

State of Oregon
Department of Environmental Quality

Memorandum

Date: October 1, 2007

To: Environmental Quality Commission

From: Stephanie Hallock, Director

Subject: Agenda Item D, Adoption of Air Quality Permit Program Streamlining and Updates; October 18, 2007 Environmental Quality Commission Meeting

Why this is Important Controlling the amount of pollution from industrial facilities through the Air Permitting program is an important part of the Department of Environmental Quality's (Department) strategy to maintain clean air. Air permits ensure that existing industrial facilities comply with state and federal pollution emission standards and require new facilities to have pollution controls to protect air quality. The program helps reduce the number of unhealthy air days and reduces risk from air toxics through timely and up-to-date permits, inspections and by assisting facilities in complying with the law. This rulemaking will clarify, simplify and correct Air Permitting rules while maintaining equivalent environmental protection and stringency. The changes further streamline and better align the rules with requirements under the Federal Clean Air Act.

Department Recommendation The Department recommends that the Environmental Quality Commission (Commission) adopt the proposed rule amendments and repeals in OAR chapter 340, Divisions 200, 208, 209, 214, 216, 218, 228, 230, 232, 234, and 236 as presented in Appendix A, amending the State Implementation Plan.

Background and Need for Rulemaking In 2001, the Department streamlined the Air Quality Program's permitting process, allowing a reduction of over seven staff positions while maintaining the same level of service and environmental benefits from the program. This rulemaking proposes to further streamline and update the permitting process by clarifying requirements, eliminating duplicative and conflicting standards, keeping rules in line with federal requirements, and correcting errors. This second phase of streamlining would not reduce Department staffing but would make the permitting process more efficient.

Effect of Rule The proposed rule changes will:

- Add the chemical HFE-7300 to a list of compounds exempt from the definition of volatile organic compounds (VOC), or ground-level ozone precursors to be consistent with federal regulations (see Attachment A, page 33);
- Repeal outdated and redundant requirements applicable in Clackamas, Columbia, Multnomah, and Washington Counties (see Attachment A,

- page 43);
- Revise Title V procedural rules consistent with federal requirements, and improve administration (see Attachment A, page 73);
- Revise Excess Emissions rules for greater consistency with federal requirements; (see Attachment A, page 51)
- Delete twelve unused Basic Permit categories (see Attachment A, page 69);
- Update, correct errors, and renew general permits for asphalt plants, boilers, concrete plants, crematories, rock crushers, and wood products facilities (see Attachment A, page 64 and Attachments H -1 through H-6);
- Change the averaging time in the sulfur dioxide standards for fuel-burning equipment from two hours to three hours to align with federal standards (see Attachment A, page 99);
- Add a requirement that the Department must receive notification prior to use of an exemption allowing a higher emission rate for burning salt laden wood waste (see Attachment A, page 100);
- Revise the Utility Mercury Rule to correct flaws related to the distribution of the mercury cap for new plants, and correct cross references (see Attachment A, page 101);
- Clarify and consolidate requirements for crematory incinerators (see Attachment A, page 112);
- Replace outdated regulations governing wigwam burners with a statewide prohibition on their use (see Attachment A, page 127);
- Streamline the Kraft Pulp Mill Rules by eliminating redundancies, simplifying permitting and compliance determinations, and eliminating unnecessary reporting (see Attachment a, page 130);
- Simplify emission standards for plywood, particleboard and hardboard manufacturing operations (see Attachment A, page 131); and
- Consolidate and clarify definitions (see Attachment A, page 4).

Commission Authority

The Commission has authority to take this action under ORS 468.020, 468A.025 and 468A.310.

Stakeholder Involvement

This proposal was developed by Department technical staff tasked with further improving the efficiency of the air permitting program. It was also developed in response to EPA Region 10's Comprehensive Title V Program Review conducted between 2004 and 2006. Since fall, 2006, the Department has been providing summary materials about this proposal to business and public interest stakeholders. In October 2006, the Department conducted informational meetings on the proposed changes in Pendleton, Bend, Medford, Salem and Portland. The Department also reviewed the proposed revisions with the Air Quality Compliance Advisory Panel, a group that considers the impacts of air quality regulations on small businesses.

Public Comment The public comment period opened on March 22, 2007 and closed on April 27, 2007, and included public hearings on the proposed rule changes in Medford, Bend and Portland. The Department received comments from eight individuals.

Key Issues The key issues are listed below. For more information, see the summary of public comments and agency responses in Attachment C.

- Exempting HFE-7300 as a “Volatile Organic Compound” or “VOC”
- Including additional health information in permit public notices
- Clarifying that Title V Permits do not supersede previous Air Contaminant Discharge Permit requirements
- Clarifications and changes in the Excess Emissions Rules
- Utility Mercury Rule corrections

Next Steps If adopted by the EQC, this rule will become effective upon filing with the Secretary of State. After such rule adoption, the Department will add the new 15-day excess emission reporting requirement to all Title V permits by administrative amendment. For general permit changes, the Department will contact facilities currently assigned to the general permits that are part of this rulemaking and reassign those facilities to the new permits. Other streamlining rule changes can be made at the discretion of the Department’s Air Quality managers as administrative amendments, during other permit modifications, or during renewal. No additional resources or training will be needed to implement the rule changes.

- Attachments**
- A. Proposed Rule Revisions
 - B. Proposed Rule Summary
 - C. Summary of Public Comments and Agency Responses
 - D. Presiding Officer’s Report on Public Hearings
 - E. Relationship to Federal Requirements Questions
 - F. Statement of Need and Fiscal and Economic Impact
 - G. Land Use Evaluation Statement
 - H-1 Proposed Asphalt and Paving General Permit
 - H-2 Proposed Rock Crusher General Permit
 - H-3 Proposed Concrete and Ready Mix General Permit
 - H-4 Proposed Sawmill General Permit
 - H-5 Proposed Boiler General Permit
 - H-6 Proposed Crematory General Permit

Agenda Item D, Rule Adoption:
Adoption of Air Quality Permit Program Streamlining and Updates
October 18, 2007 EQC Meeting
Page 4 of 4

- Available Upon Request**
1. Legal Notice of Hearing
 2. Proposed Rulemaking Announcement Memorandum
 3. Written Comments Received
 4. Rule Implementation Plan
 5. EPA's 2006 Title V Program Review

Approved:

Section: _____

Division: _____

Report Prepared By: Sarah Armitage
Phone: 503-229-5186