

Area Source Program Update

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Topics Covered

- Background
- Current Status
- Implementation

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Background

- CAA Section 112(k) requires EPA to:
 - develop an urban air toxics strategy
 - identify at least 30 urban HAPs
 - list area source categories that ensure 90% of the emissions from area sources are subject to standards (by November 15, 2000)

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Background (cont'd) – Urban Air Toxics Strategy

- The Strategy was published in 1999 and identified 8 metals and 22 organics as the “dirty 30”
- Between 1999 and 2002, 70 area source categories were listed
- Collectively, the listed source categories account for at least 90% of the emissions of each of the 30 area source urban HAP
- We promulgated 15 categories but were sued to finish the rest since we did not meet the statutory deadline of November 2000.

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Current Status

- May 2003 and March 2006 court orders set a schedule for completing the Area Source Program relative to the outstanding categories:
 - One rule covering three categories (in one subpart) will be promulgated on June 15, 2009.
 - By the end of this year, 13 more will be finalized.
 - Three remaining categories are currently under schedule negotiations.

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Ferroalloys Area Sources

- Ferroalloys Production signed December 15, 2008:
 - 6 facilities
 - Already controlled: rule codified practices
 - Published December 23, 2008
 - Compliance date is June 22, 2009
 - Implementation brochure ready in June

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Aluminum, copper and nonferrous foundries rule

- Aluminum, copper and nonferrous foundries bundled into one subpart
 - Was proposed 2/9/09
 - Excludes foundries with less than 600 tpy production, and management practices required on all foundries with production above 600 tpy
 - Controls required if production is at or above 6000 tpy. Data shows these controls are already in place for sources at this production level.
 - Expected that recordkeeping and compliance requirements will cost \$2000 per plant, with 318 facilities subject.
 - To be promulgated June 15, 2009.

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Miscellaneous Chemical Manufacturing Area Source Rule-Promulgation August 15, 2009

- Agricultural Chemicals and Pesticides Manufacturing
- Cyclic Crude and Intermediate Production
- Industrial Inorganic Chemical Manufacturing
- Industrial Organic Chemical Manufacturing
- Inorganic Pigment Manufacturing
- Misc. Organic Chemical Manufacturing
- (MON) Pharmaceutical Production
- Plastic Materials and Resins Manufacturing
- Synthetic Rubber

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Rule summary for Miscellaneous Chemical Manufacturing

- All process equipment: quarterly inspections
- Certain batch and continuous process vents for organic HAP, metal process vents: requires vent stream limits
- Certain storage tanks: requires floating roof or emission limits
- Cooling towers: For system rates \geq 8,000 gal/min, must monitor and repair all leaks
- Transfer operations: Requires submerged loading
- Wastewater stream: Discharge to onsite or offsite treatment
- Wastewater streams \geq 10,000 ppmv : remove organic HAP
- Approximately 450 facilities are subject, \$4 million approximate annualized costs nationwide: larger facilities with add on controls that cost up to \$50,000 per year and smaller facilities may only see costs of \$2000 per year (recordkeeping)

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Proposal Expected in June; Promulgation August 17, 2009

- Paint and Allied Products
- Prepared Feeds Materials
- Chemical Preparation
- Asphalt Processing/Asphalt Roofing Manufacturing

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Paint and Allied Products

- The majority are small businesses.
- The generally available control technologies (GACT) and management practices are a particulate control device to reduce emissions of metal air toxics (i.e. cartridge filters, baghouses) and management practices (vessel covers) to control volatile air toxics emissions. Most of the facilities already have this equipment.
- Each facility would be required to prepare an annual compliance certification only if there is a deviation.
- 460 facilities will be subject: Annualized costs are estimated at about \$7000 per facility.

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Prepared Feeds

- Prepared Feeds:
 - Most facilities are small businesses: 1800 facilities are subject
 - GACT is the use of cyclones for the pelleting and pellet cooling processes, covering 200 facilities at an annualized cost of \$65,000 per facility.
 - Other operations covered by the rule require management practices only. These practices are already in place.
 - Recordkeeping and reporting costs are \$1600 per year at each of the 1800 facilities.

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Asphalt Roofing Manufacturing

- Requiring an emission limit for PM and an alternative limit for PAH. All facilities currently meet the PM limits according to our data.
- Management practices apply to all.
- Monitoring, recordkeeping and compliance requirements expected to be approximately \$3,000 per year, per facility.

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Chemical Preparations

- 26 facilities affected (NAICS codes will be listed to help define applicability.)
- GACT is a control efficiency of 95% for existing sources and 98% for new sources: existing facilities are already meeting this limit.
- Additional monitoring, recordkeeping and compliance requirements are expected to cost approximately \$10,000 annually per facility.
- Locations: 1 CA, 1 UT, 1 TX, 1 KS, 2 GA, 8 OH, 1 IA, 3 IL, 2 MI, 1 PA, 2 MA, 1 CT, 2 NY

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Categories post 2009

To be promulgated 2011 (negotiations ongoing)

- Industrial Boilers
- Institutional/Commercial Boilers
- Sewage Sludge Incineration

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Implementation – Area Source Rules Work Group

- Work group was formed by EPA's Office of Compliance to provide guidance to regions and state/local agencies on expectations for implementation of areas source rules
 - Work group comprised of regional air program staff, regional air enforcement representatives, and state/ local agency representatives, including SBAP staff.

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Area Source Rule Implementation Guidance: Work Group Issues

- Is there a need for national guidance on area source implementation?
 - General support for guidance
 - Expectations when taking delegation need to be addressed
 - Flexibility requested to allow limited resources be spent efficiently
- Scope of guidance
 - Concern regarding limited resources has led to initial support for developing the appropriate level of implementation guidance.
 - Prioritization of standards
 - Compliance assistance may be sufficient for certain standards while compliance monitoring/enforcement may be appropriate for others
 - Factors may include: environmental/health impacts; size of source universe; opportunity for substantial emission reductions; Title V permitted facilities; identified violations

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Area Source Rule Implementation Guidance: Work Group Issues (continued)

- Delegation Issues
 - Area source program structured for states to take delegation; However, need to address whether guidance applies to region if state does not take delegation
 - Sufficiency of regional resources in question even for minimal program
 - Compliance assistance programs do not exist in all regions;
 - Where violations discovered, insufficient resources to process enforcement case
- Time frame for implementation?
 - With limited resources and competing activities, need to consider phased-in approach
 - Initially employ compliance assistance with prioritized standards
 - Outreach (brochures, fact sheet summaries, notification forms, mass mailings)
 - Education (webinars, work shops, websites, classroom presentations)
 - Partner with economic agencies/small business assistance programs to conduct CA
 - As resources become available, expand effort to additional standards and go beyond CA when needed
 - Develop ERPs, General Permits, Permit By Rule.
 - Conduct compliance monitoring/enforcement.

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For more information

- Sharon Nizich 919/541-2825
- Area Source website with all rules and general information:
 - <http://www.epa.gov/ttn/atw/area/arearules.html>