

SCAQMD Permit Streamlining Initiative

**NACAA Joint Permitting &
Enforcement Workshop**

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What is South Coast Air Quality Management District?



- Local Air Pollution Control Agency in **Southern California** (All of Orange & Non-Desert Portions of LA, Riverside & San Bernardino Counties)
- Population of **17 million** (about half of State's population)
- **Worst air quality in the nation** (Ozone & PM 2.5)
- Receives and Processes about **8,000** permit applications /yr
- Regulates over **27,000** stationary sources

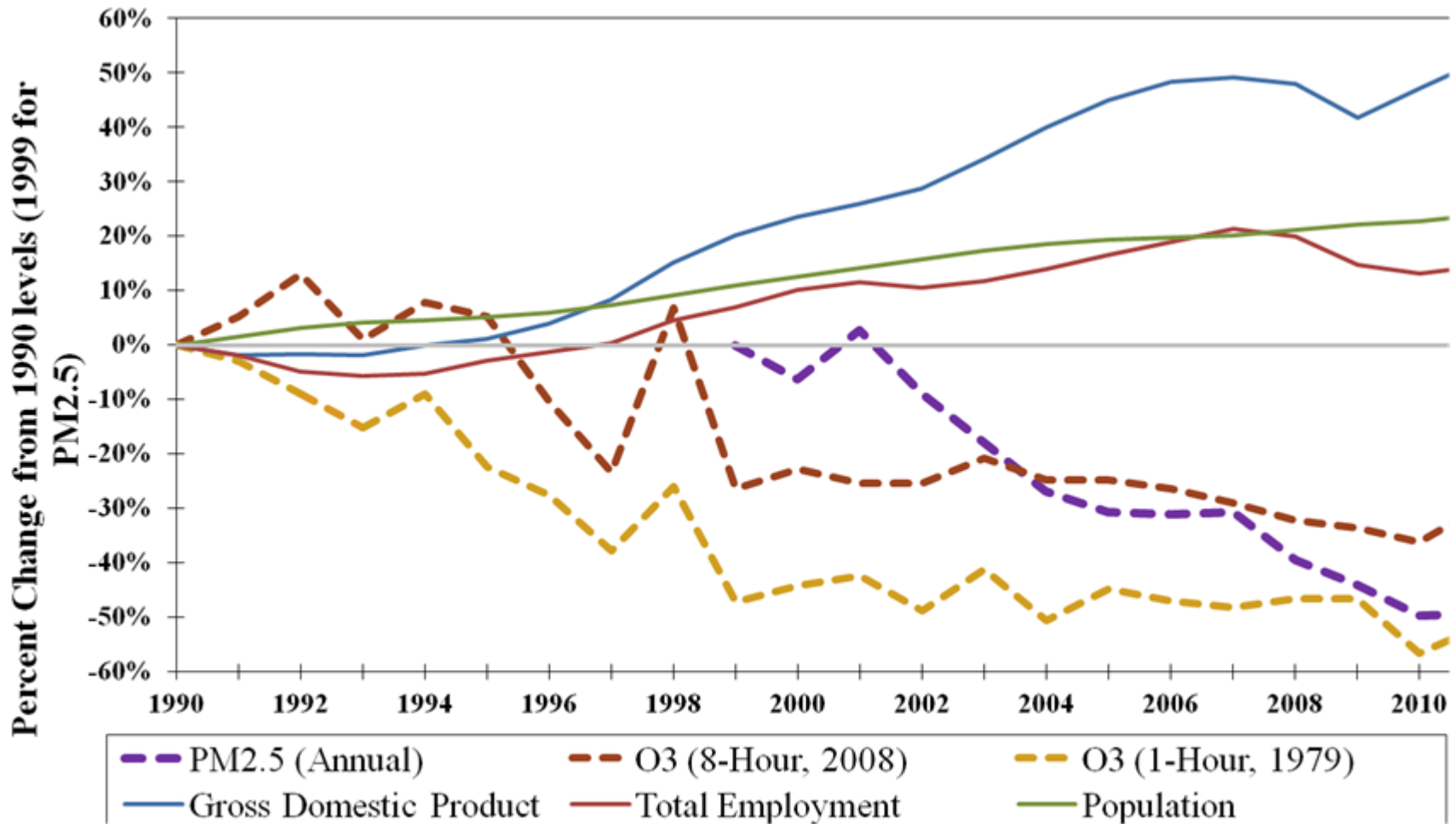


SCAQMD's Permit **Streamlining/** **Flexibility**



- SCAQMD has been involved in development and implementation of measures to **both streamline and provide flexibility** in permitting while enforcing one of the most stringent and complex air quality programs
- SCAQMD regulates 27,000+ facilities through the permit program and **has significantly improved the air quality despite of a very large population and mobile source growth in the past decades**

