

DEPARTMENT OF ~~NATURAL RESOURCES AND ENVIRONMENTAL QUALITY~~

AIR QUALITY DIVISION

AIR POLLUTION CONTROL

Filed with the Secretary of State on

This rule becomes effective immediately upon filing with the Secretary of State unless adopted under sections 33, 44, 45a(6), or 48 of 1969 PA 306. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

(By authority conferred on the director of the department of **natural resources and environmental quality** by sections 5503 and 5512 of 1994 PA 451, MCL 324.5503 and 324.5512, and Executive Reorganization Order Nos. 1995-18 and **2009-31**, MCL 324.99903 and **MCL 324.99919**)

R 336.2901 of the Michigan Administrative Code is amended as follows:

1 PART 19. NEW SOURCE REVIEW FOR MAJOR SOURCES IMPACTING
2 NONATTAINMENT AREAS

3
4 R 336.2901 Definitions.

5 Rule 1901. The following definitions apply to terms used in this part. If a term
6 defined here is also defined elsewhere in these rules, then the definition contained
7 here supersedes for this part only:

8 (a) "Actual emissions" means the actual rate of emissions of a regulated new
9 source review pollutant from an emissions unit, as determined under R 336.1101(b),
10 except that this definition shall not apply for calculating whether a significant
11 emissions increase has occurred, or for establishing a plantwide applicability limit
12 under R 336.2907. Instead, the terms "projected actual emissions" and "baseline
13 actual emissions" shall apply for those purposes.

14 (b) "Baseline actual emissions" means the rate of emissions, in tons per year, of
15 a regulated new source review pollutant, as determined by the following:

16 (i) For any existing electric utility steam generating unit, baseline actual emissions
17 means the average rate, in tons per year, at which the unit actually emitted the
18 pollutant during any consecutive 24-month period selected by the owner or operator
19 within the 5-year period immediately preceding when the owner or operator begins
20 actual construction of the project. The department shall allow the use of a different
21 time period upon a determination that it is more representative of normal source
22 operation. The following shall apply:

23 (A) The average rate shall include fugitive emissions to the extent quantifiable,
24 and emissions associated with startups, shutdowns, and malfunctions.

25 (B) The average rate shall be adjusted downward to exclude any non-compliant
26 emissions that occurred while the source was operating above any emission
27 limitation that was legally enforceable during the consecutive 24-month period.

28 (C) For a regulated new source review pollutant, when a project involves multiple
29 emissions units, only 1 consecutive 24-month period shall be used to determine the
30 baseline actual emissions for the emissions units being changed. A different
31 consecutive 24-month period may be used for each regulated new source review
32 pollutant.

33 (D) The average rate shall not be based on any consecutive 24-month period for
34 which there is inadequate information for determining annual emissions, in tons per
35 year, and for adjusting this amount if required by paragraph (i)(B) of this subdivision.

36 (ii) For an existing emissions unit, other than an electric utility steam generating
37 unit, baseline actual emissions means the average rate, in tons per year, at which
38 the emissions unit actually emitted the pollutant during any consecutive 24-month
39 period selected by the owner or operator within the 10-year period immediately
40 preceding either the date the owner or operator begins actual construction of the
41 project, or the date a complete permit application is received by the department for a
42 permit required under R 336.1201, whichever is earlier, except that the 10-year
43 period shall not include any period earlier than November 15, 1990. All of the
44 following shall apply:

45 (A) The average rate shall include fugitive emissions to the extent quantifiable,
46 and emissions associated with startups, shutdowns, and malfunctions.

47 (B) The average rate shall be adjusted downward to exclude any non-compliant
48 emissions that occurred while the source was operating above an emission limitation
49 that was legally enforceable during the consecutive 24-month period.

