



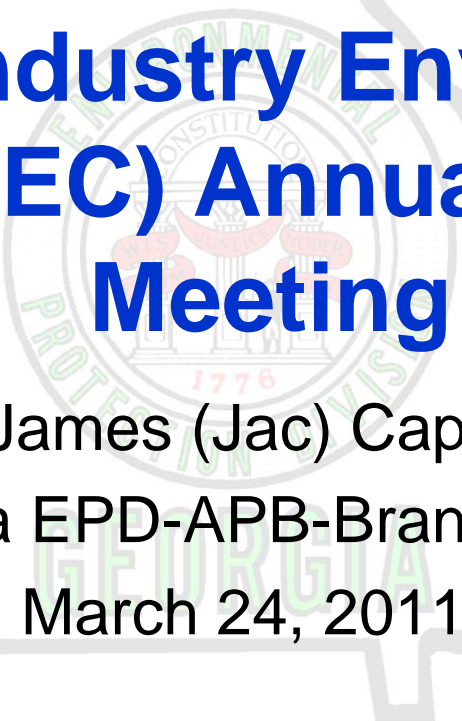
DEPT. OF NATURAL
RESOURCES

Georgia Industry Environmental Coalition (GIEC) Annual Membership Meeting

James (Jac) Capp

Georgia EPD-APB-Branch Chief

March 24, 2011





Permit Fees

- Declining Emissions → Declining Permit Fees
 - Fees Paid in 2010 down significantly from 2009
 - Trend expected to continue as additional pollution controls are installed at large sources
 - \$/ton as the primary source of Title V revenue is severely flawed
- Proposed Fees for CY2010 (due in 2011) in public comment period
 - Public hearing April 11. Comments due May 9.
 - Plan to request adoption by DNR Board at June meeting
 - Proposed changes:
 - Synthetic Minor fee increases from \$1500 to \$1700.
 - Title V minimum fee increases from \$3800 to \$4100
 - New fee structure for coal-fired power plants is added and the dollar-per-ton fee is set at \$35.84
 - All other fee rates, including the \$34/ton rate, remain unchanged from the previous year.



Changes in Fees Reported CY2008 to CY2009

	Facility Name	2008	2009	Change	
1	Ga Power Co Plt McIntosh	\$228,518	\$5,300	(\$223,218.00)	
2	Ga Power Company - Plant Mitchell	\$224,672	\$7,684	(\$216,988.00)	
3	TEMPLE INLAND	\$245,654	\$152,086	(\$93,568.00)	
4	Ga Power Company - Plant Hammond	\$408,000	\$324,224	(\$83,776.00)	
5	Ga Power Company - Plant McDonough/Atkinson	\$382,636	\$313,820	(\$68,816.00)	
6	Ga Power Company - Plant Wansley	\$409,500	\$354,182	(\$55,318.00)	
7	SP Newsprint Company, LLC	\$171,058	\$121,010	(\$50,048.00)	
8	Norbord Georgia Inc	\$58,348	\$16,290	(\$42,058.00)	
9	PCS Nitrogen Fertilizer Inc	\$149,366	\$109,008	(\$40,358.00)	
10	Mount Vernon Mills	\$106,590	\$71,468	(\$35,122.00)	
11	Graphic Packaging Macon Mill	\$296,858	\$269,012	(\$27,846.00)	
12	Caraustar Industries Inc	\$39,104	\$16,630	(\$22,474.00)	
13	International Paper - Savannah	\$329,668	\$308,860	(\$20,808.00)	
14	Georgia-Pacific Corp Cedar Springs Operation	\$321,882	\$303,794	(\$18,088.00)	
15	PCA Valdosta Mill	\$135,426	\$117,406	(\$18,020.00)	
16	Thermal Ceramics	\$109,106	\$91,120	(\$17,986.00)	
17	Georgia-Pacific Consumer Products LP (Savannah R	\$169,732	\$152,528	(\$17,204.00)	
18	CEMEX Southeast, LLC	\$88,744	\$72,764	(\$15,980.00)	
19	DSM Chemicals North America, Inc.	\$68,208	\$52,228	(\$15,980.00)	Total 1-20
20	Rayonier Performance Fibers, LLC	\$207,506	\$194,688	(\$12,818.00)	(\$1,096,474.00)
21	C-E Minerals Plants No. 1, 2, and 6	\$141,074	\$129,408	(\$11,666.00)	
22	Brunswick Cellulose Inc	\$255,854	\$246,028	(\$9,826.00)	
23	Anchor Glass Container Corp	\$44,136	\$35,058	(\$9,078.00)	
24	Bathcraft, Inc.	\$17,000	\$8,500	(\$8,500.00)	
25	Owens Brockway Glass Container Inc.	\$55,866	\$47,706	(\$8,160.00)	
26	Oil-Dri Corporation Of Georgia	\$28,292	\$20,778	(\$7,514.00)	
27	MillerCoors LLC	\$75,140	\$68,442	(\$6,698.00)	
28	Armstrong World Industries Inc	\$31,896	\$25,368	(\$6,528.00)	
29	Tolleson Lumber Co Inc	\$19,044	\$12,924	(\$6,120.00)	Total 1-30
30	Chemical Products Corporation	\$30,638	\$24,858	(\$5,780.00)	(\$1,176,344.00)



