



Air Permitting & Planning Update

Air & Waste Management Association
Louisiana Section

Environmental Focus 2012

October 31, 2012

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Presentation Outline

- Rulemaking Status
- NSPS 0000
- Greenhouse Gases
- Ozone Design Values
- Ozone Advance Program
- SOGA Conversion Project
- SO₂
- Ozone Modeling
- Stage 2



AQ313

Fugitive Emission Control and Fugitive Emission Control for Ozone Nonattainment Areas and Specified Parishes (LAC 33:III.2121, 2122 and 2199)

- To be proposed November 20, 2012.
 - Public hearing: December 2012 (date TBD)
 - Comment deadline: January 2013 (date TBD)
- Aligns definitions and LDAR requirements with federal programs.
- Does not modify leak definitions.



AQ313 (cont.)

- Adds *force majeure* provisions.
- Allows for the use of optical gas imaging as an alternative work practice (AWP).
 - AWP requirements are described in 40 CFR 60.18(g), (h), and (i).
- Codifies the Louisiana Consolidated Fugitive Emissions Program (LCFEP) in Appendix B of LAC 33:III.2199.
 - Does not alter position of §2121 or §2122 on the Stringency Table.



AQ322

Regulatory Permit for Flaring of Materials Other than Natural Gas (LAC 33:III.319)

- Proposed September 20, 2012.
- Authorizes the flaring of gaseous materials other than natural gas (e.g., propane, ethylene, propylene, ammonia).
 - Material may be supplemented with natural gas.
- Public hearing: October 31, 2012
- Comment deadline: November 7, 2012



AQ327

Offset Requirements and Emission Reduction Credits Banking (LAC 33:III.504, 601, 603, 605, 607, 615 and 619)

- Proposed August 20, 2012; to be promulgated November 20, 2012.
- Identical to AQ327E2.
- Where the federal NNSR program does not apply, AQ327 requires owners or operators of:
 - new stationary sources to provide offsets (1.1 to 1) for potential NO_x and VOC emissions in excess of 50 TPY.



AQ327 (cont.)

- AQ327 requires ...
 - existing stationary sources (with PTE \geq 50 TPY NO_x/VOC) to provide offsets (1.1 to 1) for each physical Δ or Δ in the method of operation that would result in a net emissions increase of \geq 25 TPY NO_x/VOC .
 - Consideration of the net emissions increase shall be triggered for any physical Δ or Δ in the method of operation that would increase emissions of NO_x/VOC by \geq 25 TPY, without regard to any project decreases.



AQ327 (cont.)

- Does not alter major source threshold.
 - Facilities with potential NO_x and/or VOC emissions ≥ 50 and < 100 TPY may be issued a minor source permit provided Part 70 does not otherwise apply.
- Removes references to the 2005 Attainment Plan and Transport Demonstration SIP and the associated inventory comparisons from Chapter 6.
- Allows for creditable reductions of criteria pollutants other than NO_x and VOC to be banked.
 - St. Bernard Parish will soon be an SO_2 nonattainment area.



AQ328ft

PM_{2.5} Increments, Significant Impact Levels and Significant Monitoring Concentration (LAC 33:III.509)

- Proposed March 20, 2012.
- Establishes PSD increments, Significant Impact Levels (SILs), and a Significant Monitoring Concentration (SMC) for PM_{2.5}.
- EPA asked LDEQ not adopt PM_{2.5} SILs in light of EPA's recognition that the federal provision "does not afford permitting authorities sufficient discretion to deny sources use of the SILs where their use would lead to a new violation of the NAAQS or increment."



AQ328ft

- Deletion of the proposed PM_{2.5} SILs was deemed a substantive change, necessitating a second public hearing.
 - Public hearing: October 31
 - Comment deadline: October 31
- To be promulgated December 20, 2012, unless substantial comments are received.



AQ332

Comprehensive Toxic Air Pollutant Emission Control Program (LAC 33:III.5101, 5103, 5107, 5109, 5113 and 5151)

- Proposed July 20, 2012; to be promulgated November 20, 2012.
- Modifies Chapter 51 to reflect the statutory changes enacted by Act 103 of the 2010 Regular Session.
- §5109.A.2 currently specifies that compliance with an applicable federal standard promulgated by EPA in 40 CFR Part 63 constitutes compliance with MACT requirements.



