis or demonstration required by these rules.

(d) Determination of significant impairment: The results of the modeling must be sent to the affected Federal Land Managers and DEQ. The land managers may, within 30 days following receipt of the source's visibility impact analysis, determine whether or not significant impairment of visibility in a Class I area would result. DEQ will consider the comments of the Federal Land Manager in its consideration of whether significant impairment will result. If DEQ determines that significant impairment would result, it will not issue a permit for the proposed source.

(5) Types of visibility modeling required. For receptors in PSD Class I areas within the PSD Class I Range of Influence, a plume blight analysis or regional haze analysis is required.

(6) Criteria for visibility impacts:

(a) The owner or operator of a source, where required by division 224, is encouraged to demonstrate that their impacts on visibility satisfy the guidance criteria as referenced in the FLAG.

(b) If visibility impacts are a concern, DEQ will consider comments from the Federal Land Manager when deciding whether significant impairment will result. Emission offsets may also be considered. If DEQ determines that significant impairment would result, it will not issue a permit for the proposed source.

(7) Deposition modeling is required for receptors in PSD Class I areas and the Columbia River Gorge National Scenic Area where visibility modeling is required. This may include, but is not limited to an analysis of nitrogen deposition and sulfur deposition.

(8) Visibility monitoring:

(a) If division 224 requires visibility monitoring data, the owner or operator must use existing data to establish existing visibility conditions within Class I areas as summarized in the FLAG Report.

(b) After construction has been completed the owner or operator must conduct such visibility monitoring if DEQ requires visibility monitoring as a permit condition to establish the effect of the regulated pollutant on visibility conditions within the impacted Class I area.

(9) Additional impact analysis: the owner or operator subject to OAR 340-224-0060(2) or OAR 340-224-0070(3) must provide an analysis of the impact to visibility that would occur as a result of the proposed major source or major modification and general commercial, residential, industrial, and other growth associated with the major source or major modification.

(10) If the Federal Land Manager recommends and DEQ agrees, DEQ may require the owner or operator to analyze the potential impacts on other Air Quality Related Values and how to protect them. Procedures from the FLAG report should be used in this recommendation. Emission offsets may also be used. If the Federal Land Manager finds that significant impairment would result from the proposed activities and DEQ agrees, DEQ will not issue a permit for the proposed source.

Stat. Auth.: ORS 468.020
Stats. Implemented: ORS 468A
Hist.: DEQ 18-1984, f. & ef. 10-16-84; DEQ 14-1985, f. & ef. 10-16-85; DEQ 4-1993, f. & cert. ef. 3-10-93; DEQ 12-1993, f. & cert. ef. 9-24-93; Renumbered from 340-020-0276; DEQ 19-1993, f. & cert. ef. 11-4-93; DEQ 26-1996, f. & cert. ef. 11-26-96; DEQ 14-1999, f. & cert. ef. 10-14-99, Renumbered from 340-028-2000; DEQ 6-2001, f. 6-18-01, cert. ef. 7-1-01, Renumbered from 340-224-0110

**340-225-0090**

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