

Maricopa County Air Quality Department

New Source Review (NSR) Stakeholder Meeting

August 29, 2013



WALK MORE USE CFLS MORE CARPOOL MORE
BIKE MORE RAKE MORE TELECOMMUTE
MORE DRIVE HYBRIDS MORE CONSOLIDATE
ERRANDS MORE RIDE PUBLIC TRANSPORTATION
MORE USE ENERGY EFFICIENT APPLIANCES
MORE CARRY REUSABLE TOTE BAGS MORE
CONSIDER SOLAR MORE RUN COLD WATER
CYCLES MORE USE REUSABLE CONTAINERS
MORE CONSERVE ELECTRICITY MORE REDUCE
WOODBURNING MORE RECYCLE MORE USE
ELECTRIC LAWN AND GARDEN EQUIPMENT
MORE REFUEL AFTER DARK MORE RIDE
THE BUS MORE RIDE THE LIGHT RAIL MORE
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New Source Review (NSR)

New Source Review (NSR) is a permitting program that requires stationary sources of air pollution to get permits before they start construction or make major modifications.

There are three levels of NSR:

- Federal Program
- State Program
- Maricopa County Program

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New Source Review (NSR)

NSR is a pre-construction permitting program that serves two important purposes:

- (1) NSR ensures that air quality is not significantly degraded from the addition of new and modified stationary sources; NSR ensures that new emissions do not slow progress toward cleaner air and
- (2) NSR assures people that any large new or modified industrial source in their neighborhood will be as clean as possible and that the latest advances in pollution control will be applied to the source.

The Federal NSR Program has three components:

- Prevention of Significant Deterioration (PSD)
- Nonattainment NSR
- Minor Source NSR

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Federal NSR Program

In 1970 the Federal Clean Air Act introduced Prevention of Significant Deterioration (PSD) to keep our air pristine. In the 1990 Clean Air Act Amendments, NSR was added because by this time many areas had been designated as nonattainment, because the air in nonattainment areas did not meet one of the National Ambient Air Quality Standards (NAAQS). NSR was the permitting program designed to bring nonattainment areas back into attainment.

The Federal NSR Program has three components:

- Prevention of Significant Deterioration (PSD): A permitting program that includes emissions limits required for major sources in attainment areas.
- Nonattainment NSR: A permitting program that includes emissions limits required for major sources in nonattainment areas; emissions limits are often lower than the emissions limits for major sources in attainment areas. This is because the air quality in nonattainment areas is not meeting one of the NAAQS. A nonattainment area also includes maintenance areas, which are areas that were once in nonattainment and are now in the process of maintaining the air quality standards. A nonattainment area has specific boundaries that can change if the NAAQS change.
- Minor NSR: A permitting program for nonattainment areas that includes emissions limits for sources that emit lower amounts of pollutants than major sources. If a source has lower emissions, then the source does not have to get a more complicated major source permit. A Minor NSR permit is required for new or modified minor sources and for modifications to major stationary sources that do not require a Prevention of Significant Deterioration (PSD) permit or a Nonattainment NSR permit. The purpose of Minor NSR permits is to prevent the construction of sources that would interfere with attainment or maintenance of a national ambient air quality standard (NAAQS) or violate the control strategy in nonattainment areas. Minor NSR permits often contain permit conditions to limit sources' emissions to avoid a Prevention of Significant Deterioration (PSD) permit or a Nonattainment NSR permit.

New Source Review (NSR) is a permitting program that requires stationary sources of air pollution to get permits before they start construction or make major modifications. Permits are legal documents that the source must follow. They specify what construction is allowed, what emissions limits must be met, and how the source must be operated. They contain limits to make sure the source is built to match the parameters in the application that the permit agency relied on in their analysis. Some limits in the permit may be there at the request of the source to keep them out of other requirements. To assure that sources follow the permit requirements, permits also contain monitoring, recordkeeping, and reporting requirements.

In Arizona, state laws establish a unitary permit system for air permits in contrast to the bifurcated permit system laid out in federal regulations. The federal system issues both a pre-construction permit and an operating permit. A unitary permit contains both the conditions from the pre-construction permitting process and conditions necessary for the continued operation of the source after construction is complete.

