

SAN LUIS OBISPO COUNTY AIR POLLUTION CONTROL DISTRICT

RULE 212 - COMMUNITY BANK

(Adopted 11/5/91; Revised 8/10/93)

A. RESERVED

B. APPLICABILITY

1. This rule shall apply to all applications for use of Community Bank Credits (CBC's).
2. Disbursements from the Community Bank shall be available to the extent allowed pursuant to subsections D and E, to a replacement, modified, or relocated stationary source classified as a small business, as defined in Rule 105, where the cumulative yearly potential to emit increase since August 10, 1993 will be less than two tons each per year of NOx, ROG, SOx and PM10 after construction, modification, or relocation.
3. Essential Public Services will be qualified to draw from the Community Bank, provided the applicant has secured all potential offsets available by modifying emission units at the same stationary source.

C. FUNDING

1. The Community Bank shall be funded with actual emission reductions which are in excess of those reductions required or encumbered by local, state, and federal requirements. In addition, emission reductions shall be real, quantifiable, permanent, enforceable, and surplus.
2. Funding for the Community Bank shall include, but not be limited to, the discounting of emission reduction credits pursuant to Rule 211 for new and modified emission units.

D. COMMUNITY BANK CREDIT AVAILABILITY AND ALLOCATION

1. On or before the last day of each calendar quarter, the Air Pollution Control Officer (APCO) shall determine the amount of emission reductions which are available from the Community Bank.
2. The APCO shall make available on the first Wednesday of each calendar quarter the amounts of each pollutant available from the community bank.
3. Disbursement of emission reductions from the Community Bank shall be made on the last Wednesday of each calendar quarter or other schedule deemed practicable by the Air Pollution Control Officer for applications meeting the specifications of B.2.
4. During any calendar quarter for which there are more requests for community bank credits than are available for disbursement during that quarter, priority shall be given as follows:
 - a. First, to essential public services. Priority shall be given to the application which was deemed complete the earliest. The San Luis Obispo County Air Pollution Control Board may determine that a specific essential public service shall be given priority for access to the community bank based on public health or safety regardless of the date on which the application was deemed complete.
 - b. Second, to stationary sources eligible for access to the community bank pursuant to subsection B.2. Priority shall be given to the applicants with the lowest accumulated total emissions. For applicants with the same accumulated total emissions, priority shall be given to the application which was deemed complete earliest. The accumulated total emissions (ATE) shall be calculated as follows:

$$\begin{aligned} \text{ATE} = & \text{ RROG} + \text{PROG} + \text{RNOx} + \text{PNOx} + \text{RPM10} + \\ & \text{PPM10} + \text{RSOx} + \text{PSOx} \end{aligned}$$

where:

RROG = amount of ROG community bank credits requested in tons per year.

PROG = amount of ROG community bank credits previously received from the community bank in tons per year

RNOx = amount of NOx community bank credits requested in tons per year.

PNOx = amount of NOx community bank credits previously received from the community bank in tons per year

RPM10 = amount of PM10 community bank credits requested in tons per year.

PPM10 = amount of PM10 community bank credits previously received from the community bank in tons per year.

RSOx = amount of SOx community bank credits requested in tons per year.

PSOx = amount of SOx community bank credits previously received from the community bank in tons per year.

c. Third, to stationary sources eligible for access to the community bank and for which the requested community bank credits would be used as offsets for an emission unit for which an Authority to Construct or Permit to Operate was required but not obtained. Priority shall be given to the applicants with the lowest accumulated total emissions. For applicants with the same accumulated total emissions, priority shall be given to the application which was deemed complete earliest.

1. Applications that do not receive community bank credits initially may be held for consideration one additional calendar quarter. If community bank credits are not received during the second quarter, the applicant may refile the application at a later date or may obtain offsets from Emission Reduction Credit's banked pursuant to Rule 211.
2. If an essential public service does not receive community bank credits during the initial calendar quarter in which credits were requested, the application shall be held until such credits are received.
3. Essential public services may, at the discretion of the APCO, reserve community bank credits for up to three years to allow multi-year projects to be planned. The sum of such reservations shall not exceed 10 percent of each calendar quarter allocation for the community bank for those three years. The credits are accumulated quarterly and the Authority to Construct shall not be issued until all needed credits are obtained.
4. During any calendar quarter for which there are fewer requests for community bank credits than are available from the calendar quarter allocation, the unused credits shall be made available for use the following calendar quarter.
5. Community bank credits obtained from the Community Bank shall not be banked or transferred.
6. Community emission reduction credits shall be returned to the community bank under the following conditions:
 - a. Construction has not started prior to the expiration of an Authority to Construct. In this case all community emission reduction credits which were granted to obtain the Authority to Construct shall be returned.
 - b. The voluntary surrender or the revocation of an Authority to Construct or Permit to Operate. In this case all community emission reduction credits which were granted to obtain the Authority to Construct or Permit to Operate shall be returned.

E. LIMITATIONS ON THE USAGE OF COMMUNITY BANK CREDITS

1. Community bank credits which result from the shutdown of an emission unit, or a reduction in throughput for an emission unit, shall not be used as offsets at a essential public service where the potential to emit

- would exceed the 100 tons per year for either NOx or ROG.
2. All modified emission units shall be required to comply with applicable district BACT requirements prior to being allowed access to Community Bank Credits.
 3. If an applicant holds any emission reduction credits, access to the community bank shall not be allowed unless the applicant is proposing to provide such credits as offsets in the same permitting action where access to the community bank is proposed.

F. RECORDKEEPING REQUIREMENTS

1. Any stationary source that has been granted community bank emission reduction credits shall maintain records showing the cumulative amount of all community bank credits granted from or returned to the community bank.
2. The District shall maintain records showing any stationary source which has been granted community bank credits and the amount of such credit granted from and returned to the community bank.

G. ADMINISTRATIVE REQUIREMENTS

1. Emission reductions proposed for deposit in the Community Bank shall be calculated in accordance with procedures established in Rule 213.

H. FEES

The fees for using the community bank shall be the same as those in Rule 306.