AQ332 (cont.)

- Per AQ332, compliance with an applicable federal standard promulgated by EPA in 40 CFR Part 61 or 63 constitutes compliance with the entirety of Chapter 51 Subchapter A, except for:
 - the annual emissions reporting requirements of §5107.A;
 - the ambient air standard (AAS) requirements of §5109.B; and
 - applicable air toxics permit application and annual emissions fees provided by LAC 33:III.Chapter 2.



AQ332 (cont.)

- Specifies that AAS shall not apply to:
 - roads, railroads, or water bodies where activities are transient in nature and long-term exposure to emissions is not reasonably anticipated; or
 - industrial properties impacted by emissions from a major source, provided the owner or operator of the major source demonstrates that OSHA permissible exposure limits are not exceeded on the impacted property because of TAP emissions from the major source.

- Eliminates redundant discharge reporting requirements.



AQ333

Toxic Emissions Reporting Requirements (LAC 33:III.5301, 5303 and 5307)

- Proposed August 20, 2012; to be promulgated November 20, 2012.
- Repeals annual emissions reporting requirements for dry cleaners, electroplaters, halogenated solvent cleaners, etc.
- Better emissions estimation tools are now available.



AQ334

EPA Notice (LAC 33:III.533)

- Proposed July 20, 2012; to be promulgated November 20, 2012.
- Repeals LAC 33:III.533.B.2.
- The portion of §533.B.2 related to refusal of recommendations from an affected state is addressed by LAC 33:III.531.B.1.c.
- The portion related to providing EPA notice of any intended changes to a proposed permit resulting from consideration of public or affected state comments does not have a basis in the CAA or Part 70.



AQ335ft

Addition to List of Exempted Compounds (LAC 33:III.2117.A)

- Proposed August 20, 2012; to be promulgated November 20, 2012.
- Adds trans-1,3,3,3-tetrafluoropropene (HFO-1234ze) to the list of compounds exempt from the control requirements of Chapter 21.
- EPA has found that this compound “makes a negligible contribution to tropospheric ozone formation.”



AQ266

Minor Source Permit Requirements (LAC 33:III.503)

- Per LA R.S. 30:2023(A), permits “shall have, as a matter of law, a term of not more than ten years.”
 - However, Louisiana’s air quality regulations are currently silent with respect to the term of minor source permits.
- This rule revision will establish a regulatory framework setting forth maximum terms and renewal procedures for minor source permits.



AQ266 (cont.)

- Any revision or reopening of the permit shall establish the start of a new permit term.
- Any permit application to renew an existing permit shall be submitted at least 6 months prior to the date of permit expiration.
- The permit application to renew an existing permit that expires on or before June 30, 2014 (or other appropriate date based on when the rule is promulgated), shall be submitted in accordance with a schedule to be specified by LDEQ.



Rulemakings in the Queue

- Oil and Gas Well Testing: For well completions that involve multi-stage hydraulic fracturing, LDEQ will propose to extend the 10 operating day limit imposed by LAC 33:III.307.E to 45 days.
- Regulatory Permit for Non-Emergency Stationary IC Engines
- We have also received a request to codify the Louisiana MACT Determination for Refinery Equipment Leaks (Fugitive Emission Sources).



NSPS 0000

LDEQ has not been delegated the authority to implement 40 CFR 60 Subpart 0000.

- Required correspondence should be directed to Region 6.
- Our understanding is that Region 6 is accepting well completion notifications [40 CFR 60.5420(a)(2)(i)] electronically (r6wellcompletions@epa.gov).
- Region 6 contact:
Donald Smith
smith.donald-m@epa.gov
214-665-7270



NSPS 0000 and the MSOG

On October 10, 2012, LDEQ proposed to modify the Minor Source Air General Permit for Crude Oil and Natural Gas Production (MSOG) to incorporate the provisions of NSPS 0000.

This modification will also incorporate the:

- amendments to 40 CFR 63 Subpart ZZZZ promulgated on March 9, 2011;
- amendments to 40 CFR 60 Subparts IIII and JJJJ promulgated on June 28, 2011; and
- amendments to 40 CFR 63 Subpart HH promulgated on August 16, 2012.



NSPS 0000 and the MSOG (cont.)