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State NSR Program

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REFUEL AFTER DARK
RISE MORE RAKE MORE

The State NSR Program is equivalent to the Federal NSR Program

The Arizona Department of Environmental Quality (ADEQ) revised the State NSR Program in August 2012

Details of the State NSR Program are in the Notice of Final Rulemaking: www.azdeq.gov/environ/air/plan/notmeet.html#nsr



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Slide 4

State NSR Program

The State NSR Program is equivalent to the Federal NSR Program. The Arizona Department of Environmental Quality (ADEQ) revised the State NSR program in August 2012. Details of the State NSR Program are in the Notice of Final Rulemaking:

www.azdeq.gov/environ/air/plan/notmeet.html#nsr.

ADEQ revised the State NSR program because the U.S. Environmental Protection Agency (EPA) made substantial revisions to the Federal NSR Program and because the State NSR Program had not been updated in the State Implementation Plan (SIP) since 1988. This created two different sets of NSR rules - the current State rules and those rules from 1988 in the SIP. This is called the "SIP Gap".

The Maricopa County NSR Program, like the State NSR Program, had the same SIP Gap and was told by the EPA, in a 2005 EPA Notice of Deficiency, to update the Maricopa County NSR Program.

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Maricopa County NSR Program

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In 1993, the U.S. Environmental Protection Agency (EPA) delegated authority to Maricopa County to implement and enforce the Federal NSR Program

The state statutory authority for the Maricopa County NSR Program is in Arizona Revised Statutes (A.R.S.) § 49-480(B).



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Slide 5

Maricopa County NSR Program

In 1993, the U.S. Environmental Protection Agency (EPA) delegated authority to Maricopa County to implement and enforce the Federal NSR Program. Since the Federal NSR Program includes three components: (1) Prevention of Significant Deterioration (PSD), (2) Nonattainment NSR, and (3) Minor Source NSR, then the Maricopa County NSR Program also includes such components.

The state statutory authority for the Maricopa County NSR Program is in Arizona Revised Statutes (A.R.S.) § 49-480(B).

Factors that impact the Maricopa County NSR Program:

- The State NSR Program
- Maricopa County's nonattainment area status
- Maricopa County's applicable state implementation plan (SIP) NSR rules
- Arizona's revised statutes authorizing Maricopa County's permitting program
- The U.S. Environmental Protection Agency's (EPA's) Notice of Deficiency for Maricopa County's Title V program.

Maricopa County's Minor Source NSR Program:

The Maricopa County Air Quality Department's (department's) current Minor NSR permitting program is governed by the following Maricopa County Air Pollution Control Regulations:

Rule 200: Permit Requirements

Rule 220: Non-Title V Permit Provisions

Rule 240: Permit Requirements for New Major Sources and Major Modifications to Existing Major Sources

Rule 241: Permits for New Sources and Modifications to Existing Sources

Appendix D: List of Insignificant Activities

Rule 200: Contains permit requirements. The department will clarify that an applicant can proceed with construction once the draft final permit or permit revision is issued by the department.

Rule 220: Contains public participation requirements. The department will retain the current forms of public noticing for smaller minor sources and smaller modifications that will not require formal publication of a notice of construction or modification in a newspaper.

Rule 240: Contains permit thresholds. The department will retain the current permitting thresholds – 2-70 tons/year PM₁₀ and 2-100 tons/years of any other regulated air pollutant.

Rule 241: Contains three basic control technology requirements. The department will retain the existing technology requirements but will convert the emissions-based provision from lbs/day to an annual quantity. Best Available Control Technology (BACT) is required for applicants of any new or modified source for each pollutant emitted that exceeds the following thresholds:

- 150 lbs/day or 25 tons/year of volatile organic compounds (VOCs), NO_x, SO_x, or particulate matter
- 85 lbs/day or 15 tons/year of PM₁₀
- 550 lbs/day or 100 tons/year of CO

Reasonable Available Control Technology (RACT) is required for smaller sources and smaller modifications and a standard circumvention prohibition are included in Rule 241.

Appendix D: Contains the Minor NSR source-specific applicable requirements. The department will retain the current emissions-based thresholds for insignificant activities, e.g., 0.5 ton/year of hazardous air pollutants (HAPs) and 2 tons/year of a regulated air pollutant.

