An Industry Perspective on the Title V Task Force Recommendations



Topics

General perspective of the process

Industry perspective of the process

Key recommendations for industry

What happens next?

General perceptions

Knowledgeable and experienced representatives for all three stakeholder groups

The process enabled success

- EPA served in an advisory capacity
- Extensive public input
- Effective identification and prioritization of issues
- In-depth analysis from multiple perspectives
- Recommendations reflect majority and minority views

The quality of the report resulted in strong endorsement by Clean Air Act Advisory Committee

The Industry Perspective: General

Title V is useful	 Task Force recognized the valuable aspects of Title V program 		
The rules should not change much	 Task Force members not inclined to suggest many changes to Title V program rules 		
Share success	 Focus should be on best practices and opportunities for improvement 		
The process was initially a success	 Many issues important to industry were addressed 		
Some areas of strong consensus	 Agreement among stakeholders for improved public access and involvement 		
Cost underestimated	 Burden/cost of the program not fully recognized 		

Program Benefits



Program Costs

EPA Program Cost Estimate*

Source Type	Initial Burden	Recurring Burden	Annualized Costs (5-year recovery)
Major Large Source	\$55k (1221) hrs)	\$8.1k (180 hrs)	\$22.6k

*1992 Regulatory Impact Assessment

 \Rightarrow Total industry annualized costs: \$352M/yr

Real industry costs estimated at \$2-5 billion/year <u>excluding</u> annualized initial burden

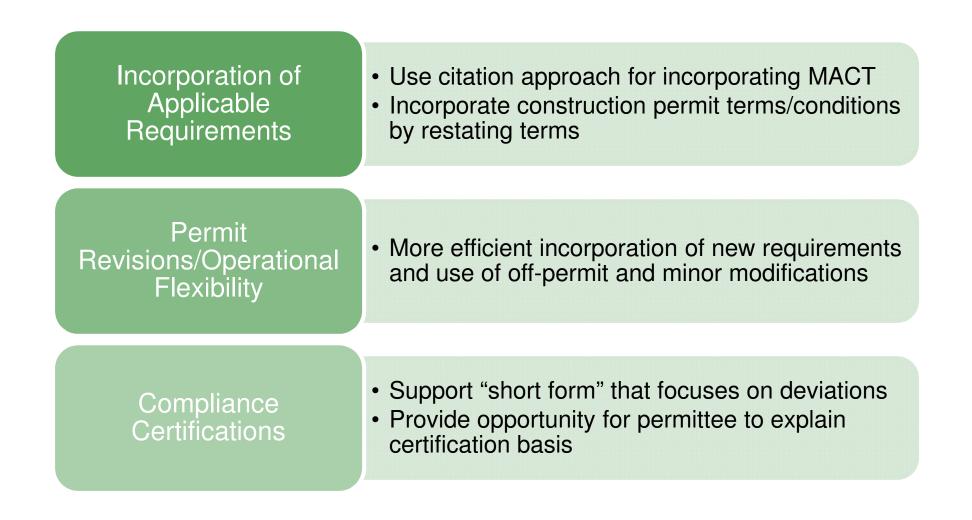
Initial and ongoing costs, to both permittees and regulatory authorities, significantly exceeded cost estimates