50 (C) The average rate shall be adjusted downward to exclude any emissions that
51 would have exceeded an emission limitation with which the major stationary source
52 must currently comply, had the major stationary source been required to comply with
53 the limitations during the consecutive 24-month period. However, if an emission
54 limitation is part of a maximum achievable control technology standard that the
55 United States environmental protection agency proposed or promulgated under 40
56 C.F.R. part 63, then the baseline actual emissions need only be adjusted if the
57 department has taken credit for such emissions reductions in an attainment
58 demonstration or maintenance plan. Title 40 C.F.R. part 63 is adopted by reference
59 in R 336.2901a.

60 (D) For a regulated new source review pollutant, when a project involves multiple
61 emissions units, only 1 consecutive 24-month period shall be used to determine the
62 baseline actual emissions for the emissions units being changed. A different
63 consecutive 24-month period may be used for each regulated new source review
64 pollutant.

65 (E) The average rate shall not be based on any consecutive 24-month period for
66 which there is inadequate information for determining annual emissions, in tons per
67 year, and for adjusting this amount if required by subparagraphs (B) and (C) of this
68 paragraph.

69 (iii) For a new emissions unit, the baseline actual emissions for purposes of
70 determining the emissions increase that will result from the initial construction and
71 operation of such unit shall equal zero; and thereafter, for all other purposes, shall
72 equal the unit's potential to emit.

73 (iv) For a plantwide applicability limit for a major stationary source, the baseline
74 actual emissions shall be calculated for existing electric utility steam generating units
75 under paragraph (i) of this subdivision, for other existing emissions units under
76 paragraph (ii) of this subdivision, and for a new emissions unit under paragraph (iii)
77 of this subdivision.

78 (c) "Begin actual construction" means, in general, initiation of physical on-site
79 construction activities on an emissions unit which are of a permanent nature. Such
80 activities include, but are not limited to, installation of building supports and
81 foundations, laying of underground pipework, and construction of permanent storage
82 structures. "A change in method of operation" refers to those on-site activities other
83 than preparatory activities which mark the initiation of the change.

84 (d) "Best available control technology" or "BACT" means an emissions limitation,
85 including a visible emissions standard, based on the maximum degree of reduction
86 for each regulated new source review pollutant which would be emitted from any
87 proposed major stationary source or major modification which the department, on a
88 case-by-case basis, taking into account energy, environmental, and economic
89 impacts and other costs, determines is achievable for such source or modification
90 through application of production processes or available methods, systems, and
91 techniques, including fuel cleaning or treatment or innovative fuel combustion
92 techniques for control of such pollutant. Application of best available control
93 technology shall not result in emissions of any pollutant which would exceed the
94 emissions allowed by any applicable standard under 40 C.F.R. part 60 or 61,
95 adopted by reference in R 336.2901a. If the department determines that
96 technological or economic limitations on the application of measurement
97 methodology to a particular emissions unit would make the imposition of an
98 emissions standard infeasible, then a design, equipment, work practice, operational
99 standard, or combination thereof, may be prescribed instead to satisfy the
100 requirement for the application of BACT. The standard shall, to the degree possible,
101 set forth the emissions reduction achievable by implementation of the design,
102 equipment, work practice or operation, and shall provide for compliance by means
103 which achieve equivalent results.

104 (e) "Building, structure, facility, or installation" means all of the pollutant-emitting
105 activities which belong to the same industrial grouping, are located on 1 or more
106 contiguous or adjacent properties, and are under the control of the same person, or
107 persons under common control, except the activities of any vessel. Pollutant-
108 emitting activities are part of the same industrial grouping if they have the same 2-
109 digit major group code associated with their primary activity. Major group codes and
110 primary activities are described in the standard industrial classification manual,
111 1987. For assistance in converting north American industrial classification system
112 codes to standard industrial classification codes see
113 <http://www.census.gov/epcd/naics02/>.

114 (f) "Clean coal technology" means any technology, including technologies applied
115 at the precombustion, combustion, or post-combustion stage, at a new or existing
116 facility which will achieve significant reductions in air emissions of sulfur dioxide or
117 oxides of nitrogen associated with the utilization of coal in the generation of

118 electricity, or process steam which was not in widespread use as of November 15,
119 1990.

