

Draft Air Pre-construction Permit Streamlining Task Force Meeting Notes January 15, 2002

Meeting Attendees: J. Reitsma, R. Schroeder, P. Daggett, M. DeCelles, D. Geyer, D. McVay, M. North, R. Hittinger, A. Dzykewicz, R. Austin, C. Cote, S. Montecalvo, G. Almquist, M. Clark and T. Getz

Director Reitsma asked the group for comments concerning the December meeting notes. He said that if there were any, people should forward them to Tom Getz.

2. Permit Review Process

Doug McVay made a presentation on the existing permit review process. Submissions must meet the conditions of Air Pollution Regulation No. 9 that requires the following:

- (1) A Best Available Control Technology (BACT) review for each pollutant,
- (2) A showing that emissions do not cause or contribute to a violation of any applicable state or national ambient air quality standard,
- (3) A Rhode Island air toxics review to ensure compliance with Air Pollution Control Regulation No. 22 and any Calculated Acceptable Ambient Levels,
- (4) A new stationary must conduct any studies required by the Guidelines for Assessing Health Risks from Proposed Air Pollution Sources and meet the criteria therein.
- (5) The stationary source must be in compliance with all rules or regulations at the time the source begins operation.

In order to evaluate a minor source permit application to determine if the above conditions are met, the following activities take place in the permit review process:

1. Application/File Review

The reviewer will check the application package for completeness and will begin a file review if the facility is an existing source. At this time the compliance history and a review of the facility process will begin.

2. Quantification of Emissions

The proposed project's "potential to emit will be evaluated to determine if the project is major.

3. Determination / Confirmation that the Proposed Project is Minor

The calculations from step 2 above will be used to determine the net increase in emissions that may be occurring. The review will calculate if "netting" is occurring. There may be a need to evaluate the aggregate emission increase at the facility.

4. Determination of Applicable Regulations

The reviewer will use a checklist to determine which regulations are applicable to the project and explain how / why the project is capable of complying with each regulation.

5. Best Available Control Technology Evaluation

This review determines if BACT is being proposed for the source. DEM will evaluate BACT using the following sources:

- ◆ Published BACT determinations or guidelines
- ◆ EPA's RACT/BACT/LAER Clearinghouse
- ◆ Information obtained from other permitting authorities

6. Air Quality Impact Analysis

The purpose of this analysis is to demonstrate that approval of the application will not result in a violation of any state or federal ambient air quality standard. This analysis will always be conducted if listed air toxics are to be emitted, but not a necessity for criteria pollutants. DEM only conducts screening level modeling. The need to conduct modeling is a case-by-case determination.

7. Prepare a Permit Review document

The reviewer will then prepare a permit review document. This document will discuss the findings for each of the evaluations conducted and recommend either the approval or denial of the application.

8. Prepare a Draft Permit

If the application can be approved, a draft permit is prepared. The draft permits contain terms and conditions in the following areas: Emission Limitations, Operating Requirements, Monitoring Requirements, Testing Requirements, Record keeping and Reporting Requirements and Other Requirements.

Doug mentioned that there is a lot of variability in the complexity of applications. Each application is evaluated to determine the need to evaluate the application for each of the steps above. He mentioned that it takes a range of 30-60 days to complete staff review of an application. The overall review time is longer because applications will sit in a queue waiting for a review.

The group began to ask Doug questions about the process. The following points were made:

DEM spends time developing information that is needed to review the application. It might be better to have the applicants submit more information that would speed up the review time. Doug mentioned that a decision was made to keep the applications simple because the office deals with a lot of small businesses. If the applications were complex the smaller facilities may not have the ability to prepare the applications themselves or have the resources to hire someone to file an application and the application may never be submitted.

Providing more information is helpful to have an application reviewed faster. Doug mentioned that staff will rely on BACT reviews and modeling provided by consultants and tries to minimize the need to recreate the analysis.

The Director questioned if there were web-based tools available to help smaller sources conduct modeling or potential to emit calculations? Could DEM develop models to assist sources? Doug replied EPA does have technical information on their website that could be used. Modeling requires a lot of training and understanding of how the model works. He raised concern over having people not familiar with the models, using them and submitting the results to DEM. Information concerning BACT / LAER is readily available on EPA's and other state's websites and is used by consultants and DEM reviewers.

Doug was questioned if any of the above elements are time-consuming. Doug responded that it depends on the complexity of the permit application. Sometimes verification of data is problematical. DEM should look at record-keeping standardization if that would be useful.

DEM should review its BACT thresholds. Connecticut has a five-ton threshold before BACT is required. Doug mentioned that he has reviewed our permitting threshold limits and DEM's is higher than a lot of neighboring states.

Doug estimated that applications are prepared by small business themselves about fifty percent of the time. The director said that the Task Force does not have any small business representation and we need to think about streamlining efforts that will benefit them too.

Potential to emit is a big issue. We should focus on the reduction of large emission sources of criteria pollutants. Doug cautioned the group and indicated that air toxics often deal with small amounts of emissions.

