# REGULATION IV
# AUTHORITY TO CONSTRUCT REGULATIONS

**Rule 411**        **Emission Offset Eligibility**

A.    Except in the case of seasonal sources, emission offset quantities shall be calculated on annual, and daily bases. For seasonal sources, emission offset quantities shall be calculated on the basis of the season date span of operation, and daily emission rate, either estimated for proposed sources or averaged over the two year period preceding the date of application, or other appropriate periods as determined by the Air Pollution Control Officer, for existing sources.

B.    Emission offsets may be developed by the reduction of emissions from existing stationary, and non-stationary sources.  Offsets from stationary sources not exempt from the provisions of Rule 501 shall be certified by the Air Pollution Control Officer through conditions attached to the Permits to Operate of the emission-reducing sources. Offsets from non-stationary sources, and exempt stationary sources shall be certified by the Air Pollution Control Officer through new facility Permit to Operate conditions, contracts, or other means deemed adequate by the Air Pollution Control Officer.  Such emission offsets shall take effect no later than 120 days after initial operation of the new facility or modification.

C.    The ratio of emissions offsets to the emission from a new facility or modification shall be:

1.    1.0:1 for offsets within the facility;

2.    1.2:1 for offsets upwind in the same or adjoining Air Pollution Control District, or within a 15 mile radius of the proposed new facility or modification.

3.    Sufficient to demonstrate an air quality benefit through modeling in the area affected by emissions from the new facility or modification for offsets located in areas other than those of 1. or 2. above.

D.    If an applicant certifies that the proposed new facility or modification is a replacement for a facility or source which was shut down or curtailed after January 1, 1981, emission reductions associated with such shutdown or curtailment may be used as offsets for the proposed facility or modification.  Sources which were shut down or curtailed prior to January 1, 1981, may be used to offset emissions increases for replacements for such sources, provided that:

1.      The shutdown or curtailment was made in good faith pursuant to an established plan approved by the Air Pollution Control Officer for replacement and emission control, and in compliance with air pollution laws, rules and regulations at the time; and

2.      The applicant demonstrates to the satisfaction of the Air Pollution Control Officer that there was good cause for delay in construction of the replacement sources.

E.      Notwithstanding any other provisions of this rule, any emissions reductions not otherwise authorized by this Rule may be used as offsets or emission increases from the proposed facility or modification provided the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that such reductions will result in a net air quality benefit in the area affected by emissions from the new facility or modification.

F.      Emissions reductions resulting from measures required by adopted Federal, State, or District laws, rules or regulations shall not be allowed as emissions offsets unless a complete application incorporating such offsets was filed with the District prior to the date of adoption of the laws, rule or regulations.

G.      Emissions reductions of one precursor may be used to offset emissions increases of another precursor of the same secondary pollutant provided the applicant demonstrates to the satisfaction of the Air Pollution Control Officer that the net emission increase of the latter precursor will not cause a new violation, or contribute to an existing violation, of any national ambient air quality standard.  The ratio of emission reductions between precursor pollutants of the same secondary pollutant shall be determined by the Air Pollution Control Officer based upon existing air quality data.