Air Quality Progress/Demographics



SCAQMD's Permit Streamlining/ Flexibility Overview



- **Early 1990's Permit Streamlining/ Flexibility**
 - Air Pollution Permit Streamlining Act
 - Market Incentive Cap & Trade Program (RECLAIM)
 - Green Carpet Program
- **Later Permit Streamlining Initiatives**
 - Permit Streamlining Task Force & Recommendations
 - Permit Streamlining Ombudsman & Unit
 - Optional Expedited Permit Application Processing
 - Streamlined Standard Permits
 - Web-based Application Tracking & Information

SCAQMD's Permit Streamlining/ Flexibility – Early 1990's



Air Pollution Permit Streamlining Act

- Efforts undertaken by SCAQMD to implement several new and innovative measures
- Subsequently legislated into State law referred to as “Permit Streamlining Act”
 - Pre-Certification/ Registration Program for equipment
 - Certification/Training Program for individuals
 - Specific timelines for processing of permit applications
- Amnesty Program with reduced fee for equipment installed without a permit
- Registration/ Filing instead of Permitting Program for small emissions sources

Certification/Registration Permit Program



- **Certified Permit** issued to manufacturer of equipment for a specific model or series of models
- Manufacturer is provided a **Certified Permit** with a list of conditions for the equipment type.
- Permit is renewed annually by manufacturer
- End-user that purchases the SCAQMD certified equipment can:
 - Register the permit at reduced cost
 - Receive the permit expeditiously

Certified Permitting Professional Program



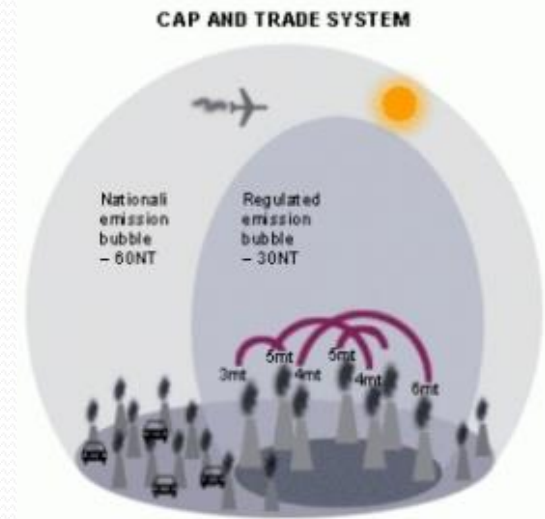
- SCAQMD provides Certification for Permitting Professionals (**CPP**) for preparation of permit applications
- Applications submitted by a **CPP** are expected to be complete and reduces processing time
- Registered **CPP**:
 - **Has to pass the SCAQMD's CPP exam** and renew registration annually (about 225 CPPs)
 - Has access to facility information through the Data Access System (DAS) located on the SCAQMD Web page
 - SCAQMD maintains a list of CPPs on its Web page and makes the list available to the public



RECLAIM Program

Regional Clean Air Incentives Market (RECLAIM)

- Market Incentive Cap & Trade Program for 375 largest facilities
- Facility Permit with a declining cap for NO_x and SO_x
- Increased flexibility in reducing emissions at the facility or buying credits
- **New and modified emission units still subject to NSR (BACT/ LAER, Modeling, Offset) & Toxics Rules**



SCAQMD's Permit Streamlining/ Flexibility - Early 1990's



Green Carpet Program

- Developed by SCAQMD in cooperation with California Council for Environmental and Economic Balance (CCEEB)
 - **Three Star Project** – Project designed to meet or exceed RECLAIM future year air emission standards
 - **HELP Project** – High Employment Low Pollution Projects
 - **Major Capital Project** – High Capital Cost/ Long Construction Projects
 - **Air Quality Technology Advancement Project** – Experiment or Research Projects to advance the state of knowledge or art for air quality improvement
- SCAQMD Senior Management assigned to oversee each project schedule and assist in permitting
- Waive Annual Renewal Fees for 2 years

SCAQMD's Permit Streamlining Initiative

Late 1990's & 2000's



- **Permit Streamlining Task Force (PSTF)**
 - To develop recommendations to expedite permitting and improve customer service for regulated businesses
 - Members include Governing Board members, industry and local government representatives, consultants, and environmentalists
- Appointment of **Permit Streamlining Ombudsman** and formation of a **Permit Streamlining Unit**
- In order to improve permitting:
 - Conducted a **Time Tracking study** of Permitting
 - Hired an **Independent Contractor** to evaluate SCAQMD's Permit Program

