

NSR Update

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Agenda

- Recent EPA NSR and Related Activities
- Industry Coalition Top Issues
- EPA Feedback on Initial Priorities
- Griffith Bills Legislation
- Recent Developments: EPA and Congress

Recent EPA NSR and Related Activities

- **April 30, 2018** - Memo to PA on Source Aggregation
- **April 17, 2018** - Memo to Regions: Guidance on Significant Impact Levels for Ozone and Fine Particles in the PSD Permitting Program
- **March 13, 2018** - Memo Regions: Project Emissions Accounting Under the New Source Review Preconstruction Permitting Program
- **January 25, 2018** - EPA withdraws “once in always in” policy for major sources
- **December 7, 2017** - Memo to Regions: Enforceability and Use of the Actual-to-Projected-Actual Applicability Test in Determining Major Modification Applicability

Work Process and Approach

- Formed industry coalition (20+ trade associations)
- Brainstormed 60+ NSR reform ideas
- Prioritized issues
- Developed Position papers on a number of issues
 - Identified top issues
 - Peer reviewed position papers
 - Create common terminology
 - Try to get consensus on solutions
 - Leverage coalition to meet with EPA

Example Issues

- ✓ Source Aggregation
- Plantwide Applicability Limits (PALs)
- Best Available Control Technology (BACT)
- Fugitive Emissions
- Nonattainment offset Credits
- BACT and LAER issues

- ✓ Proper Accounting of Project Emissions (Project Netting)
- ✓ Project Aggregation
 - Pre-Permit Activities
 - Use of Actual Emissions in Step 2 Contemporaneous Netting
 - Actual-to-Project Actual Guidance
 - Changing Synthetic Minor (r)(4) Limits
 - Routine Maintenance, Repair and Replacement (RMRR)
- ✓ Ambient Air
 - GHG Significant Emission Rates
 - Modeling Reform

Example Issues (continued)

- ✓ Source Aggregation
 - *Plantwide Applicability Limits (PALs)*
 - *Debottlenecking Emissions*
 - Fugitive Emissions
 - Nonattainment offset Credits
 - BACT and LAER issues

EPA Feedback on Initial Priorities

- Roll-out NSR Initiatives Monthly
 - February (March 5): Proper Accounting of Project Emissions (Project Netting)
 - March: Project Aggregation
 - Source Aggregation
 - Ambient Air
- Policy guidance, noticed in Federal Register, followed by rulemaking.

Legislation: Griffith Bills

- **H.R. 3127:** Exclude energy efficiency projects, pollution control projects, and reliability projects from the definition of modification
- **H.R. 3128:** Add an hourly maximum achievable hourly emissions rate test to the definition of modification.
- Now consolidated into a new “discussion draft”

Recent Developments: EPA and Congress

- May 16, 2018 - Senate Committee on Energy and Commerce Subcommittee on Environment, “Legislation Addressing New Source Review Permitting Reform.”
- Various May meetings with EPA staff and CEQ staff with focus on guidance solutions