120 (g) "Clean coal technology demonstration project" means a project using funds
121 appropriated under the heading "department of energy-clean coal technology," up to
122 a total amount of \$2,500,000,000 for commercial demonstration of clean coal
123 technology, or similar projects funded through appropriations for the United States
124 environmental protection agency. The federal contribution for a qualifying project
125 shall be at least 20% of the total cost of the demonstration project.

126 (h) [Reserved]

127 (i) "Commence" as applied to construction of a major stationary source or major
128 modification means that the owner or operator has all necessary preconstruction
129 approvals or permits and has either of the following:

130 (i) Begun, or caused to begin, a continuous program of actual on-site construction
131 of the source, to be completed within a reasonable time.

132 (ii) Entered into binding agreements or contractual obligations, which cannot be
133 canceled or modified without substantial loss to the owner or operator, to undertake
134 a program of actual construction of the source to be completed within a reasonable
135 time.

136 (j) "Construction" means any physical change or change in the method of
137 operation, including fabrication, erection, installation, demolition, or modification of
138 an emissions unit, that would result in a change in emissions.

139 (k) "Continuous emissions monitoring system" or "CEMS" means all of the
140 equipment that may be required to meet the data acquisition and availability
141 requirements of this rule, to sample, condition, if applicable, analyze, and provide a
142 record of emissions on a continuous basis.

143 (l) "Continuous emissions rate monitoring system" or "CERMS" means the total
144 equipment required for the determination and recording of the pollutant mass
145 emissions rate, in terms of mass per unit of time.

146 (m) "Continuous parameter monitoring system" or "CPMS" means all of the
147 equipment necessary to meet the data acquisition and availability requirements of
148 this rule, to monitor process and control device operational parameters and other
149 information, and to record average operational parameter values on a continuous
150 basis.

151 (n) "Electric utility steam generating unit" means any steam electric generating
152 unit that is constructed for the purpose of supplying more than 1/3 of its potential
153 electric output capacity and more than 25 megawatts electrical output to any utility
154 power distribution system for sale. Any steam supplied to a steam distribution
155 system for the purpose of providing steam to a steam-electric generator that would
156 produce electrical energy for sale is also considered in determining the electrical
157 energy output capacity of the affected facility.

158 (o) "Emissions unit" means any part of a stationary source that emits or would
159 have the potential to emit any regulated new source review pollutant. The term
160 emissions unit includes an electric steam generating unit. Each emissions unit can
161 be classified as either new or existing based on the following:

162 (i) A new emissions unit is any emissions unit that is, or will be, newly constructed
163 and that has existed for less than 2 years from the date the emissions unit first
164 operated.

165 (ii) An existing emissions unit is any emissions unit that does not meet the
166 definition of a new emissions unit. A replacement unit is an existing emissions unit
167 and no creditable emission reductions shall be generated from shutting down the
168 existing emissions unit that is replaced. Replacement unit means all of the following:

169 (A) The emissions unit is a reconstructed unit as defined within R 336.1118(b) or
170 the emissions unit completely takes the place of an existing emissions unit.

171 (B) The emissions unit is identical to or functionally equivalent to the replaced
172 emissions unit.

173 (C) The replacement does not alter the basic design parameters of the process
174 unit.

175 (D) The replaced emissions unit is permanently removed from the major
176 stationary source, otherwise permanently disabled, or permanently barred from
177 operation by a permit that is enforceable as a practical matter. If the replaced
178 emissions unit is brought back into operation, it shall constitute a new emissions
179 unit.

180 (p) "Federal land manager" means, with respect to any lands in the United States,
181 the secretary of the department with authority over such lands.

182 (q) "Hydrocarbon combustion flare" means either a flare used to comply with an
183 applicable new source performance standard or maximum achievable control
184 technology standard, including uses of flares during startup, shutdown, or
185 malfunction permitted under such a standard, or a flare that serves to control
186 emissions of waste streams comprised predominately of hydrocarbons and
187 containing not more than 230 milligrams per dry standard cubic meter hydrogen
188 sulfide.

