Case-by-Case MACT — State/Local Perspectives









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NACAA Permitting Workshop Chicago, Illinois

July 14, 2009



Case-by-Case MACT — State/Local Perspectives

- What is it?
- Does it really apply?
- What sources would be affected?
- Would it really be that bad?
- Why do it now?
- Why wait?



What is 112(j) of the 1990 CAAA?

- "equivalent emission limitation by permit" a.k.a. the "MACT hammer"
 - Intended to be a backstop so that implementing agencies (SLTs) would be required to regulate a source category for HAPs within 18 months of US EPA <u>failing to</u> <u>promulgate</u> a MACT
 - Part 70/Title V includes language requiring the facility to submit a 112(j) application, even if the agency fails to request it

Does it really apply?

- Yes...
- No...
- Maybe...



112(j) applies if a MACT standard is vacated

- US EPA legal interpretation that 112(j) applies even if a MACT has been promulgated, and then subsequently vacated
 - Supporting Statement in ICR for Control Technology Determinations for 112(g) & 112(j) -April 17, 2008 (73 FR 20920)
 - US EPA vs. SLT authority to do 112(j)
- Still no official written statements or guidance from US EPA

Source Categories for Which MACT standards have been vacated

- Polyvinyl Chloride & Copolymers Mfg
 - 40CFR63, Subpart J
- Brick and Structural Clay Products Mfg
 - 40CFR63, Subpart JJJJJ
- Clay Ceramics Mfg
 - 40CFR63, Subpart KKKKK
- Industrial, Commercial & Institutional Boilers, and Process Heaters
 - 40CFR63, Subpart DDDDD

What Sources Would be Affected by 112(j)?

- 112(j) different from 112(g)
 - 112(g) for new or reconstructed affected sources that are major for HAPs in and of themselves
 - 112(j) for new <u>and</u> existing affected sources located at a major HAP facility
- "New" Affected Sources
- "Existing" Affected Sources

Boiler MACT dates

Jan. 13, 2003 Proposed rule

Sept. 13, 2004 Final rule

Nov. 12, 2004 New Source Compliance or startup

July 30, 2007 US Court of Appeals for the District of Columbia vacature and remand

Sept. 13, 2007 Existing Source Compliance

Would 112(j) really be that bad?

- Resources thousands of affected sources at hundreds+ of facilities
- Case-by-case reviews are always resourceintensive
 - Sub-categories for which US EPA did not set a standard
- Many possible sub-categories sizes, fuel types
- Many HAPs (surrogate approach)
- Litigation

Main categories of permitting scenarios

- Boilers or process heaters that were
 - Existing at the time the Boiler MACT was in effect
 - Existing at the time the Boiler MACT was in effect and who have submitted (unsolicited) 112(j) case-by-case permit applications
 - New at the time the Boiler MACT was in effect
 - New after the Boiler MACT was vacated

112(j) Timeline - 18-26 month review period

• 40CFR63.52(e) establishes up to 26 months

Jan. 30, 2009 Part 1 112(j) application due using the 18-months after July 30, 2007 vacature interpretation

Mar. 31, 2009 Part 2 112(j) application due

Sept. 30, 2009 up to 6 months to determine completeness

Mar. 31, 2011

18 months from a complete application to determine case-by-case standard and issue Title V permit

or, as early as Sept. 30, 2010, depending on when completeness determined)

112(j) Process - 40CFR63, Subpart B

- "Requirements for Control Technology Determinations for Major Sources in Accordance With Clean Air Act Sections 112(g) and 112(j)"
- Approval process for new and existing affected sources, 40CFR63.52
- Permit application review timelines, 40CFR63.52(e)
- Application content for case-by-case MACT determinations, 40CFR63.53; US EPA must be copied
- Requirements for case-by-case determination of equivalent emission limitations <u>after</u> promulgation of subsequent MACT standard, 40CFR63.56

What happens if US EPA promulgates the MACT <u>before</u> a state issues the Title V permit with the 112(j)?

 Then the federal rule takes over, and the state review is moot

What happens if US EPA promulgates the MACT <u>after</u> a state issues the Title V permit with the 112(j)?

- Then the federal rule takes over eventually
 - If the federal rule is less stringent, then the facility will likely request the federal rule sooner rather than later
 - If the federal rule is more stringent, then the facility will likely want to wait as long as provided for by rule
 - May be a mixed bag to determine stringency in terms of emission standard, monitoring, recordkeeping, recording and testing
 - See 40CFR63.56

What will happen next?

- Using a March 31, 2011 (or Sept. 30, 2010) 112(j) review and Title V permit issuance deadline and
- Given US EPA is under a court-ordered deadline to propose a rule by July 15, 2009, and promulgate a rule by July 15, 2010 *Then*
- SLT 112(j) reviews should be a non-issue
- US EPA meets its deadlines

Why do it now?

- May be a shield from litigation
- May help the facility
- It's the law (maybe)
- Environmental benefit



Why wait?

- National consistency
- Saves resources and time to use on other issues
- Lack of authority
- Litigation

WV's approach

- For all Title V major HAP facilities at Renewal, or with Permit Revisions that specifically address a change to a boiler or process heater
 - Permit condition requiring a Part 1 submittal after July 10, 2010 but no later than Aug. 15, 2010 if US EPA has not already promulgated the Boiler MACT
 - Attempt to provide some coverage in the possible case of a Title V permit petition from a citizen group



WV's approach

...continued

 Requiring 112(j) for new affected sources located at major HAP facilities

 Processing (slowly) four unsolicited 112(j) applications

 Attempt to manage 112(j) so that it doesn't overtake our resources

Other Issues

- Non-Hazardous Solid Waste definition
 - CISWI (§129) vs Boiler MACT (§112) applicability issue
 - January 2, 2009 ANPR (74 FR 41)
- Health-Based Compliance Alternative (HBCA) requests
- Area source (non-major) air toxics standard also to be proposed and promulgated by US EPA for boilers at GACT level of control

For additional information

•US EPA's Industrial/Commercial/Institutional/ Boiler and Process Heaters air toxics website:

http://www.epa.gov/ttn/atw/boiler/boilerpg.html

•NACCA –Committees - Air Toxics – Important

Documents: http://members.4cleanair.org/

- •EPA Boiler MACT Testing List 176 facilities –June '09
- •Survey Results of State/Local Responses on 112(j) Dec. '08
- •Model 112(j) permit guidance June '08
- •Council of Industrial Boiler Owners (CIBO):

http://www.cibo.org/newsletters/main.htm

Any Questions?

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