U.S. EPA's latest environmental
control strategy....

GET OUT

OF THE VAN
AND START
WALKING!



The Environmental Protection Agency
cranks it up a notch.



National Ambient Air Quality Standards

Pollutant	Pre-2008 Levels	New Levels
Carbon Monoxide	9 ppm (8-hr)	Proposed Jan. 2011 @ Current Levels - Finalize 2011
	35 ppm (1-hr)	
Lead	1.5 $\mu\text{g}/\text{m}^3$ (3-months)	0.15 $\mu\text{g}/\text{m}^3$ (3-months) - 2008
Nitrogen Dioxide	0.053 ppm (Annual) (100 $\mu\text{g}/\text{m}^3$)	0.10 ppm (1-hr) - April 2010
Particulate Matter (PM2.5)	15.0 $\mu\text{g}/\text{m}^3$ (Annual)	Propose 2011 - Finalize ???
	35 $\mu\text{g}/\text{m}^3$ (24-hr)	
Ozone	0.08 ppm (8-hr)	0.075 ppm (8-hr) - 2008
		0.060-0.070 ppm (8-hr) - PROPOSED Jan. 2010 - FINAL July 2011???
Sulfur Dioxide	0.03 ppm (Annual)	0.075 ppm (1-hr) - June 2010
	0.14 ppm (24-hr)	
	0.5 ppm (3-hr)	



Georgia has Attained all the Pre-2008 NAAQS

- Areas currently designated as nonattainment areas are meeting the standards (1997 8-hour ozone standard and 1997 annual PM2.5 standard)
 - Ozone: Atlanta
 - PM2.5: Atlanta, GA part of Chattanooga, Macon, Floyd County
- EPA has published in the Federal Register proposed clean data determinations for PM2.5 for GA part of Chattanooga, Macon, Floyd County already.
- Proposed Federal Register notice for Atlanta ozone is scheduled for tomorrow.
- Atlanta PM2.5 is still in the pipeline.
- Georgia EPD still needs to develop and submit maintenance plans and redesignation requests to EPA and get them approved for areas to be classified as attainment

Anticipated NAAQS Implementation Milestones

Pollutant	NAAQS Prom. Date	Governor's Rec. Due to EPA	Designations Effective (approximate date)	110(a) SIPs Due (3 yrs after NAAQS promulgation)	Attainment Dem. Due	Attainment Date	Notes & Impacts to GA
Pb	Oct 2008	Oct 2009	Nov 2010/2011 (extra time for new monitors)	Oct 2011	June 2012/2013	Nov 2015/2016	<ol style="list-style-type: none"> 1. Required to Add 1 monitor at Cartersville Steel Mill. 2. All areas in GA meeting this standard.
NO ₂ (primary)	Jan 2010	Jan 2011	Feb 2012	Jan 2013	Aug 2013	Feb 2017	<ol style="list-style-type: none"> 1. Required to add 3 roadside NO₂ monitors (2 in Atlanta and 1 in Augusta) by Jan. 2013 2. All areas in GA meeting this standard 3. Permitting new NO₂ (combustion sources) more difficult. 4. Roadside monitors could show nonattainment
SO ₂ (primary)	June 2010	June 2011	July 2012	June 2013	Jan 2014	July 2017	<ol style="list-style-type: none"> 1. All areas in GA meeting this standard 2. 110(a) SIP expected to require us to model all large SO₂ sources. Could result in industry/utility SO₂ reductions. 3. Permitting new SO₂ sources more difficult.
Ozone	July 2011?	2012?	2013? (based on 2010-12 data)?	July 2014?	2016?? (to be proposed)	2019?? (Moderate)	<ol style="list-style-type: none"> 1. Expect standard to be 65ppb or 70ppb 2. More nonattainment areas: Macon, Athens, Augusta, Columbus, North GA all potentially affected. 3. Areas classified as "moderate" or above by EPA required to implement I/M programs. 4. Proposed rule may require more monitors by 2012 (Whitfield, Floyd, Hall, Houston, Dougherty, Liberty, Lowndes, Coffee)
CO	May 2011	May 2012	June 2013	May 2014	N/A	N/A	<ol style="list-style-type: none"> 1. Standard proposed to stay same 2. Two roadside monitors required in Atlanta 3. All areas in GA meeting this standard
PM _{2.5} (2012)	2012?	2013?	2014?	2015?	2017?	2019?	Preliminary indications are that standard will become more stringent again.
NO ₂ /SO ₂ Secondary	March 2012	March 2013	April 2014	March 2015	Oct 2015	N/A	Impacts are unknown at this time