189 (r) "Lowest achievable emission rate" or "LAER" means, for any source, the more
190 stringent rate of emissions based on either of the following:

191 (i) The most stringent emissions limitation that is contained in the implementation
192 plan of any state for the same class or category of stationary source, unless the
193 owner or operator of the proposed stationary source demonstrates that the
194 limitations are not achievable.

195 (ii) The most stringent emissions limitation that is achieved in practice by the
196 same class or category of stationary sources. This limitation, when applied to a
197 modification, means the lowest achievable emissions rate for the new or modified
198 emissions units within a stationary source. Application of the term shall not permit a
199 proposed new or modified stationary source to emit any pollutant in excess of the
200 amount allowable under an applicable new source performance standard.

201 (s) "Major modification" means the following:

202 (i) Any physical change in or change in the method of operation of a major
203 stationary source that would result in both of the following:

204 (A) A significant emissions increase of a regulated new source review pollutant.

205 (B) A significant net emissions increase of that pollutant from the major stationary
206 source.

207 (ii) Any significant emissions increase from any emissions units or net emissions
208 increase at a major stationary source that is significant for volatile organic
209 compounds shall be considered significant for ozone.

210 (iii) A physical change or change in the method of operation shall not include any
211 of the following:

212 (A) Routine maintenance, repair, and replacement.

213 (B) Use of an alternative fuel or raw material by reason of an order under
214 sections 2 (a) and (b) of the energy supply and environmental coordination act of
215 1974, 15 U.S.C. §792 et seq., or any superseding legislation, or by reason of a
216 natural gas curtailment plan under the federal power act of 1995, 16 U.S.C. §791-
217 828c et seq.

218 (C) Use of an alternative fuel by reason of an order or rule under section 125 of
219 the clean air act.

220 (D) Use of an alternative fuel at a steam generating unit to the extent that the fuel
221 is generated from municipal solid waste.

222 (E) Use of an alternative fuel or raw material by a stationary source which meets
223 either of the following:

224 (1) The source was capable of accommodating before December 21, 1976,
225 unless the change would be prohibited under any federally enforceable permit
226 condition that was established after December 12, 1976, under prevention of
227 significant deterioration of air quality regulations or new source review for major
228 sources in nonattainment areas regulations.

229 (2) The source is approved to use under any permit issued under
230 R 336.1201(1)(a).

231 (F) An increase in the hours of operation or in the production rate, unless such
232 change is prohibited under any federally enforceable permit condition that was
233 established after December 21, 1976, under R 336.1201(1)(a).

234 (G) Any change in ownership at a stationary source.

235 (H) [Reserved]

236 (I) The installation, operation, cessation, or removal of a temporary clean coal
237 technology demonstration project, provided that the project complies with both of the
238 following:

239 (1) The state implementation plan.

240 (2) Other requirements necessary to attain and maintain the national ambient air
241 quality standard during the project and after it is terminated.

242 (iv) This definition shall not apply with respect to a particular regulated new
243 source review pollutant when the major stationary source is complying with the
244 requirements of R 336.2907 for a plantwide applicability limit for that pollutant.
245 Instead, the definition in R 336.2907(1)(h) shall apply.

246 (v) For the purposes of applying the requirements of R 336.2902(8) to
247 modifications at major stationary sources of nitrogen oxides located in ozone
248 nonattainment areas or in ozone transport regions, whether or not subject to
249 subpart 2, part D, title 1 of the clean air act, any significant net emissions increase of
250 nitrogen oxides is considered significant for ozone.

251 (vi) Any physical change in, or change in the method of operation of, a major
252 stationary source of volatile organic compounds that results in any increase in

253 emissions of volatile organic compounds from any discrete operation, emissions
254 unit, or other pollutant emitting activity at the source shall be considered a significant
255 net emissions increase and a major modification for ozone, if the major stationary
256 source is located in an extreme ozone nonattainment area that is subject to
257 subpart 2, part D, title 1 of the clean air act.