Permit Streamlining Task Force Recommendation's Report



- Conducted 20+ meetings, brainstorming sessions and case studies and developed a report with a set of recommendations
- Included **37 recommendations** grouped into 4 categories:
 - A. **Reduce Steps Required to Issue Permits**
 - B. **Improve Communications Internally and Externally**
 - C. **Optimize Permit Structure and Systems**
 - D. **Enhance Management and Organizational Effectiveness**



Group A: Reduce Steps Required to Issue Permits



- **Amend Rules to Clarify and Streamline Permitting**
 - Rules amended to clarify **when a permit may be required for equipment that emits toxic air contaminants**
 - New Rule - Potential to Emit Rule - **Exempted thousands of low-emitting facilities** with actual emissions below a specific threshold **from Title V Program**
 - NSR Rules amended - Changed requirements of **BACT vs. LAER** for non-major sources and relocations
- **Simplified Application Filing/ Tracking**
 - Credit cards/ $\geq 85\%$ Fees Acceptable
 - Issuance of Acknowledgement letters & Application Tracking Nos.

Group B: Improve Communications Internally & Externally



- Title V TGD (Technical Guidance Document)
- Web Page Updates to provide:
 - Policies and Procedures
 - Sample permit evaluations
 - Emission factors
- Redesign of Permit Application Forms to:
 - Improve collection of needed information
 - Make them more user-friendly

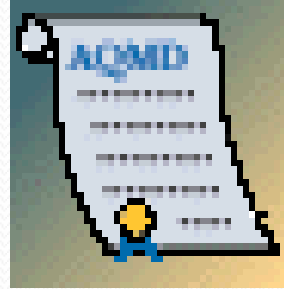


Group C: Optimize Permit Structure and Systems



- **Alternate Title V Format**

- New format for Non-RECLAIM facilities
- Permits created in Microsoft Word instead of database format
- Reduced lead time in issuing Title V permits



- **Enhance Permit Processing Systems**

- Improvements to existing permit processing programs for Facility Permits and conventional Permits.
- Improve functionalities, provide more features, and ease of use

- **Aged Application Report/ Tracking for Management**

Group D: Enhance Management Organizational Effectiveness



- Conduct **Time-Tracking study** to analyze permit processing times
 - Concurrent with SCAQMD's Fee Audit Study
 - Resulted in Enhancements & Fee Rule Amendments
- **Reorganize** to focus on permitting
 - Balance staffing/ workload based on comprehensive study
 - Established goals for production/backlog reduction
- Use of **Temporary Staff & Contractors & Funding**
 - 25 temporary engineers and clericals, as well as contractors were hired to reduce backlog
 - Funding of Engineer positions by companies



Other Permit Streamlining Measures

Streamlined Standard Permits



- Pre-determined permit conditions and applicability criteria
- Unlike Certification Program, does not require manufacturer's participation
- Used for frequently processed equipment that does not need offsets and has low toxics risk (i.e., Dry Cleaner Replacements, Printing Operations, Automotive Spray Booths, etc.)

Other Streamlining Measures

Expedited Processing of Permit Applications



- Used for **expedited processing and review** of permit applications, CEQA, Air Dispersion Modeling, HRA, Source Test Protocols, and Reports
- **50% additional fee** over the base permit fee for overtime
- District Staff **strictly work** on expedited application during **overtime**
- Approval of request is **contingent on availability** of qualified staff to work on overtime
- On the average **Reduce the permit processing time by half**

- **Application Tracking**

- Track application status through different stages of the SCAQMD permitting process

- **Facility Information Detail (FIND)**

- One-stop location on SCAQMD's website to find information on facilities regulated by SCAQMD (e.g., Facility Detail, Permits & Equipment Listing, Emissions, Compliance Status for Notices of Violation, Hearing Board Cases)

Recent Permit Streamlining Activities



- Agency Goal/Objective - Multi-year overhaul of SCAQMD's information technology systems, including the use of state of the art software, hardware, and communications systems to improve overall agency effectiveness and efficiency
 - Development of **online filing system** for asbestos notifications and for other rules.
 - **Online fee calculator** for permit processing fees and development of online payment of permit processing fees.
 - **Online Credit Card Payment** For Invoices

Recent Permit Streamlining Activities

(cont'd)



- **Annual Renewal** billings for certain plan applications instead of annual permit filing
- **Standardized permit conditions** for similar equipment among Permitting teams.
- **Less specific permit equipment description** to avoid permit applications for minor changes
- **Streamlined Permit QA/QC** to reduce delays in mailing approved permits
- **Online processing** for registration permits