LDEQ also proposes to:

- Revise Section II to address federal and state regulations promulgated or modified after August 29, 2010, that are applicable to facilities eligible for coverage; and
- expand Subsection VII.C (Special Provisions for Certain Equipment Types) to address additional components.

The public comment period closes on November 14, 2012.



Greenhouse Gases (GHGs)

- LDEQ requires permit applicants to disclose only whether or not the facility at hand is a major source of GHGs. There are several exceptions.
 - Applications requesting a synthetic restriction on CO₂e emissions to avoid Title V or PSD.
 - Applications proposing a physical Δ or Δ in the method of operation at facilities that are (or will become) major stationary sources should address CO₂e for the project-affected sources to show that the project increase (or net emissions increase, if necessary) does not trigger PSD.
 - Applications for a PSD permit for GHGs.



Greenhouse Gases (GHGs)

- GHG emissions can be rounded the nearest whole ton.
- It is not necessary to include GHG average or maximum pound per hour emission rates in air permit applications.

Justification: Memo from Lydia N. Wegman, OAQPS, "White Paper for Streamlined Development of Part 70 Permit Applications," July 10, 1995, pp.6-8.

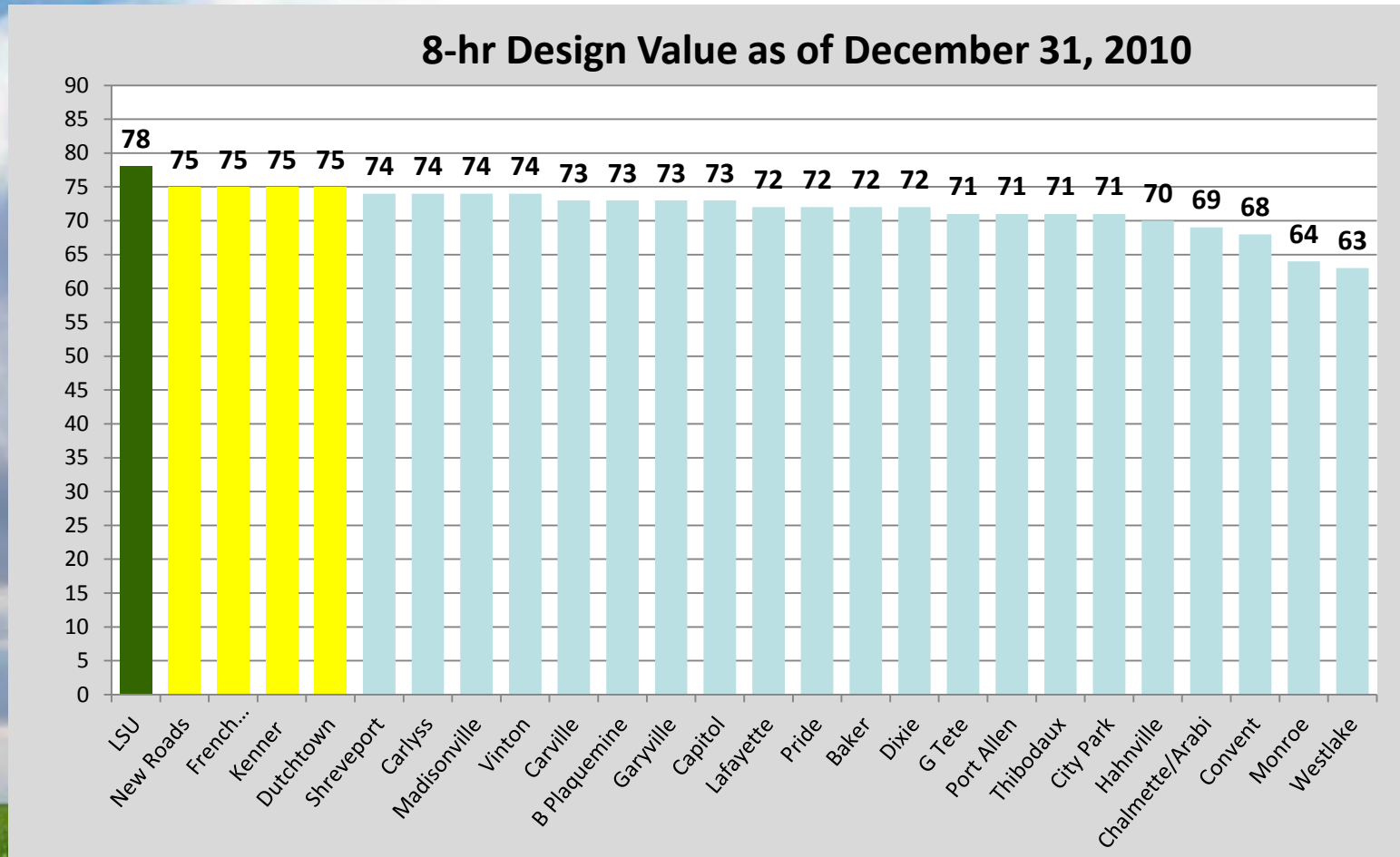


Who is Air Permits Division?

- 55 employees
 - state service time begins nearly at zero and goes to 32.4 years.
 - The average service time is just 12.8 years.
 - 22 employees (40% of workforce) < 10 years
 - 25 employees (45%) with 10 - 20 years
 - 8 employees (15%) with >20 years.
- In FY12, 8 employees (a combined 60 years) leave.
 - Of the eight, 2 of the employees had 10 years service and one had more than 24.



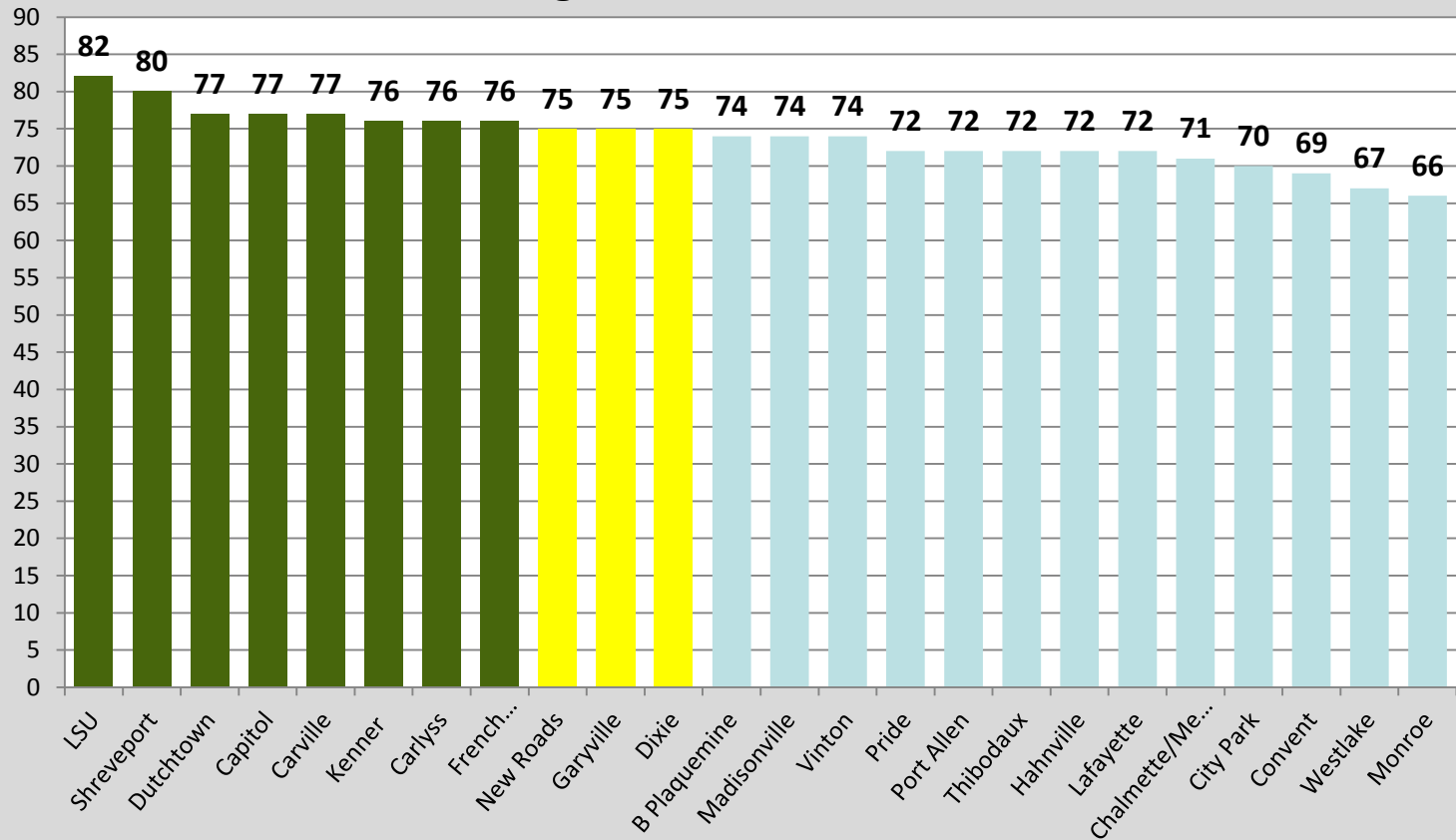
Ozone Design Value Chart (2010)