Ozone Ambient Monitoring Data

					'11 critical 60	'11 critical 65	'11 critical 70	'11 critical 75
Monitor	2008	2009	2010*	'08-'10 DV				
Augusta	0.077	0.065	0.072	0.071	0.044	0.059	0.074	0.089
Evans	0.075	0.064	0.068	0.069	0.049	0.064	0.079	0.094
Columbus Airport	0.073	0.065	0.067	0.068	0.049	0.064	0.079	0.094
Macon SE	0.080	0.070	0.071	0.074	0.040	0.055	0.070	0.085
Fort Mountain	0.077	0.069	0.074	0.073	0.038	0.053	0.068	0.083
Dawsonville	0.075	0.067	0.073	0.072	0.041	0.056	0.071	0.086
Summerville	0.068	0.065	0.067	0.067	0.049	0.064	0.079	0.094
Leslie	0.068	0.060	0.069	0.066	0.052	0.067	0.082	0.097
Brunswick	0.067	0.059	0.066	0.064	0.056	0.071	0.086	0.101
Savannah	0.067	0.062	0.065	0.065	0.054	0.069	0.084	0.099
Athens	0.077	0.067	0.072	0.072	0.042	0.057	0.072	0.087
Confederate Ave.	0.086	0.077	0.080	0.081	0.024	0.039	0.054	0.069
Gwinnett	0.081	0.073	0.071	0.075	0.037	0.052	0.067	0.082
Conyers	0.090	0.070	0.078	0.079	0.033	0.048	0.063	0.078
McDonough	0.086	0.074	0.078	0.079	0.029	0.044	0.059	0.074
Douglasville	0.080	0.072	0.074	0.075	0.035	0.050	0.065	0.080
South DeKalb	0.087	0.077	0.074	0.079	0.030	0.045	0.060	0.075
Newnan	0.075	0.065	0.065	0.068	0.051	0.066	0.081	0.096
Kennesaw	0.079	0.076	0.079	0.078	0.026	0.041	0.056	0.071
Dallas / Yorkville	0.073	0.067	0.071	0.070	0.043	0.058	0.073	0.088
Average	0.077	0.068	0.072					



Control Technology Guidelines (CTGs) for Atlanta Ozone SIP

- Required by Clean Air Act Section 182(b)(2)
- Relevant text:
 - “The State shall submit a revision...to require...[RACT] ...with respect to...each category of VOC sources in the area covered by a CTG document issued by the Administrator between the date of the enactment of the Clean Air Act Amendments of 1990 and the date of attainment.”
- U.S. EPA has updated the CTGs since the Atlanta 1-hour ozone SIP was approved (referred to as Groups II, III, and IV).



Control Technology Guidelines (CTGs) for Atlanta Ozone SIP

- EPA approval of our SIP addressing the CTGs under Section 182(b)(2) of the Clean Air Act is required before the area can be redesignated back to attainment for ozone.
- In our 8-hour ozone attainment SIP submitted in October 2009, we asserted that our existing VOC rules satisfy RACT for CTG Groups II and III.
 - We have received indications from EPA that they may not accept this.
- We are still addressing the Group IV CTGs.
Stakeholder meeting with potentially affected sources
March 31, 2011



SO₂ NAAQS – Section 110(a)(1) “Infrastructure SIP”

