



NSR & Title V Permitting Kaizen/Lean Efforts

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OVERVIEW

- EPA Implementation of Lean for CAA Permitting Programs
 - Title V Kaizen Event Summary
 - NSR Kaizen Event Summary

Title V and NSR Lean/Kaizen Efforts and Next Steps

- As part of the Agency streamlining efforts, we are taking a look at the permitting process and timelines for EPA-issued permits under both Title V and NSR
 - Agency goal is issuing permits within 6 months of receiving an application.
- We are applying Lean/Kaizen concepts to the permitting process with the goal of identifying actions we could take to expedite the process and make permitting more efficient
 - These events are focused on EPA-issued permits
- During the week of March 26, 2018, EPA HQ and Regions conducted a week-long Kaizen event focused on the Title V program
- A week-long Kaizen event for the NSR program was held the week of April 9, 2018

Title V LEAN Effort

- LEAN event: Completed week of March 26, 2018
- Part 71 focuses on operating permits issued by EPA
- Goal: EPA to issue all permits within 6 months of receiving and application
- EPA is responsible for 0.5% of title V permits, issuing an average of 7/yr over the last three years.
- Has little to no overlap with the oversight improvement efforts

Title V Permitting - A3 Report

Problem Statement:

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EPA takes too long to issue title V permits. Current average time for XX permits is 30 months.

Scope:

First Step: Receipt of Application

Last Step: EPA Issuance of a title V Permit

Goal:

Process all permits within 6 months by 2022

Eliminate all backlog by 2022

Key Findings

- After documenting the current state process map and performing pre-event analysis of existing Title V permits:
 - Small population of Title V applications processed and currently in queue
 - 70 active sources, 7 permits processed annually (three year average)
 - Low priority, due to competing interests and resources, which increases age and process time
 - Most initial and renewal application requests are incomplete upon receipt
 - Outdated tools for application
 - Staffing augmentation was not considered for proposed solution benefits
 - Recognize opportunities to share resources amongst Regions
 - Regional discretion to assist small businesses (tribal)
 - CAA currently states 18 months processing time
- Efforts to digitize a solution platform are being considered to drive efficiency
 - Electronic Permit System is expected to be critical to help meet 6-month goal

Big Ideas

- Consider the Development of an Electronic Permit System (EPS)
- Permission to declare applications incomplete
- Establish a Community of Practice (CoP) to manage and maintain standardization and process goals/milestones
- Develop standard templates and forms for Title V permits
- EPS system to auto-reject applications
 - Streamline administrative incompleteness checklist
- Develop a matrix to identify resources to support workload (e.g. Region)
 - Workload balancing
 - Skills matrix
- Simplify signatory process during concurrence

NSR LEAN Effort

- LEAN event: Completed week of April 9, 2018
- Focused on EPA-issued permits only
- Goal: EPA to issue all permits within 6 months of receiving an application
- EPA issues very few NSR permits - 7 active and 5 processed Major NSR permit applications in last three years

NSR Permitting - A3 Report

Problem Statement:

The Agency has set a new goal of issuing all permits within 6 months from the date the permit application is received. Based on permit application and permit issuance data gathered since Fall 2017, 40% of major and minor EPA-issued NSR permits are issued within 6 months from the date the permit application is received.

Scope:

Process Start: Date of receipt of NSR permit application by the applicable EPA region

Process End: Date permit is issued or denied by the applicable EPA region

Goal:

EPA will issue 100% of major and minor NSR permits within 6 months of the date the application is received.

Key Findings

- After documenting the current permitting process for EPA-issued NSR permits we identified that:
 - There is a small population of NSR applications that are processed or currently in queue. Over the last three years (2016, 2017 and 2018 to date) we have:
 - 7 active and 5 processed Major NSR permit applications
 - 48 active and 55 processed Minor NSR permit applications
 - The major causes for permit application processing delays include:
 - Receiving incomplete permit applications. The majority of applications are technically incomplete.
 - Dealing with Cross Cutters (i.e., environmental statutes whose implementation is out of EPA's control (Endangered Species Act, National Historic Preservation Act, etc.))
 - Applicant-initiated delays (i.e., Applicants request for delayed permit processing to meet other financial or construction commitments)
 - A digital solution platform could drive efficiency (i.e., Electronic Permitting System)
 - Additional funding for the proposed EPS system would enhance NSR activities (e.g. integrate RACT/BACT/LAER clearinghouse to EPS, provide for automatic notifications to stakeholders, etc.)

Big Ideas

- Prioritization and direction from EPA Senior Management Team
 - Work priorities between SIPs, NSR, Title V and other
 - Start and stop touch time
 - Resource sharing across Regions
- Develop best practices and standardization of tools, process and metrics through Internal and External Communities of Practice

Big Ideas

- Improve pre-application process to reduce customer delays
 - Strongly encourage pre-application meetings with the applicant to clarify requirements for submittal of a complete application and establish firmer timelines for permit issuance
 - Reduce application incompleteness
- Streamline Cross Cutters
 - Establish MOUs with other agencies geographically.
 - Establish stakeholder groups
 - EPS should identify cross cutters through a checklist and links to appropriate agencies and information.
 - Shared resources prevents each region from having to research this on case-by-case basis