

**Air Pre-construction Permit Streamlining Task Force Meeting Notes
March 26, 2002**

Attendees: Jan Reitsma, Ron Schroeder, M. North, G. Almquist, R. Hittinger, C. Cote, A. Dzykewicz, M. DeCelles, D. McVay, S. Majkut and T. Getz

The February meeting notes were reviewed and since there were no comments the minutes were accepted as final.

I. Outreach / Web tools

The meeting began with a brief overview of DEM's suggestion that BACT decisions, in the form of copies of permits, could be posted in a PDF format on the DEM homepage. This information would be easy to post, but it may not be in a database format that would be searchable. As an alternative, one participant suggested that DEM use the format EPA uses in their BACT Clearinghouse. It was agreed that the EPA format collects too much information, and DEM should use a subset of the EPA information requirements. Ron Schroeder volunteered to work with Doug McVay to suggest data requirements that DEM could use for posting BACT information on the website. The program will also contact Tom Epstein, the DEM website contact, to determine if a searchable index is possible to install on the web.

II. Administrative Issues

There were six issues discussed in this category.

1. Update the permit guidelines, definitions and develop a flow chart of the DEM review process.

The group mentioned that DEM had developed a permit guidance document that briefly reviewed all the DEM permitting processes. A participant suggested that DEM should update this document. (After the meeting, a copy of this 1989 document entitled "Guide to Environmental Permits and Approvals" was forwarded to the Ombudsman.) This document briefly describes the DEM review process, application information requirements and guidance on applicability requirements. The Office of Technical and Customer Assistance is determining their ability to update this document.

At a previous meeting Doug McVay provided information concerning the Air Permitting Review process. A participant suggested that this review process be amended to include expected review timelines. This would allow an applicant to develop a critical path for the review process. Participants were also interested in guidance for applicability for air modeling.

Additional questions were asked about compliance issues about the air toxics program. Doug mentioned that these regulations were undergoing revision at this time and there will be other forums to discuss specific air toxics issues.

One of the issues raised was changes to regulation definitions. There were no specific proposals for modification mentioned at the meeting. Participants were requested to get back to DEM on specific concerns in two weeks.

- 2. Improvement of the application quality can help review times. Pre-application meetings are useful in determining application requirements. It was also noted that DEM encourages and participates in pre-application meetings. Applicants should be encouraged to provide a “white paper” prior to submitting an applications that outlines the issues of the permit.***

DEM encourages using any tool that improves application quality. A white paper could be useful in clarifying issues of an application. A participant suggested that the white paper could be used instead of a pre-application meeting. DEM will certainly use this information in the review process, but will not make this a requirement of the application process. DEM supports the use of pre-application meetings to clarify issues in the permit process as general departmental policy. The air-permitting program uses this tool and encourages its use.

- 3. DEM should develop simple screening procedures for air toxics applications. These conservative examples could be used to determine if an application is required and could provide guidance to applicants on control technology that is needed to meet requirements.***

Doug mentioned the air toxics regulations are undergoing revision, and that there are modeling guidelines for sources that are subject to regulation 22 (air toxics). Doug also mentioned that our air toxics regulations are different from some neighboring states because Rhode Island sources need to meet an ambient impact standard. The use of conservative screening models is more limited in this situation.

Claude Cote mentioned that there are special modeling requirements for waste management districts and requested that modeling requirements be standardized. Doug mentioned the structure of the regulations is the same for the sources, but there are more pollutants that need to be controlled.

- 4. Revise the application package to include all information needed to process the application.***

There was considerable discussion on this topic. One way to reduce the time for DEM’s review of air permits is to increase the minimum information required in an application. Requiring all applicants to provide additional information would make the application more complete. This would enhance application quality. However, approximately 50% of all applications received are submitted by small sources. If DEM requires significantly more information, these sources will either have to hire consultants to prepare applications or will not submit an application and DEM may not find out about these sources in a timely manner.

DEM tries to work with applicants to process all applications. In some instances, especially with the smaller sources, the application content is not substantial. They will provide DEM with a minimum amount of information that is readily available to them. DEM staff then prepares other

elements, such as the air quality modeling or BACT analysis, in the course of its review of the application, so that a decision can be made on the submission. There is a cost of using this approach, because DEM will spend more time with these sources as opposed to those applications that are prepared by consultants or facilities that have an environmental staff and contain some of these other elements in their application.