- Final SO₂ NAAQS in FR on June 22, 2010 (signed June 2, 2010)
 - 75 FR 35520
- Section 110(a)(1) Infrastructure SIP due three years after NAAQS is final (June 2013)
- In final rule preamble, EPA says that states must use “refined air quality modeling” on “any individual sources with the potential to emit 100 or more tons per year of SO₂, and other sources that may also cause or contribute to violations of the new SO₂ NAAQS.” – 75 FR 35553
- Expect EPA to release detailed guidance for public comment in the next 2-4 months



PM2.5 and Condensable PM Permitting Issues

- Federal PM2.5 NSR Implementation Rule published in *Federal Register Vol. 73 May 16, 2008, pages 28321-28350*.
- Beginning January 1, 2011, applicants and Georgia EPD must address filterable plus condensable PM (CPM) for PM, PM10 and PM2.5 NSR applicability determinations. See *73 FR at 28334, 28348, and 28349*.
 - “...condensable particulate matter shall be accounted for in applicability determinations and in establishing emissions limitations...”
 - “Applicability determinations made prior to this date without accounting for condensable particular matter shall not be considered in violation...”



PM2.5 and Condensable PM

Permitting Issues

- “BACT means an emissions limitation... If ... technological or economic limitations on the application of measurement methodology to a particular emissions unit would make the imposition of an emissions standard infeasible, a design, equipment, work practice, operational standard, or combination thereof, may be prescribed instead...”