Web Application Issue for Online Submittal

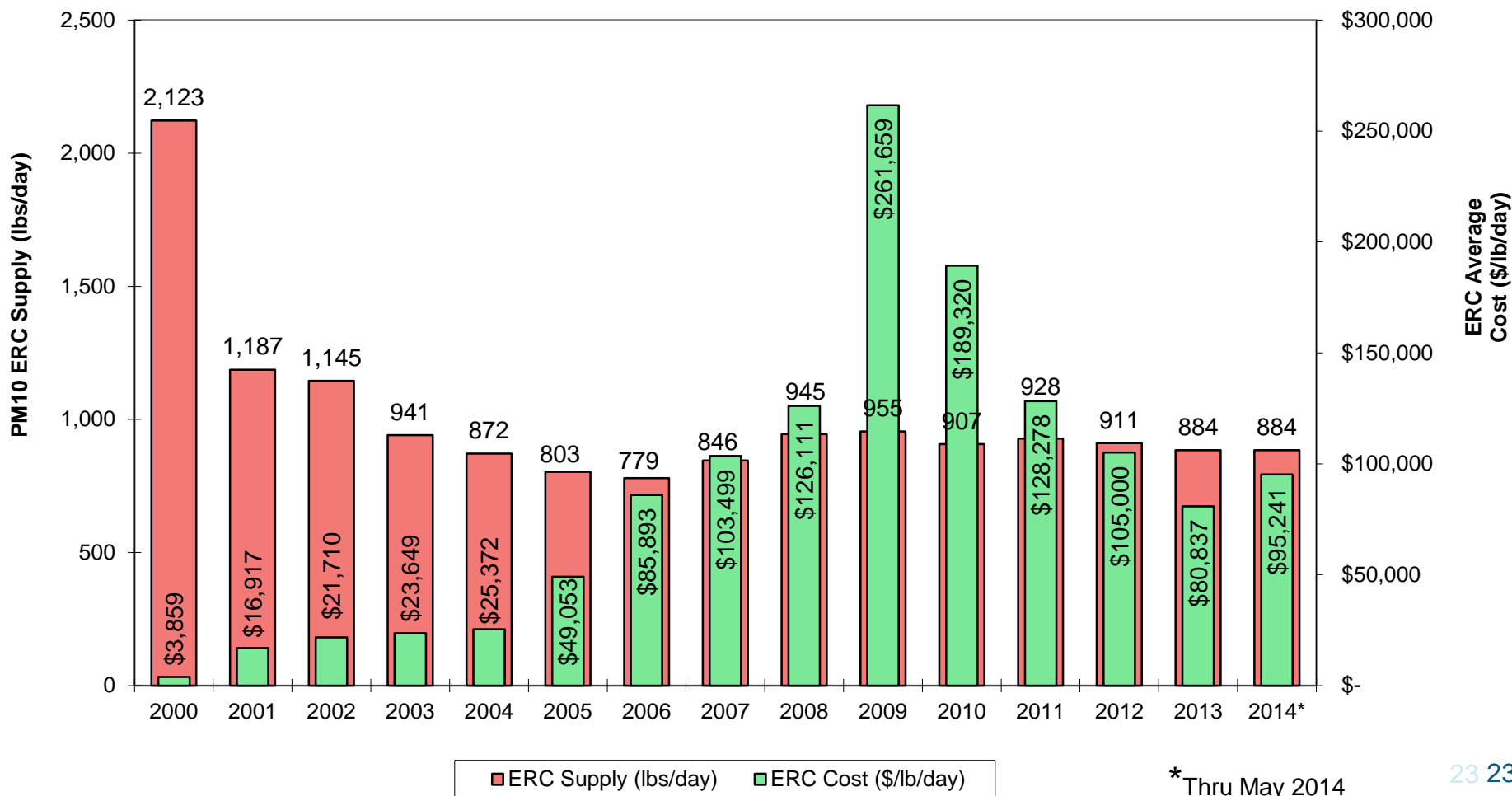


- **Cross Media Electronic Reporting Regulation (CROMERR)** www.epa.gov/cromerr
- **EPA approved electronic reporting** system for any reports submitted electronically for any delegated program under 40 CFR
 - Criteria for establishing a copy of record
 - Integrity of electronic document
 - Opportunity to review and repudiate copy of record
 - Validity of electronic signature
 - Determination of the identity of the individual uniquely entitled to use a signature device

PM10 ERC Supply & Cost (2000 – 2014) / Issue in Permitting



Supply dropped by 58% since 2000
Cost increased by 2,368% since 2000
Highest price of PM10 ERC (sold in 2009) is \$350,000 per lb/day