Arizona Revised Statutes (A.R.S.) § 49-480(B) has two conditions that the county must follow:

- Title V permit procedures for review, issuance, revision and administration must be substantially identical to procedures for review, issuance, revision and administration of permits issued by the Arizona Department of Environmental Quality (ADEQ)
- Non-Title V permit procedures for review, issuance, revision and administration must impose no greater procedural burden on a permit applicant than procedures for the review, issuance, revision and administration of permits issued by ADEQ

Maricopa County must follow additional state statutory authority in Arizona Revised Statutes (A.R.S.) § 49-112

A.R.S. § 49-112 states that a county may adopt a rule that is more stringent than a rule adopted by ADEQ, if the rule is necessary to address a peculiar local condition.

Some of the rules in the Maricopa County NSR Program are more stringent than some of the rules in the State NSR Program, because Maricopa County has three nonattainment areas (aka "a peculiar local condition"):

- CO: Maintenance
- PM₁₀: Serious
- 8-Hour Ozone: Marginal

This rulemaking for the Maricopa County NSR Program includes 13 rules:

Rule 100

Rule 230

Rule 200

Rule 240

Rule 201

Rule 241

Rule 202

Rule 500

Rule 210

Rule 510

Rule 220

Appendix D

Appendix G



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Maricopa County NSR Program

This rulemaking for the Maricopa County NSR Program includes 13 rules:

Rule 100: General Provisions And Definitions

Rule 200: Permit Requirements

Rule 201: Emissions Caps

Rule 202: Plantwide Applicability Limits (PALs)

Rule 210: Title V Permit Provisions

Rule 220: Non-Title V Permit Provisions

Rule 230: General Permits

Rule 240: Permit Requirements For New Major Sources And Major Modifications To Existing Major Sources

Rule 241: Permits For New Sources And Modifications To Existing Sources

Rule 500: Attainment Area Classification

Rule 510: Air Quality Standards

Appendix: D: List Of Insignificant Activities

Appendix G: Incorporated Materials

In addition to complying with all statutory requirements for this rulemaking process, Maricopa County must follow the Enhanced Regulatory Outreach Program (EROP). In doing so, Maricopa County must issue a case number to each rulemaking. The case number for this rulemaking is: "AQ-2013-005-New Source Review".

This regulatory change will follow the Enhanced Regulatory Outreach Program Policy and workflow process.

Meetings will be announced at: www.maricopa.gov/regulations.

Additional information about AQ-2013-005-New Source Review and links to the current Maricopa County Air Pollution Control Regulations are available at: www.maricopa.gov/regulations.

At any time, you can submit comments about AQ-2013-005-New Source Review and the rulemaking process at:

www.maricopa.gov/regulations/comments.aspx

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Maricopa County NSR Program

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Public Workshop #2: To discuss Maricopa County rules in which revisions will match rule language found in the recently adopted State NSR Program

Rule 210: Title V Permit Provisions

Rule 220: Non-Title V Permit Provisions

Rule 240: Permit Requirements For New Major Sources And Major Modifications To Existing Major Sources

Rule 241: Permits For New Sources And Modifications To Existing Sources

Rule 500: Attainment Area Classification

Rule 510: Air Quality Standards

Appendix G: Incorporated Materials



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Maricopa County NSR Program

Public Workshop #2: To discuss Maricopa County rules in which revisions will match rule language found in the recently adopted State NSR Program. These rule revisions preserve the intent of the state rules:

Rule 210: Title V Permit Provisions

Rule 220: Non-Title V Permit Provisions

Rule 240: Permit Requirements For New Major Sources And Major Modifications To Existing Major Sources

Rule 241: Permits For New Sources And Modifications To Existing Sources

Rule 500: Attainment Area Classification

Rule 510: Air Quality Standards

Appendix G: Incorporated Materials

Below is a cross-reference to the corresponding parts of the State NSR Program to the Maricopa County rules. Corresponding parts of the State NSR Program are in the State NSR Program Notice of Final Rulemaking: www.azdeq.gov/environ/air/plan/notmeet.html#nsr (link is provided in Slide #4).