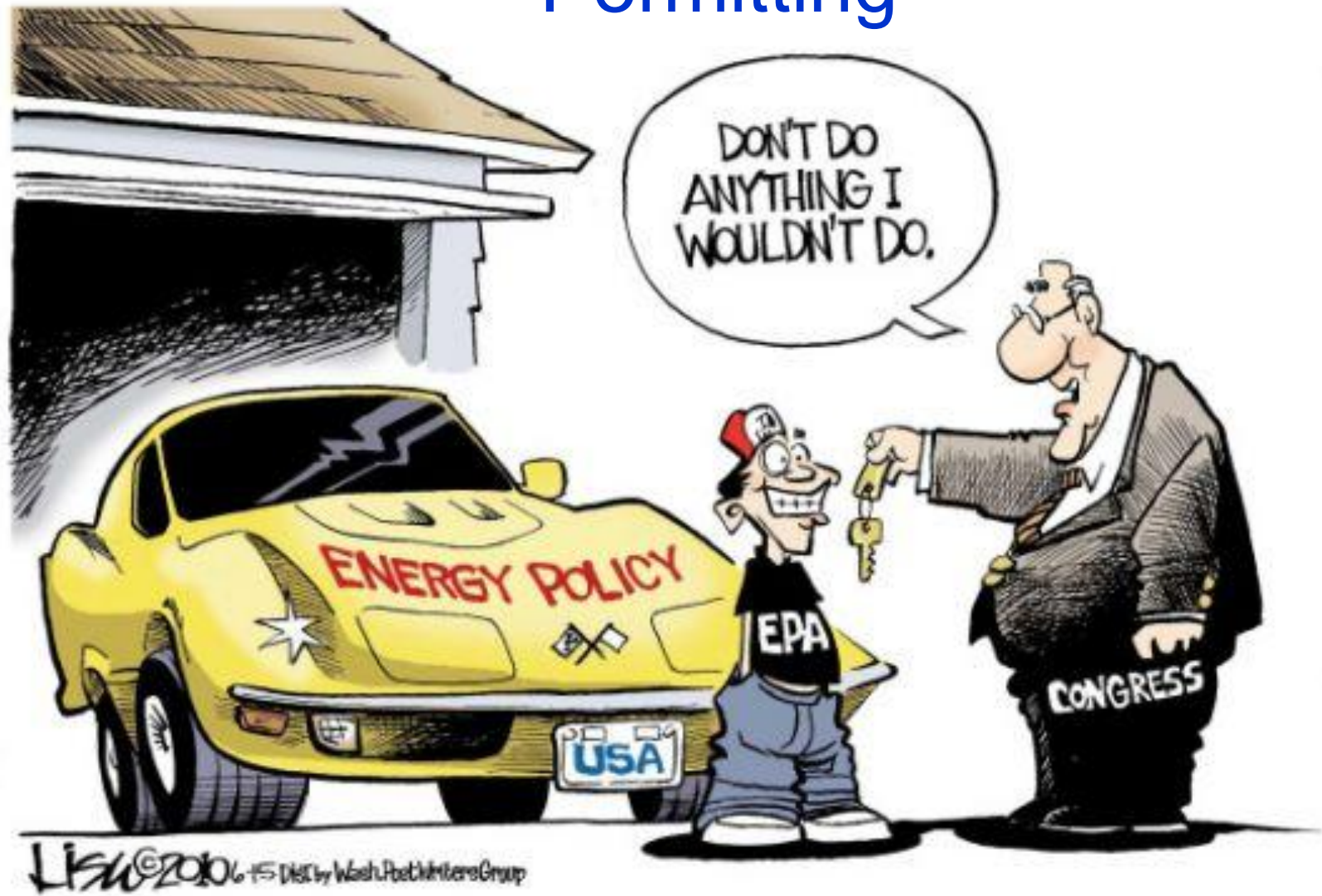


PM2.5 and Condensable PM Permitting Issues

- EPA promulgated a federal reference test method on 12/21/2010 for filterable PM2.5 as part of Method 201A. *See 75 FR pages 80118 - 80172*
- EPA promulgated revisions to federal test method 202 for CPM on 12/21/2010. Method 202 is not designed to speciate particulate size. *See 75 FR pages 80118 - 80172*



U.S. EPA's Greenhouse Gas Permitting





Greenhouse Gas Permitting

- Limited to PSD permitting (as of right now)
 - Title V permits only to incorporate PSD requirements for GHGs
- EPD is currently reviewing 3 PSD applications that include GHG BACT
- From EPA's GHG Permitting Guidance, pg 18:
 - “A determination of BACT for GHGs should be conducted in the same manner as it is done for any other PSD regulated pollutant.”
- Efficiency is not a pollutant
- Efficiency, as a potential air pollution control measure, is not limited to GHGs
 - It can reduce all NSR regulated pollutants



Greenhouse Gas Permitting

- Resources for GHG BACT:
 - EPA's *PSD and Title V Permitting Guidance for Greenhouse Gases*;
 - EPA GHG Technology White Papers – Electric Generating Units, Boilers, Pulp and Paper, Cement, Iron and Steel, Refineries, Nitric Acid Plants
(<http://www.epa.gov/nsr/ghgpermitting.html>)
 - GHG Guidance for Bioenergy Sources
 - <http://www.epa.gov/nsr/ghgpermitting.html>
 - EPA GHG Mitigation Strategies Database
(<http://ghg.je.unc.edu:8080/GHG MDB>) or
<http://www.epa.gov/nsr/ghgpermitting.html>)



Greenhouse Gas Permitting

- Example to watch: NUCOR in Louisiana
 - January 7, 2011: EPA Region 6 sends 11 page letter to Louisiana including 11 specific issues with the GHG BACT.
 - <http://www.epa.gov/region07/air/nsr/nsrmemos/nucor.pdf>
 - January 31, 2011: Louisiana issues final permit.
 - Will it be appealed?



Greenhouse Gas Permitting

- Another Example to watch: Avenal in California
 - EPA is permitting authority
 - EPA had application for 3 years without issuing permit
 - NO₂ NAAQS, SO₂ NAAQS, and GHG BACT became applicable requirements during that time
 - EPA has proposed that applicant does not have to implement these requirements to get their final permit.
 - Will EPA offer relief to other “similarly” situated sources.
 - Declaration from Gina McCarthy January 31, 2011
 - http://www.eenews.net/assets/2011/02/02/document_gw_01.pdf
 - EPA docket on permit:
 - <http://www.regulations.gov/#!docketDetail;D=EPA-R09-OAR-2009-0438>



Greenhouse Gas Permitting

- Proposed Bioenergy Deferral from PSD permitting
 - Limited to CO₂ emissions
 - Proposed in Federal Register on March 21, 2011
 - <http://edocket.access.gpo.gov/2011/pdf/2011-6438.pdf>
 - Comment deadline is May 5, 2011



Other Issues

- Federal Budget and EPA Grants (Section 105)
- EPA's Regulatory Review – Comments due April 4, 2011
- EPA's Proposed disapproval of our PM_{2.5} (24-hour) Section 110(a)(1) SIP
- EPA's Proposed Transport Rule to replace CAIR – latest is final rule ~ July/August 2011
- EPA's Future Transport Rule 2



Staff Changes

- Lou Musgrove retired – replaced by Karen Hays
- Radiation functions moved to Air Branch
- Small Business Environmental Assistance Program moved to Air Branch
- Risk Management Plans under Section 112(r) moved to Air Branch