

NSR Updates (PSD and NANSR)

- Brief history/review
 - 12/31/2002 - PSD/NSR Improvement Rule
 - Actual-to-Projected Actual Emissions Increase Analysis
 - Baseline Actual Emissions
 - Plantwide Applicability Limits (PALs)
 - **Clean Unit Provision**
 - **Pollution Control Projects**
 - 06/24/2005 – PSD/NSR Improvement Rule – VACATED (only CU and PCP portions)
 - 09/14/2006 – PSD/NSR Debottlenecking, Aggregation, and Project Netting – PROPOSED

NSR Updates

- Brief history/review (cont'd)
 - 05/16/2008 – PSD/NSR Implementation for PM_{2.5}
Under Review
 - 12/19/2008 – PSD/NSR: Reconsideration of
Inclusion of Fugitive Emissions *Under Review*
 - 01/15/2009 – PSD/NSR: Aggregation *Under Review*
 - Project Netting – no action
 - Debottlenecking – withdrawn
 - 02/09/2009 – PSD/NSR: Aggregation – STAYED

NSR Updates - Aggregation

- Part of step #1 of 2-step process (emission increase analysis)
- Will only apply prospectively
- Past policy evolved from case-by-case determinations
- No new/revised regulations, only preamble discussion

NSR Updates - Aggregation

- Substantial relationship
 - Technical or economic relationship
 - Activities at same unit as a previous change are not necessarily aggregation
 - FR preamble distances this rule from the 3M memo (06/17/1993)
 - USEPA had implied that modifications cannot be presumed independent given the plant's "overall basic purpose" to make a profit

NSR Updates - Aggregation

- Timing of activities
 - Closely-timed activities
 - Timing does not decide aggregation, just an indicator
 - Basis is substantial technical or economic relationship
 - Activities at same time (turnaround/outage) are not necessarily aggregated
 - FR preamble distances this rule from the 3M memo
 - USEPA had implied that activities within 12-18 months are related
 - Timing is to be used as indicator for projects that may have been split into multiple smaller projects to avoid/circumvent PSD/NSR

NSR Updates - Aggregation

- Timing of activities (cont'd)
 - Time-based presumption for nonaggregation
 - >3 years apart indicates no substantial relationship
 - Based on times of NSR-avoidance permit issuance (or, if no permit, date construction commences)
 - Will only apply prospectively
 - 3-year presumptive timeframe is rebuttable if evidence of substantial relationship

NSR Updates - Fugitive Emissions

- Decision = fugitive emissions included in determining major modification only for sources in 28 source categories (same approach for determining major source status)
- Prior **Rule Language** (from 12/31/2002 NSR Improvement) was to include fugitive emissions in determining major modification for all sources, regardless of source category

NSR Updates - Fugitive Emissions

- Regulatory revisions:
 - “Major modification” – §52.21(b)(2)(v)
 - “Baseline actual emissions” – §52.21(b)(48)(i)(a), (ii)(a), & (iii)
 - “Projected actual emissions” – §52.21(b)(41)(ii)(b) & (d)
 - “Net emissions increase” – §52.21(b)(3)(iii)(c)
 - “Fugitive emissions” – §52.21(b)(20)
 - Discussion of Step 1 (emissions increase) – §52.21(a)(2)(iv)(b)
 - Monitoring/recordkeeping requirements – §52.21(r)(6)(iii) & (iv)

NSR Updates – PM_{2.5}

- Applicability of NSR to precursors of PM_{2.5}
 - SO₂ – required to be regulated as precursor
 - NO_x – presumed regulated
 - VOC – presumed not regulated
 - NH₃ – presumed not regulated
- Major source thresholds (no changes)
 - PSD – 100/250 ton/year
 - NANSR – 100 tons/year

NSR Updates – PM_{2.5}

- Significant emissions rates
 - PM_{2.5} – 10 ton/year
 - Precursors
 - SO₂ – 40 ton/year
 - NO_x – 40 ton/year
 - VOC – 40 ton/year
 - NH₃ – adopted in SIP

NSR Updates – PM_{2.5}

- Condensable PM emissions
 - Not required for PM₁₀ or PM_{2.5} during transition period (until 01/01/2011 – or sooner)
 - Any NSR permits issued, and applicability determinations performed, during transition period are not required to account for condensable emissions, unless required by SIP
 - USEPA will not revisit applicability determinations made in good faith during transition period w.r.t. condensable emissions (except SIP-required)
 - *** Be careful, to clarify basis for permit limits. If unclear presumption in Title V language, permit limits based in past on filterable only may become by default filterable and condensables.

NSR Updates – PM_{2.5}

- PSD program
 - BACT
 - No changes to regulations/policy
 - Requirements will apply to direct PM_{2.5}, SO₂, and NO_x emissions
 - Increments, Significant Impact Levels, Significant Monitoring Concentrations
 - Proposed 09/21/2007, to be addressed separately
 - Air quality analysis
 - No changes to regulations/policy
 - Required to perform analysis for NAAQS
 - Will be required to perform analysis for Increment after promulgation

NSR Updates – PM_{2.5}

- PSD program (cont'd)
 - Preconstruction monitoring
 - Required for all sources, but exempt on a case-by-case basis – and use Significant Monitoring Concentrations as exemption level

NSR Updates – PM_{2.5}

- NANSR program
 - Install LAER – no changes
 - Offset new emissions with creditable emissions reductions
 - Offset ratios (States may establish higher ratios)
 - Direct PM_{2.5} – 1:1
 - PM_{2.5} precursor with same precursor – 1:1
 - NOX <> SO₂ – no definition, rely on local demonstration
 - NOX <> PM_{2.5} – 200:1
 - SO₂ <> PM_{2.5} – 40:1
 - Interpollutant trading for offsets only – NOT for netting

NSR Updates – PM_{2.5}

- NANSR program (cont'd)
 - Transition
 - After effective date (07/15/2008) State can no longer implement NANSR program for PM₁₀ as surrogate
 - Will likely implement transitional PM_{2.5} NANSR program under 40 CFR 51 Appendix S until USEPA approves NANSR changes to SIP

NSR Updates – PM_{2.5}

- Regulatory revisions:
 - “Significant” – §52.21(b)(23)(i)
 - “Regulated NSR pollutant” – §52.21(b)(50)(i), (iii), (v), & (vi)
 - Exemptions – §52.21(i)(1)(xi), (i)(5)(ii), & (i)(5)(iii)