Program Costs

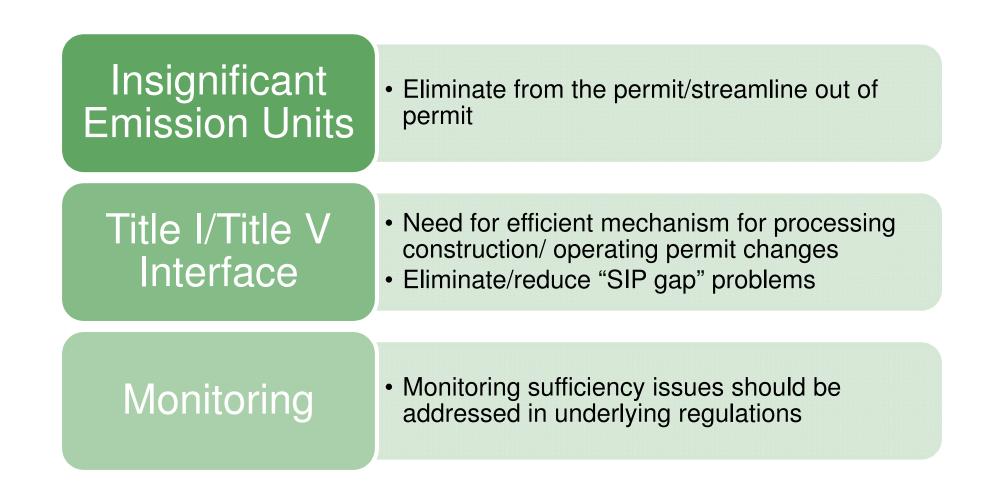
USEPA continues to significantly underestimate cost of Title V program implementation

- 2007 ICR submittal to OMB ignores Title V permit fees as a burden to sources [> \$100 million/year]
- Agency estimates average annual cost to a source is ~\$9,500 [~250 hours per year]
 - Number of hours implementing program is too low
 - \$38/hour cost for source labor [state and fed labor cost is \$45/hour]
- Sources not consulted in the process
- Title V Task Force report chapter on cost was ignored
- EPA estimates total cost of program is about \$220 million/year [most of it paid by sources]