Ozone Design Value Chart (2011)

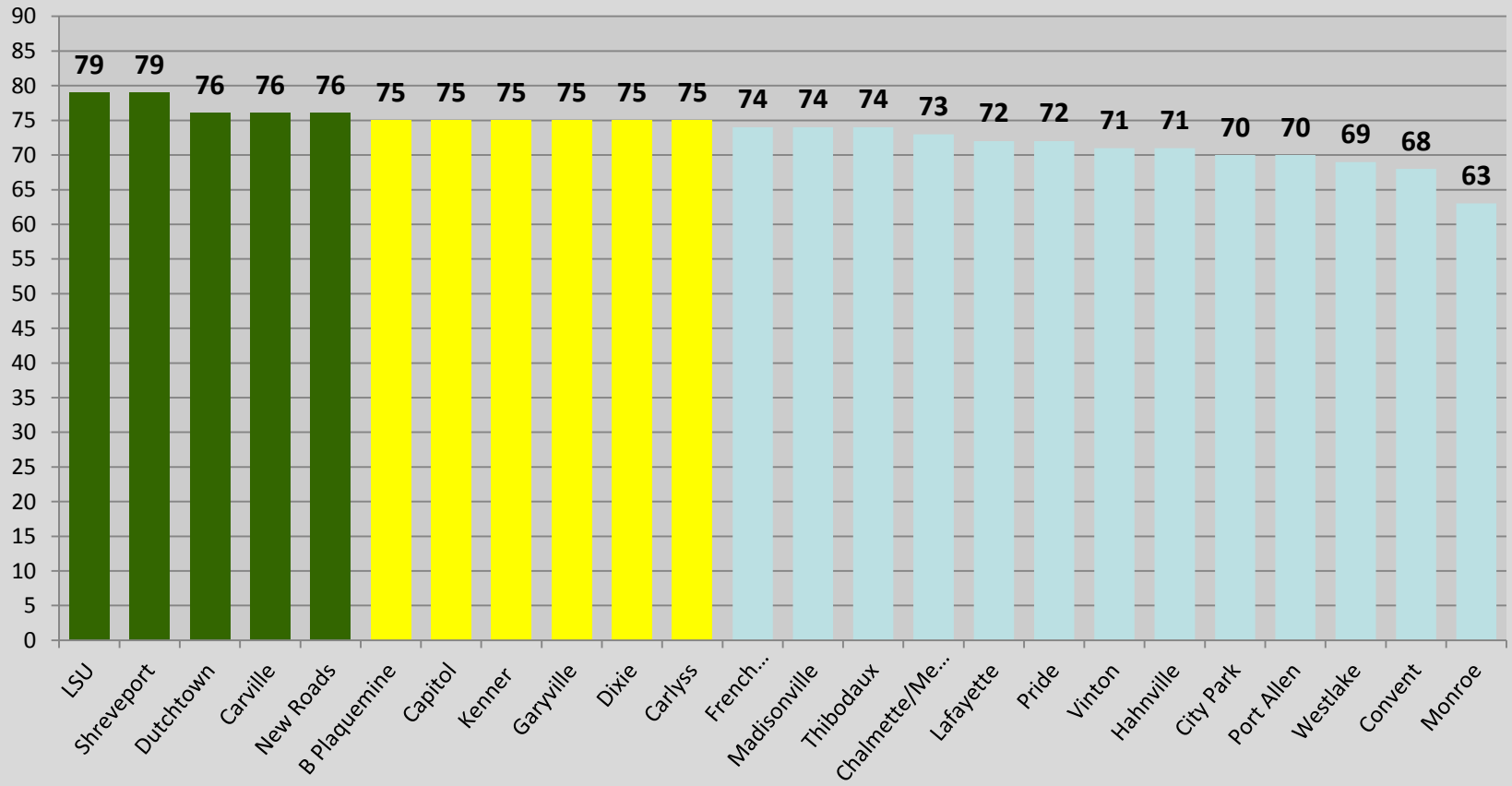
8-hr Design Value as of December 31, 2011