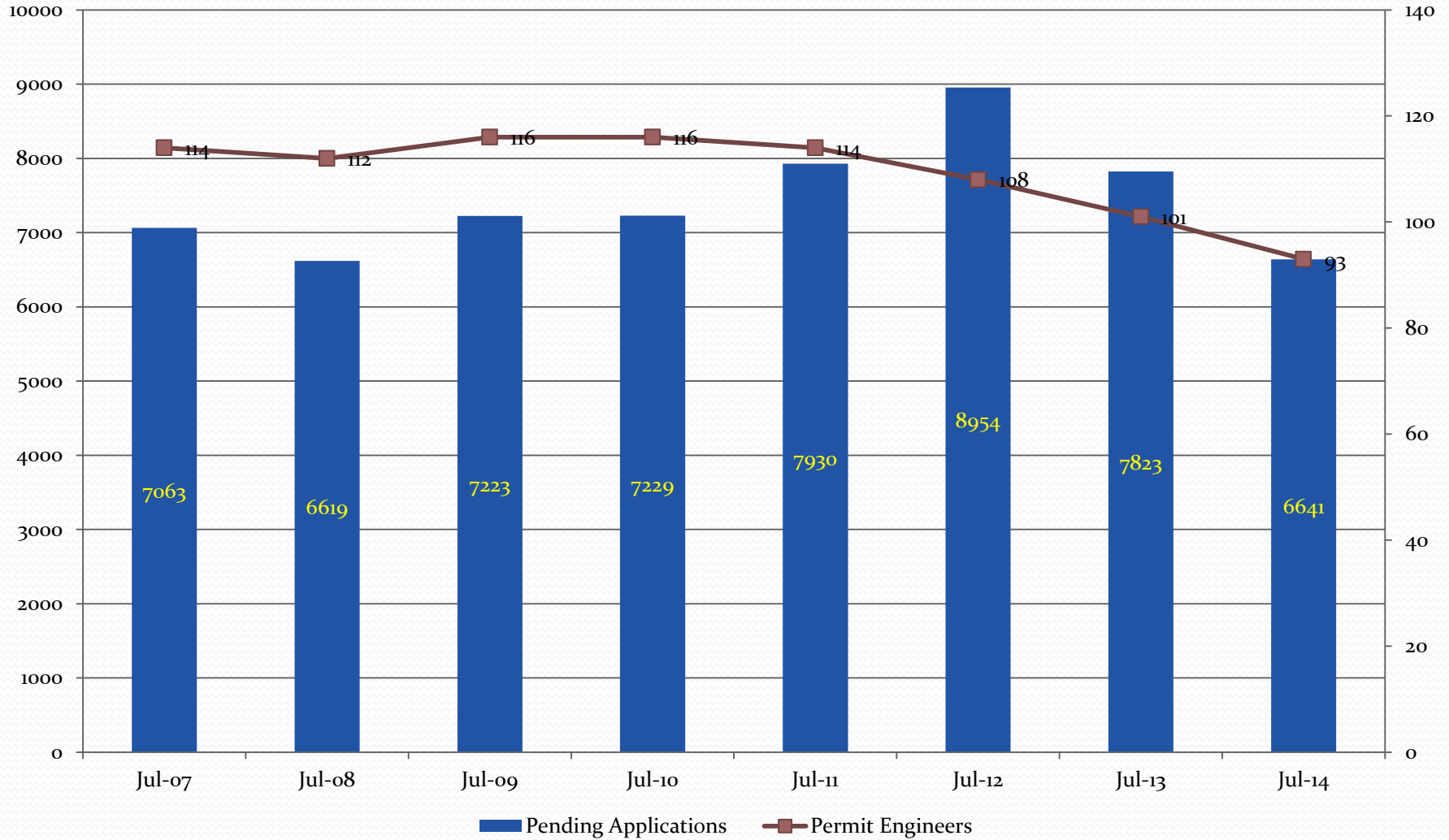
Present Status of Permit Streamlining Efforts



- SCAQMD staff along with PSTF will continue to work on further streamlining of permitting process
 - Permit Streamlining Task Force and its Subcommittee meetings are posted on our web and are open to public
 - Developing a set of new recommendations to further enhance permitting effectiveness
 - Permit Streamlining status update and further recommendations presented periodically to:
 - Governing Board Members at Board Committees
- **SCAQMD has achieved significant enhancements and increased permitting efficiencies without compromising environmental requirements.**



Pending Applications vs. Permit Engineers



Average Applications Processed per Permit Processing Engineer