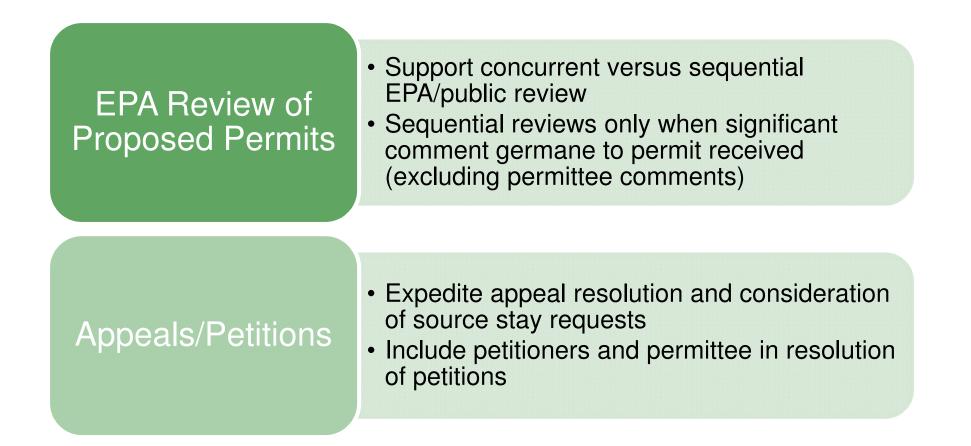
Key Recommendations



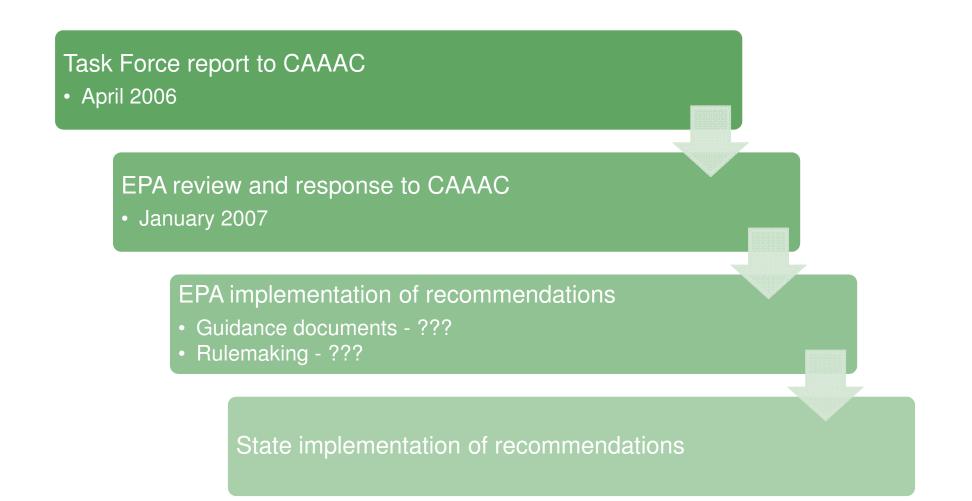
Key Recommendations



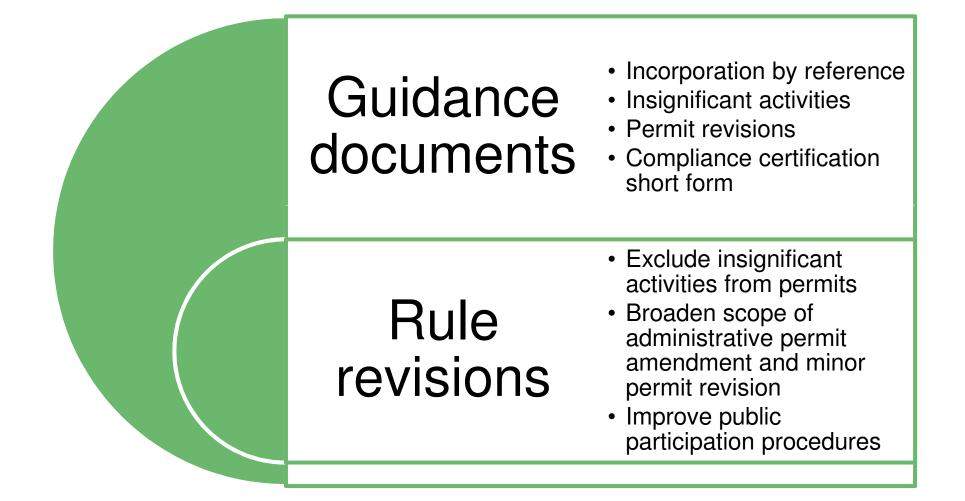
Key Recommendations



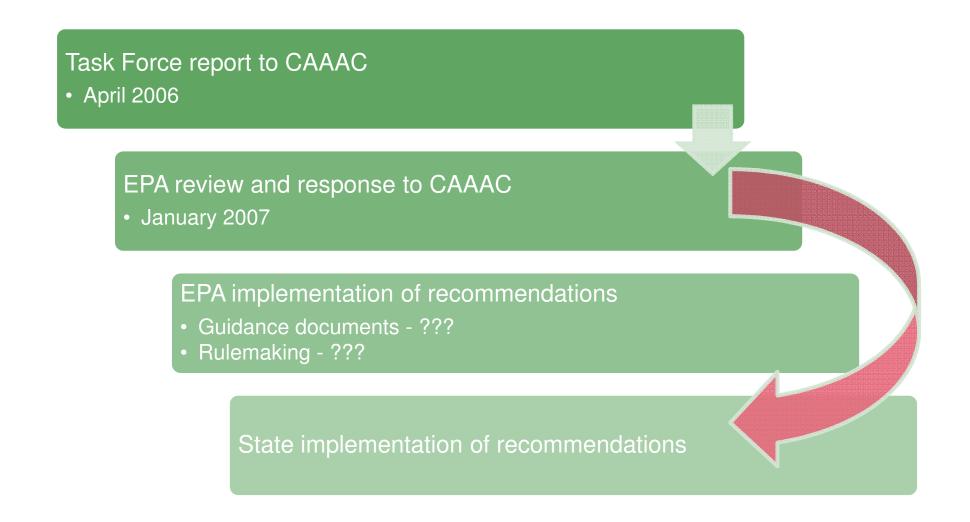
From recommendation to implementation



EPA's initial response



In light of EPA inaction where can we jump straight to state implementation?



Candidates for state action

Incorporation by reference

More efficient use of off-permit modifications and minor permit modifications

Short form compliance certifications

Prompt resolution of permit appeals

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