DEM should provide examples of calculations that could be used as a tool for preparing applications. Doug said that we do not receive a lot of similar applications and this exercise may be of limited value. Using "cookie-cutter" approaches do not work in states where relatively small numbers of permits are reviewed.

DEM should evaluate the following:

- ◆ Restructuring the application package to require applicants to provide more information/analysis in their submissions.
- ◆ Post BACT determinations for approved applications on the DEM website.
- ◆ Development of a regional BACT clearinghouse.
- ◆ Keep the application package simple. Complexity will discourage the filing of applications.
- ◆ Develop algorithms that could screen people out of modeling. (Doug mentioned that we do this to a limited degree.)
- ◆ DEM should pre-review applications and should categorize them into easy, medium and hard applications. Or DEM should categorize applications based on their potential to emit. The applications that pose a greater environmental or health concern should be reviewed more closely or should be required to submit a higher level of documentation. The director suggested a small group of people should meet to discuss this issue at greater length.
- ◆ DEM should look at pre-permitting certain kinds of equipment.
- ◆ DEM should review other state review thresholds and determine if we should consider raising our permit thresholds.

3. Efficiency Proposals Raised That Impact Queue Time

a. Facility-wide permits, emission caps or process caps

At previous meetings, the group identified that queue time was the issue that needed to be addressed. The group started to discuss the impact of facility-wide permits, emission caps or process caps. Emission caps do not work well in the instance of a landfill, however this model may be easier to apply to a manufacturing concern. In the latter case emissions are based on the units of material produced and emissions are more quantifiable. Facilities, however, may not want to limit themselves unnecessarily.

The director requested that people articulate their specific needs with respect to operational flexibility. Doug mentioned that he tries to be flexible to the degree allowed by the regulations and he would be interested in hearing their specific concerns. Some ideas discussed included:

The current procedure is to require a BACT review for every new modification. Currently, similar pieces of equipment in a facility may have different levels of BACT that results in emissions being generated at different levels from equipment that is essentially the same. DEM should evaluate requiring BACT to be a facility requirement and not an equipment requirement. There may be different record keeping requirement and different emission and operational limits set on these pieces of equipment. This is difficult to deal with and poses operational problems.

Doug said the reason for the different BACT requirements is often due to the age of the process equipment. Newer permits will have more stringent emission limits.

Doug said that we have tried to be flexible with our regulatory approaches. He mentioned that DEM has allowed changes in processes if there is a reduction in emissions. DEM will also allow the capping of facility emissions that could allow more operational flexibility. This approach is a double-edged sword and some facilities prefer not to be constrained by emission caps.

Flexibility in the permitting process is a commendable goal. However, facility-wide emission caps need to be enforceable. Additional flexibility may require regulatory changes.

A comment was made that minor sources are penalized not to be major. Equipment is purchased to keep emissions low. In many instances, however, the facility is installing pollution control equipment to prevent it from being considered a major source. There are some advantages for a facility from being designated a minor source and not a major source.

b. General permits

The topic of general permits was raised at the last meeting. DEM was agreeable to develop this type of a permit for dry-cleaners, temporary sources, emergency generators, gas station air-strippers degreasers and any future regulations that require technology standards for many sources.

c. Phased permits

Phased permits are needed when a facility has a multi-year plan to upgrade equipment, for example. The issue concerning phased permits is that queue time may add additional time to the review process. In addition, the full project design may not be finished when the first phase of the permit is submitted to DEM. Information should be able to be added to the application that is first submitted and not have to wait in the queue again. Doug mentioned that supplemental information could be submitted when an application is still in the queue. The Director said that DEM should negotiate a time-line at the beginning of the process for reviewing the application. The facility needs to provide its time-line at the beginning of the submission for this to work. Since this is not a common occurrence, these projects will be subjected to a case-by-case review.

d. Amend review process for applications prepared by professional engineers

This issue was discussed the previous month and the group recommended that DEM should adopt a procedure where consultants would prepare a permit application that would include the

submission of a draft permit. These applications would be assigned to staff immediately after they were received and would go to the top of the pile of applications. Part of DEM's work would be shifted to the regulated community and DEM's need for extensive review would be reduced. This "super application process" would help to streamline the application review process. It was not anticipated that the "super application would have to be completed by a profession engineer.

4. Other Process / Efficiency Issues Raised

a. Process predictability

The group thought, for the most part, the issue was not predictability, but the length of time needed for permit review. The group thought a permit decision time of ninety days would be an acceptable limit in most instances.

There was one issue that was brought up concerning predictability. At the current time, DEM regulates forty air toxics. Each substance has an AAL associated with it. When a process emits another compound that is not regulated, the applicant can not predict how the permit will be written since DEM will conduct a case-by-case review of the air toxic and calculate an AAL. Doug mentioned that DEM is in the process of expanding the number of air toxics that will be regulated. This expanded list will increase the number of air toxics controlled by DEM by an additional two hundred plus substances.

b. Air permits that impact multiple DEM permitting programs (No discussion)

c. Early stakeholder involvement (for permits requiring a hearing) (No discussion)

5. Other Issues

6. Next Meeting – February 19, 2002

7. Adjourn