

INDUSTRIAL STAKEHOLDER GROUP

February 1, 2019 MEETING HIGHLIGHTS

Preliminary Matters

Introduction of Attendees

Agenda Items (in order of presentation)

I. RGGI Update: The Department provided an overview of the CO₂ Budget Trading Rule (also referred to as the RGGI mechanics rule) and the Global Warming Solutions Fund Rule. Highlights from the presentation included a discussion regarding the compliance period for electric generating units that will be affected by the new rules; significant dates in the rulemaking process; and the purpose and significance of the strategic funding plan requirement. The full presentation will be posted on the ISG website.

II. Update on General Permits and General Operating Permits: The Department provided an update on general permits and general operating permits. The status of specific GPs/GOPs can be found in the full presentation that will be posted on the ISG website. Three new GP's were finalized at the end of 2018: (1) GP-016A for manufacturing and materials handling equipment, (2) GP-015A for Plating, etching, pickling, etc., (3) GP-013A non-HAP dry-cleaning equipment. Additionally, there are 3 GOPs and 2 GPs under construction that have a tentative release date for public comment in March or April of 2019.

III. Permit Approvals prior to 1998: As originally discussed during the June 2018 ISG meeting, the Department considers permits issued prior to 1998 "pre-RADIUS." These paper permits were scanned and imported into the Department's database, but are missing key pieces of information because they contain no compliance plans. As a result, when renewal invoices are sent, they are based on incomplete (and sometimes incorrect) information (i.e. accurate equipment lists). In response to a suggestion at the June 2018 meeting, a compliance advisory was issued in 2018 indicating the Department's intention to take internal action to address the deficient records. Since June 2018, The Department has addressed approximately 1,000 of the estimated 5,000 pre-Radius permits. The progress made since June 2018 was a result of cooperative action between stakeholders and the Department. The Department would like to continue to work with permit-holders to correct these deficiencies so that they will not need to be referred to Enforcement for action. To that end, the Department is making the full list of the remaining pre-Radius permit holders available online. Stakeholders interested in seeing the list will be able to view it as part of today's presentation, once it is posted on the ISG website.

IV. Risk Screening Worksheets: The Department indicated that revisions to the general Risk Screening Worksheet (RSW) and an accompanying Fact Sheet will be posted soon. The Fact Sheet will describe all the changes, including the changes in methodology, which are, among other factors, based upon Technical Manuals 1002 and 1003. The General RSW will be open for public comment once it is posted. Additionally, the Department announced the development of a Natural Gas Risk Screening Worksheet (NG-RSW), which will be similar to the Risk Screening Worksheet used for diesel engines.

The Department intends to structure the NG-RSW to allow users to enter specific capacities for certain prescribed factors, such as minimum stack heights, distances to property line, and discharge exit velocities. During the discussion of the NG-RSW, a number of stakeholders voiced concerns that the more conservative Risk Screening Worksheets would result in greater false positive results, triggering unnecessary refined analyses, and generally, creating a backlog in the permitting process. The Department acknowledged these concerns had been voiced previously and considered. The Department reiterated its positions that: 1) the approach in the worksheets is consistent with the recently adopted Technical Manuals; 2) the Department would rather have false indications of significant risk than passing facilities that have actual risk; and 3) the Department will continue to evaluate other screening criteria like the NG-RSW referenced above. The presentation will be available on the ISG Meeting webpage.

V. CER Update: Recently, 500 tons of NO_x emissions credits were banked in the Northern New Jersey non-attainment area. Based on the absence of calls or questions concerning the availability of NO_x credits, the Department judges that this addition of banked credits has adequately addressed prior concerns about a potential shortage.

VI. Permitting Refresher on Timelines: The Department provided an overview of the permitting process that identified the projected timeframe (from submission of the application to final authorization) for each type of permit. Additionally, the presentation included tips for expediting the review process. Of note, the Department indicated that most often, the delay in the issuance of a permit may be attributed to the failure to submit supporting documentation for calculations. The Department's full presentation will be posted on the ISG website.

VII. EPA Once In/Always In Policy: The Department has reviewed the Guidance document issued by the EPA concerning the "once in, always in" policy. The Department has determined that it will implement MACT standards using the Department's approach prior to the issuance of the EPA's Guidance document. Stakeholders expressed concern that there will be some uncertainty going forward given the changes in policy at the Federal level (i.e. common control). The Department acknowledged that uncertainty is a concern and that these regularly scheduled meetings are the best method available to keep an open dialogue with stakeholders and to advise of the Department's position on changes in policy.

VIII. Rulemaking Updates: The Department provided updates on current rulemaking and rules being contemplated. The full presentation will be posted on the ISG website. Of particular note was the Department's discussion concerning the Air toxics/fumigation rule. A few stakeholders reiterated their concerns about the number of sources that will be regulated as well as the thresholds being proposed. As noted during the ISG meeting, those concerns were discussed at the recent stakeholder meeting and will be examined by the Department.

IX. Closing:

(1) The Department reminded stakeholders that there had been a backlog of permits due the federal government shutdown. However, now that the EPA has re-opened, the Department has forwarded those permits to EPA for review.

(2) One stakeholder indicated that companies were having technical difficulties entering data into the monitoring and reporting spreadsheets. Larry Si, from Compliance and Enforcement, indicated he would speak with that stakeholder after the meeting to get further information concerning the issue. The issue appeared to be an isolated incident.

(3) One stakeholder voiced concern that Notice of the February 1, 2019 meeting was not sent over the listserv. The Department indicated that it had not changed its policy concerning Notice of the meetings and would double-check to be sure Notice was sent in the future.

(4) One stakeholder indicated that there was a rumor concerning a new process for natural gas permitting of pipelines, plants and compressors. The Department indicated that there is a management review of all energy related projects.

All written presentations were posted on the ISG Meeting webpage.

<http://www.state.nj.us/dep/aqpp/isg.html>