Rule 210: Title V Permit Provisions

R18-2-304

R18-2-319

R18-2-319

R18-2-320

R18-2-330

Rule 220: Non-Title V Permit Provisions

R18-2-304

R18-2-319

Rule 240: Permit Requirements For New Major Sources And Major Modifications To Existing Major Sources

R18-2-101

R18-2-332

R18-2-401

R18-2-402

R18-2-403

R18-2-404

R18-2-405

R18-2-406

R18-2-407

R18-2-410

Rule 241: Permits For New Sources And Modifications To Existing Sources

R18-2-301(12)

R18-2-412

Rule 500: Attainment Area Classification

R18-2-218

Rule 510: Air Quality Standards

R18-2-201

R18-2-202

R18-2-203

R18-2-205

R18-2-206

Appendix G: Incorporated Materials

R18-2-102

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Public Workshop #3:

To discuss Maricopa County rules in which rule revisions will reflect increased stringency from the State NSR Program as allowed by A.R.S. § 49-112:

Rule 200: Permit Requirements

Rule 201: Emissions Caps

Rule 202: Plantwide Applicability Limits (PALs)

Appendix D: List Of Insignificant Activities



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Maricopa County NSR Program

Public Workshop #3: To discuss Maricopa County rules in which revisions will reflect increased stringency from the State NSR Program as allowed by A.R.S. § 49-112:

Rule 200: Permit Requirements

Rule 201: Emissions Caps

Rule 202: Plantwide Applicability Limits (PALs)

Appendix D: List Of Insignificant Activities

Although these rules include revisions that will reflect increased stringency from the State NSR Program, some of the revisions proposed in Rule 200 will match rule language found in the recently adopted State NSR Program. Below is a cross-reference to the corresponding parts of the State NSR Program to Rule 200. Corresponding parts of the State NSR Program are in the State NSR Program Notice of Final Rulemaking:

www.azdeq.gov/environ/air/plan/notmeet.html#nsr (link is provided in Slide #4).

R18-2-101

R18-2-302

R18-2-303

R18-2-304

R18-2-324

Public Workshop #4:

To continue discussions from Public Workshops #2 and #3, if necessary

Public Workshop #5:

To discuss Maricopa County rules in which definitions will be changed and to discuss a proposed Source Registration Permit:

Rule 100: General Provisions And Definitions

Rule 230: General Permits

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Maricopa County NSR Program

Public Workshop #4: To continue discussions from Public Workshop #2 and Public Workshop #3, if necessary

Public Workshop #5: To discuss Maricopa County rules in which definitions will be changed and to discuss a proposed Source Registration Permit:

Rule 100: General Provisions And Definitions

Rule 230: General Permits

Below is a cross-reference to the corresponding parts of the State NSR Program to the Maricopa County rules. Corresponding parts of the State NSR Program are in the State NSR Program Notice of Final Rulemaking: www.azdeq.gov/environ/air/plan/notmeet.html#nsr (link is provided in Slide #4).

Rule 100: General Provisions And Definitions

R18-2-101

Rule 230: General Permits

R18-2-502

R18-2-503

R18-2-505

R18-2-512

Maricopa County NSR Program: Next Steps

- | | |
|---|----------------------|
| 1-County Manager Briefed Board Of Supervisors | January 2013 |
| 2- Stakeholder Notification 2 Weeks Prior To Stakeholder Workshop | August-December 2013 |
| 3-County Stakeholder Workshop(s) | August-December 2013 |
| 4-Stakeholder Notification 2 Weeks Before Board Of Health Meeting | January 2014 |
| 5-Board Of Health Meeting To Initiate Regulatory Change | January 2014 |
| 6-Specific Departmental Processes
Notice Of Proposed Rulemaking/Open Public Comment
Oral Proceeding (If Requested)/Close Public Comment | January-March 2014 |
| 7-Stakeholder Notification 2 Weeks Prior To Board Of Health Meeting | April 2014 |
| 8-Board Of Health Meeting To Make Recommendations To Board Of Supervisors | April 2014 |
| 9-Schedule Board Of Supervisors' Public Hearing | June 2014 |
| 10-Board Of Supervisors' Public Hearing | August 2014 |
| 11-Item Adopted | August 2014 |



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Maricopa County NSR Program

In addition to complying with all statutory requirements for this rulemaking process, Maricopa County must follow the Enhanced Regulatory Outreach Program (EROP). In doing so, Maricopa County must issue a case number to each rulemaking. The case number for this rulemaking is: “AQ-2013-005-New Source Review”.

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At any time, you can submit comments about AQ-2013-005-New Source Review and the rulemaking process at: www.maricopa.gov/regulations/comments.aspx.

Thank you for participating in the rulemaking process!

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