The director noted that small businesses were not represented on the Task Force. He thought that we needed to consider their requirements in this process. He thought that the process should remain user-friendly to these categories of sources, but we should consider including a tiered review process. He thought a checklist should be developed that explains the information requirements for the tiers. Three possible tiers could include:

- i. Applications from small sources or small businesses,
- ii. “Super Applications” that would include supplementary information and these applications would receive priority review, and
- iii. All other applications.

DEM staff would be tasked to determine the “bright lines” between categories and would develop checklists for the tiers. Application forms would be modified to support the tiering effort.

5. Allow for the use of electronic forms in the application process.

At the present time, DEM’s application forms can be downloaded from the website. DEM is participating in the Rhode Island Portal Project that is supportive of the state’s E-Government initiatives. It is the goal of DEM to increase our E-Government capabilities. DEM was also requested to determine if the applications could be developed in a database format.

6. DEM was requested to provide information on operating permit fees such as whom does the fees fund at DEM? How are the funds managed? Do they fund Title V compliance inspections?

Steve Majkut gave a brief presentation on the Operating Permit Program. He mentioned that DEM has an Operating Permit Advisory Commission that meets on a regular basis to discuss issues of concern. He brought up the following points:

- ◆ There are 51 sources that require operating permits,
- ◆ The program is funded by these sources and sources that have capped their emissions to prevent themselves from being regulated by this program.
- ◆ The fees cover DEM’s costs of the air program which include the following activities, i.e., regulation development, enforcement, program oversight, monitoring, etc.,
- ◆ Eleven persons are funded by the program, of which 4.4 persons work directly in the review and issuance of operating permits,
- ◆ The Small Business Technical Assistance Program budget funding was reduced to reflect the time staff actually spend doing air pollution technical assistance of the program,

- ◆ Eighteen sources have been issued permits.

A participant questioned if DEM would still require 4.4 persons to run the program once all sources were permitted. Steve replied that permits need to be reviewed every five years, but this issue has been previously raised in the Advisory Commission and is being examined.

III. Personnel

- 1. Consider having a single point of contact for more complex facilities. Once people are familiar with the company processes, review times could decrease. DEM's staff turnover is problematic and maybe two people could work on the larger facilities.***

DEM has considered having a single point of contact for more complex facilities. Although this is a good concept, the idea breaks down when one considers there are only three people in the permitting staff. If DEM were to lose the single point of contact, the experience of facility permitting would be lost. DEM will, however, manage its staff in a manner that is most efficient for reviewing permits.

- 2. Staff access on short notice is fine.***

No comment.

- 3. Staff turnover needs to be addressed. Experienced staff will process applications quicker.***

DEM agrees this is a problem and would like to solve this problem too. A participant suggested that DEM should hire more senior people in the program and the increased salary might be an incentive to have people remain at DEM. This is an interesting concept, but it does have a budget and an organizational impact. One participant suggested that DEM should raise fees to pay for the cost of additional staff. There was little support for this concept.

- 4. The number of staff is insufficient to process the existing workload.***

The Task Force has made many suggestions to streamline the process and this should have a positive impact on permitting review times. The workload has been consistent through the years. DEM in comparison to the neighboring states does have a higher workload per staff member. There is need for additional staff in the program to substantially reduce review timelines.

- 5. Consider combining the staffs of the operating, pre-construction and air toxics section. A larger staff may be able to compensate for the existing chronic turnover problem. In addition, there may be some efficiencies of having the same person work on both Title V and pre-construction permits***

There are few people currently working in DEM's permitting program. There is no excess capacity in any of the three programs mentioned. In some instances it might be possible to move a person from one program to another, but that would only reduce a backlog in one program at the expense of the other. One participant suggested that DEM allow overtime work that would be paid by the applicant.

IV. Other Issues

1. Increase the permit thresholds and require registration for those sources that have dropped out of the permitting program.

Glenn Almquist researched the issue of permit thresholds in other states in the region. He was attempting to develop a chart that would depict the permit thresholds in the surrounding states. Based on the information he collected, the issue was more complex than anticipated and he was not able to establish a lower threshold that was used consistently throughout the region.

A number of issues were identified that could be further investigated:

Should there be different threshold standards for sources that are intermittent emitters?

Should the 10 pounds per hour threshold be maintained if annual emissions are low?

The meeting was adjourned and the final meeting of the Task Force was determined to be May 21, 2002. The purpose of the meeting will be to review the draft Task Force Report. It is anticipated the report will be distributed a week before the next meeting.