258 (t) "Major stationary source" means all of the following:

259 (i) Any of the following:

260 (A) Any stationary source of air pollutants that emits or has the potential to emit
261 100 tons per year or more of any regulated new source review pollutant, except that
262 lower emissions thresholds shall apply in areas subject to subpart 2, subpart 3, or
263 subpart 4 of part D, title 1 of the clean air act, according to the following:

264 (1) In any serious ozone nonattainment area, 50 tons per year of volatile organic
265 compounds.

266 (2) In an area within an ozone transport region except for any severe or extreme
267 ozone nonattainment area, 50 tons per year of volatile organic compounds.

268 (3) In any severe ozone nonattainment area, 25 tons per year of volatile organic
269 compounds.

270 (4) In any extreme ozone nonattainment area, 10 tons per year of volatile organic
271 compounds.

272 (5) In any serious nonattainment area for carbon monoxide, where the department
273 has determined that stationary sources contribute significantly to carbon monoxide
274 levels in the area, 50 tons per year of carbon monoxide.

275 (6) In any serious nonattainment area for PM-10, 70 tons per year of PM-10.

276 (B) For the purposes of applying the requirements of R 336.2902(8) to stationary
277 sources of nitrogen oxides located in an ozone nonattainment area or in an ozone
278 transport region, any stationary source which emits, or has the potential to emit, 100
279 tons per year or more of nitrogen oxide emissions, except that the following emission
280 thresholds shall apply in areas subject to subpart 2 of part D, title 1 of the clean air
281 act:

282 (1) In any ozone nonattainment area classified as marginal or moderate, 100 tons
283 per year or more of nitrogen oxides.

284 (2) In any ozone nonattainment area classified as a transitional, submarginal, or
285 incomplete or no data area, when such area is located in an ozone transport region,
286 100 tons per year or more of nitrogen oxides.

287 (3) In any area designated under section 107(d) of the clean air act as attainment
288 or unclassifiable for ozone that is located in an ozone transport region, 100 tons per
289 year or more of nitrogen oxides.

290 (4) In any serious nonattainment area for ozone, 50 tons per year or more of
291 nitrogen oxides.

292 (5) In any severe nonattainment area for ozone, 25 tons per year or more of
293 nitrogen oxides.

294 (6) In any extreme nonattainment area for ozone, 10 tons per year or more of
295 nitrogen oxides.

296 (C) Any physical change that would occur at a stationary source not qualifying
297 under R 336.2901(t)(i)(A) or (B) as a major stationary source, if the change would
298 constitute a major stationary source by itself.

299 (ii) A major stationary source that is major for volatile organic compounds shall be
300 considered major for ozone.

301 (iii) The fugitive emissions of a stationary source shall not be included in
302 determining for any of the purposes of this paragraph whether it is a major stationary
303 source, unless the source belongs to 1 of the following categories of stationary
304 sources:

305 (A) Coal cleaning plants, with thermal dryers.

306 (B) Kraft pulp mills.

307 (C) Portland cement plants.

308 (D) Primary zinc smelters.

309 (E) Iron and steel mills.

310 (F) Primary aluminum ore reduction plants.

311 (G) Primary copper smelters.

312 (H) Municipal incinerators capable of charging more than 250 tons of refuse per
313 day.

314 (I) Hydrofluoric, sulfuric, or nitric acid plants.

315 (J) Petroleum refineries.

316 (K) Lime plants.

317 (L) Phosphate rock processing plants.

318 (M) Coke oven batteries.

319 (N) Sulfur recovery plants.

320 (O) Carbon black plants, furnace process.

321 (P) Primary lead smelters.

322 (Q) Fuel conversion plants.

323 (R) Sintering plants.

324 (S) Secondary metal production plants.

325 (T) Chemical process plants.

326 (U) Fossil-fuel boilers, or combination thereof, totaling more than 250 million
327 British thermal units per hour heat input.