Ozone Design Value Chart (Current)

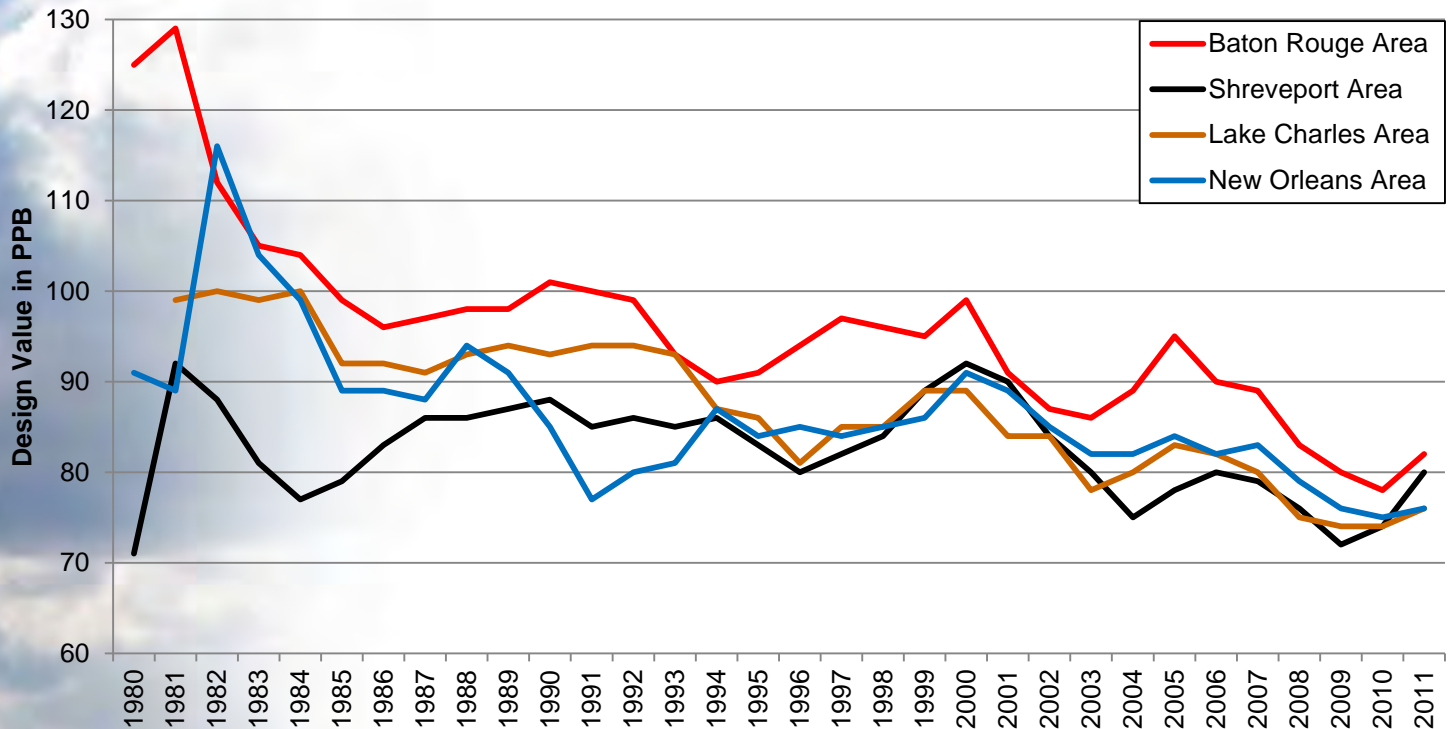
8-hr Design Value as of September 28, 2012





Trends

Ozone Design Values 1980-2011





What is Ozone Advance?

