

PROPOSED FLEXIBLE AIR PERMITTING RULE FOR OPERATING PERMIT PROGRAMS, PREVENTION OF SIGNIFICANT DETERIORATION (PSD) AND NONATTAINMENT NEW SOURCE REVIEW (NSR)

The Environmental Protection Agency is proposing to revise the regulations governing the State and Federal operating permit programs required by title V of the Clean Air Act (CAA) and the New Source Review (NSR) programs required by parts C and D of title I of the Act. The proposal is the result of lessons learned during a 14 year pilot study to help sources subject to title V permitting requirements develop flexible permitting approaches that provide greater operational flexibility, ensure environmental protection and compliance with applicable laws.

What is a flexible Air Permit?

The concept of a flexible air permit was first addressed in 56 FR 21712, 21748 on May 10, 1991. A flexible air permit is a title V permit that facilitates flexible, market-responsive operations at a source through the use of one or more permitting approaches. By submitting a flexible permit application a source agrees to ensure equal or greater environmental protection than is achieved under a conventional permit. A flexible permitting approach allows a source under a permit shield to make certain physical or operational changes without further submittal, review or approval by the permitting authority.

What are some of the approaches that may be used by a source under the proposed rule?

1. A source can obtain advanced approval for anticipated changes such as changes in the number of tanks or types of engines used at a site, by incorporating the potential changes in the original application submittal.

2. A source may establish one or more alternative operating scenarios (AOS) in a title V permit application that will allow emission units to operate with flexible operating and production rates.

Which regulations are included in proposed revisions?

1. There are proposed revisions to parts 70 and 71.
2. There are proposed revisions to parts 50 and 51.

What is the reasoning behind the proposed revisions and what are the perceived benefits?

Based on the pilot program experience EPA anticipates that the proposed revisions will promote improved environmental performance. There are three areas of perceived benefits, environmental, informational and administrative. Based on the pilot program all participants experienced benefits in all three areas.

ENVIRONMENTAL BENEFITS	INFORMATIONAL BENEFITS	ADMINISTRATIVE BENEFITS
Emission Reductions	Increased Operational Information available to assess compliance Decreased permit related staff time	Net Cost Savings for the Source
Increased Pollution Prevention (P2) Efforts		Net Cost Savings for the Permitting Authority
Increased Operational Efficiency	Improved predictability of change implementation	Helpful in Reducing Permitting Backlogs

What were the source’s conclusions from the pilot study?

It was determined that a flexible air permit would be a valuable business asset, especially

for sources that relied upon operational flexibility to perform in their marketplace. The pilot program showed that sources who have a strong compliance history, maintained a well documented and effective environmental management system, have a continuous commitment to environmental improvement, show attentiveness to pollution prevention, have the ability to track and manage operational changes and emissions and have good community relations can benefit from the flexible air permit proposed changes.

What type of AOS is an example of the use of a Flexible Air Permit Application?

In the future a chemical manufacturing facility intends to add tanks to the existing tank farm. The source can apply for advanced approval to construct up to a pre-determined number of tanks. As long as the tank size and usage will satisfy minor NSR requirements and the aggregate emissions will be limited under a volatile organic compound (VOC) CAP to satisfy the protection of the National Ambient Air Quality Standards (NAAQS) and Prevention of Significant Deterioration (PSD) increments the facility can permit the proposed tanks during an initial permit request.

See the Federal Register Notice for further details

How to Comment:

Comments are due by November 13, 2007

Comments must be postmarked by the last day of the comment period and sent to the Docket Office:

Air and Radiation Docket
Environmental Protection Agency
Mail Code 2822T
1200 Pennsylvania Ave. NW
Washington, D.C. 20460
Attn: Docket ID No. EPA-HQ-OAR-2004-0087

Comments may also be submitted, by fax (202-566-9744), electronically (a-and-r-Docket@epa.gov), or through hand delivery/courier.

A public hearing will be held at public request.

For further questions concerning this rule and other air quality management issues, please contact Yousheng Zeng, Ph.D., P.E. using the following contact information.



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