328 (V) Petroleum storage and transfer units with a total storage capacity exceeding
329 300,000 barrels.

330 (W) Taconite ore processing plants.

331 (X) Glass fiber processing plants.

332 (Y) Charcoal production plants.

333 (Z) Fossil fuel-fired steam electric plants of more than 250 million British thermal
334 units per hour heat input.

335 (AA) Any other stationary source category which, as of August 7, 1980, is being
336 regulated under section 111 or 112 of the clean air act.

337 (u) "Necessary preconstruction approvals or permits" means a permit issued
338 under R 336.1201(1)(a) that is required by R 336.2802 or R 336.2902.

339 (v) "Net emissions increase" means all of the following:

340 (i) With respect to any regulated new source review pollutant emitted by a major
341 stationary source, the amount by which the sum of the following exceeds zero:

342 (A) The increase in emissions from a particular physical change or change in the
343 method of operation at a stationary source as calculated under R 336.2902(2).

344 (B) Any other increases and decreases in actual emissions at the major
345 stationary source that are occur within the contemporaneous period and are
346 otherwise creditable. with the particular change and are otherwise creditable.
347 Baseline actual emissions for calculating increases and decreases shall be
348 determined as provided in the definition of baseline actual emissions, except that
349 subdivisions (b)(i)(C) and (b)(ii)(D) of this rule shall not apply.

350 (ii) An increase or decrease in actual emissions is contemporaneous with the
351 increase from the particular change only if it occurs before the date that the increase
352 from the particular change occurs. The contemporaneous period must meet all of
353 the following:

354 (A) Begins on the date 5 years before construction on the particular change
355 commences.

356 (B) Ends on the date that the increase from the particular change occurs.

357 (iii) An increase or decrease in actual emissions is creditable only if all of the
358 following occur: An increase or decrease in actual emissions is creditable only if the
359 department has not relied on it in issuing a permit under R 336.1201(1)(a) or
360 R 336.1214a, which permit is in effect when the increase in actual emissions from
361 the particular change occurs.

362 (A) It occurs within a 5-year period.

363 (B) The department has not relied on it in previously issuing a permit for the
364 source under R 336.1201(1)(a) or R 336.1214a, which permit is in effect when the
365 increase in actual emissions from the particular change occurs.

366 (iv) An increase in actual emissions is creditable only to the extent that the new
367 level of actual emissions exceeds the old level. The magnitude of a creditable,
368 contemporaneous increase in actual emissions is determined by the amount that the
369 new level of actual allowable emissions following the increase exceeds the
370 emissions unit's baseline actual emissions prior to the increase. This means actual
371 allowable emissions and baseline actual emissions are determined from the date of
372 the contemporaneous increase. Baseline actual emissions shall be determined as
373 provided in the definition of baseline actual emissions, except that paragraphs
374 (b)(i)(C) and (b)(ii)(D) of this subdivision shall not apply.

375 (v) A contemporaneous decrease in actual emissions is creditable only to the
376 extent that all of the following occur:

377 (A) The old level of actual emission or the old level of allowable emissions,
378 whichever is lower, exceeds the new level of actual emissions. The magnitude of a
379 creditable contemporaneous decrease is determined by the lower of the following:

380 (1) The amount by which the emission unit's baseline emissions prior to the
381 decrease exceed the level of actual allowable emissions following the decrease.

382 (2) The amount by which the emission unit's allowable emissions prior to the
383 decrease exceed the level of actual allowable emissions following the decrease.

384 (3) In determining the magnitude of a creditable contemporaneous decrease,
385 actual allowable emissions and baseline actual emissions are determined from the
386 date of the contemporaneous decrease. Baseline actual emissions shall be
387 determined as provided in the definition of baseline actual emissions except that
388 paragraphs (b)(i)(C) and (b)(ii)(D) of this subdivision shall not apply.

389 (B) It is enforceable as a practical matter at and after the time that actual
390 construction on the particular change begins.