- Ozone Advance is a collaborative effort by EPA, states, tribes and local governments to encourage emission reductions in ozone attainment areas to help them continue to meet the National Ambient Air Quality Standard (NAAQS).



What Areas May Get Out Of Participating?

- EPA support
- Rallying point for public/stakeholder awareness and involvement
- Framework for action
- Preferred status for DERA grants (see www.epa.gov/cleandiesel/prgnational.htm)
- Possible recognition
- Opportunity to highlight measures/programs already underway, along with those undertaken as part of program
- Stakeholder group formation, engagement



Program Goals

- Help attainment areas take action in order to keep ozone levels below the level of the standard to ensure continued health protection.
- Better position areas to remain in attainment.
- Efficiently direct available resources toward actions to address ozone problems quickly.



Why Should Attainment Areas Work to Reduce Ozone?

- Ensure continued **health** protection
- **Less resource intensive** to implement measures early
- More **flexibility** to pursue a wide range of options
- **Proactive**
 - Could better position some areas to stay in attainment
 - If eventually designated, could provide needed reductions that could result in a lower classification and/or that could feed into any eventual SIP
- EPA could consider early efforts as a **factor in exercising its discretion to redesignate** areas not violating in 2008-10, but violating in later years to nonattainment
- Multi-pollutant **co-benefits**



Who Can Participate?

- States, tribes, local governments
- Councils of Government
- Other stakeholders, in conjunction with any of the above
- “Lead” participant?



What Are the Criteria for Program Eligibility?

- Area must not be nonattainment for either the 1997 or 2008 8-hour standards at the time they are accepted into the program.
 - Maintenance areas
 - Eventual Marginal areas
- Local entity should generally identify the area
- DEQ will identify the monitor(s) that reflect the area's air quality
- Required emissions inventory reporting should be complete (DEQ handles this)



What Does Participation Mean for an Area?

- Work to Develop a “path forward” plan within a year
- Plan should
 - Use best efforts to move quickly toward identifying steps that may reduce ozone levels
 - Implement path forward, measures/programs as soon as possible
 - Collect information as to plan effectiveness
 - Informal status check-ins with EPA at least annually



Permit Conversions

- Convert SOGA to State Minor or General Permit
 - SOGA outdated
 - Southeast, Southwest, Capital, & Acadiana Regional Offices underway
 - About 1100 remain, most of these in Shreveport area
 - Choices
 - State Minor Source (has specific requirements)
 - General Permit (holder is responsible)
 - Terminate Coverage



State Minor vs. General Permit

- State Minor Permit
 - You get specific requirements
 - Can be processed as an Expedited Permit

- General Permit
 - You have to know which requirements apply to your facility
 - Notice and go after 14 days



El Reporting for MSOG

- Ascension
- Assumption
- EBR
- East Feliciana
- Iberia
- Iberville
- Livingston
- Pointe Coupee
- St. Helena
- St. James
- St. John the Baptist
- St. Martin
- Tangipahoa
- West Feliciana
- West Baton Rouge



SO₂ Designations

- EPA extended the deadline for area designations for the 2010 primary SO₂ standard by up to 1 year
 - due to having insufficient information to make initial area designations
 - EPA is required to complete initial designations by June 3, 2013.
- Initial LA designation WBR and St. Bernard
 - WBR data shows it is now attaining standard.
 - Updated Recommended Designation to be submitted in January 2013



Ozone Modeling Project

- Conducted primarily for BR Area, but grid includes the entire state
- November 14th Presentation
- Final product late summer 2013
 - Will include scenario for removal of Stage 2 in the 6 parish area.



Stage 2 Program

- May 16, 2012 Federal Register Notice of EPA final rulemaking citing “onboard refueling vapor recovery (ORVR) systems are in widespread use throughout the motor vehicle fleet.”
- June 2012 EPA issued DRAFT Guidance to help make SIP revisions to remove or phase out programs.
- At request of station owners, DEQ prepared Potpourri Notice to be published in November to advise new installations.
- Ozone Modeling project to include scenario “what if Stage 2 is removed?”



Emissions Inventory

- Changes for 2012 Reporting Year
 - None!
- Related Projects
 - Move to Cloud
 - Prior Year Revisions
- Understanding reporting requirements!



Questions / Comments?

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