391 (C) The department has not relied on it in issuing any permit under
392 R 336.1201(1)(a) or R 336.1214a.

393 (D) It has approximately the same qualitative significance for public health and
394 welfare as that attributed to the increase from the particular change.

395 (vi) An increase that results from a physical change at a source occurs when the
396 emissions unit on which construction occurred becomes operational and begins to
397 emit a particular pollutant. Any replacement unit that requires shakedown becomes
398 operational only after a reasonable shakedown period, not to exceed 180 days.

399 (vii) The definition of actual emissions in R 336.1101(b) shall not apply for
400 determining creditable increases and decreases after a change, instead the
401 definitions of the terms "projected actual emissions" and "baseline emissions" shall
402 be used.

403 (w) "Nonattainment major new source review" or "NSR" program means the
404 requirements of this rule, R 336.1220, or R 336.1221. A permit issued under any of
405 these rules is a major new source review permit.

406 (x) [Reserved]

407 (y) [Reserved]

408 (z) "Potential to emit" means the maximum capacity of a stationary source to emit
409 a pollutant under its physical and operational design. Any physical or operational
410 limitation on the capacity of the source to emit a pollutant, including air pollution
411 control equipment and restrictions on hours of operation or on the type or amount of
412 material combusted, stored, or processed, shall be treated as part of its design only
413 if the limitation or the effect it would have on emissions is federally legally
414 enforceable. Secondary emissions do not count in determining the potential to emit
415 of a stationary source.

416 (aa) "Predictive emissions monitoring system" or "PEMS" means all of the
417 equipment necessary to monitor process and control device operational parameters
418 and other information and calculate and record the mass emissions rate on a
419 continuous basis.

420 (bb) "Prevention of significant deterioration" or "PSD" permit means any permit
421 that is issued under R 336.2802 or the prevention of significant deterioration of air
422 quality regulations or under 40 C.F.R. §52.21, adopted by reference in R 336.2901a.

423 (cc) "Project" means a physical change in, or change in the method of operation
424 of, an existing major stationary source.

425 (dd) "Projected actual emissions" means the following:

426 (i) The maximum annual rate, in tons per year, at which an existing emissions
427 unit is projected to emit a regulated new source review pollutant in any 1 of the 5
428 12-month periods following the date the unit resumes regular operation after the
429 project, or in any 1 of the 10 12-month periods following that date, if the project
430 involves increasing the emissions unit's design capacity or its potential to emit of that
431 regulated new source review pollutant and full utilization of the unit would result in a
432 significant emissions increase or a significant net emissions increase at the major
433 stationary source.

434 (ii) In determining the projected actual emissions before beginning actual
435 construction, the owner or operator of the major stationary source shall do the
436 following:

437 (A) Consider all relevant information, including but not limited to, historical
438 operational data, the company's own representations, the company's expected
439 business activity and the company's highest projections of business activity, the
440 company's filings with the state or federal regulatory authorities, and compliance
441 plans under the approved state implementation plan.

442 (B) Include fugitive emissions to the extent quantifiable, and emissions
443 associated with startups, shutdowns, and malfunctions.

444 (C) Exclude, in calculating any increase in emissions that results from the
445 particular project, that portion of the unit's emissions following the project that an
446 existing unit could have accommodated during the consecutive 24-month period
447 used to establish the baseline actual emissions of this rule and that are also
448 unrelated to the particular project, including any increased utilization due to product
449 demand growth.

450 (D) Elect to use the emissions unit's potential to emit in tons per year instead of
451 calculating projected actual emissions.

452 (ee) "Regulated new source review pollutant" means any of the following:

453 (i) Nitrogen oxides of nitrogen or any volatile organic compounds.

454 (ii) Any pollutant for which a national ambient air quality standard has been
455 promulgated. Ozone, sulfur dioxide, oxides of nitrogen, PM-10, lead, and carbon
456 monoxide.

457 (iii) Any pollutant that is a constituent or precursor of a general pollutant listed
458 under paragraphs (i) or (ii) of this subdivision, provided that a constituent or
459 precursor pollutant may only be regulated under new source review as part of
460 regulation of the general pollutant.

461 (ff) "Secondary emissions" means emissions that would occur as a result of the
462 construction or operation of a major stationary source or major modification, but do
463 not come from the major stationary source or major modification itself. For the
464 purpose of this rule, secondary emissions shall be specific, well defined,
465 quantifiable, and impact the same general area as the stationary source or
466 modification which causes the secondary emissions. Secondary emissions include
467 emissions from any off-site support facility that would not be constructed or increase
468 its emissions except as a result of the construction or operation of the major
469 stationary source or major modification. Secondary emissions do not include any
470 emissions that come directly from a mobile source such as emissions from the
471 tailpipe of a motor vehicle, from a train, or a vessel.

472 (gg) "Significant" means all of the following:

473 (i) "Significant" means, in reference to a net emissions increase or the potential of
474 a source to emit any of the following pollutants at a rate of emissions that would
475 equal or exceed any of the following pollutant emission rates:

476 (A) Carbon monoxide: 100 tons per year.

477 (B) Nitrogen oxides of nitrogen: 40 tons per year.

478 (C) Sulfur dioxide: 40 tons per year.

479 (D) Ozone: 40 tons per year of volatile organic compounds or of nitrogen oxides.

480 (E) Lead: 0.6 tons per year.

481 (F) PM-10: 15 tons per year of PM-10.

482 **(G) PM 2.5: 10 tons per year of PM 2.5**

483 (ii) Notwithstanding the significant emissions rate for ozone in
484 R 336.2901(gg)(i)(D), significant means, in reference to an emissions increase or a
485 net emissions increase, any increase in actual emissions of volatile organic
486 compounds that would result from any physical change in, or change in the method
487 of operation of, a major stationary source located in a serious or severe ozone
488 nonattainment area that is subject to subpart 2, part D, title 1 of the clean air act, if
489 such emissions increase of volatile organic compounds exceeds 25 tons per year.

490 (iii) For the purposes of applying the requirements of R 336.2902(8) to
491 modifications at major stationary sources of nitrogen oxides located in an ozone
492 nonattainment area or in an ozone transport region, the significant emission rates
493 and other requirements for volatile organic compounds in R 336.2901(gg)(i)(D),
494 R 336.2901(gg)(ii) and R 336.2901(gg)(v) shall apply to nitrogen oxides emissions.

495 (iv) Notwithstanding the significant emissions rate for carbon monoxide in
496 R 336.2901(gg)(i)(A), significant means, in reference to an emissions increase or a
497 net emissions increase, any increase in actual emissions of carbon monoxide that
498 would result from any physical change in, or change in the method of operation of, a
499 major stationary source in a serious nonattainment area for carbon monoxide if such
500 increase equals or exceeds 50 tons per year, provided that the United States
501 environmental protection agency has determined that the stationary sources
502 contribute significantly to carbon monoxide levels in that area.

503 (v) Notwithstanding the significant emissions rates for ozone in
504 R 336.2901(gg)(i)(D) and R 336.2901(gg)(ii), any increase in actual emissions of
505 volatile organic compounds from any emissions unit at a major stationary source of
506 volatile organic compounds located in an extreme ozone nonattainment area that is
507 subject to subpart 2, part D, title 1 of the clean air act shall be considered a
508 significant net emissions increase.

509 (hh) "Significant emissions increase" means, for a regulated new source review
510 pollutant, an increase in emissions that is significant for that pollutant.

511 (ii) "Stationary source" means any building, structure, facility, or installation which
512 emits or may emit a regulated new source review pollutant.

513 (jj) "Temporary clean coal technology demonstration project" means a clean coal
514 technology demonstration project that is operated for a period of 5 years or less, and
515 that complies with the state implementation plan and other requirements necessary
516 to attain and maintain the national ambient air quality standards during the project
517 and after it is terminated.