

INDUSTRIAL STAKEHOLDER GROUP (ISG)

SEPTEMBER 11, 2015 MEETING HIGHLIGHTS

1. The recent reorganization within the Department was outlined. The Department now has six assistant commissioners, one less than before. The Division of Air Quality is within the newly formed Energy, Air Quality, and Sustainability Program. The Division of Air Enforcement (DAQ) consists of the three air enforcement field offices, Bureau of Local Environmental Management, and the Emissions Measurement Section, which used to be part of the DAQ. All websites will be updated to reflect the new organization structure. The Department stressed that effective communication among the Enforcement and Permitting personnel will remain.
2. An update was provided on the stakeholder workgroups, whose primary objective is to find ways to make the DAQ more productive and streamlined, while still being protective of human health and the environment. The industry and environment groups each developed three recommendations, and on September 10, 2015, these recommendations were shared with each group. The first joint meeting of both groups will be scheduled to draft final recommendations which will be forwarded to Department management. The industry's recommendations included rule changes, such as exempting additional source types from permitting. The implementation of the recommendations would be greatly aided if both groups agreed to them.
3. The Department stated that there can be concurrent public and EPA reviews for significant modifications to Operating Permits as long as it can be demonstrated that there is an environmental benefit. The facility can request the concurrent review and provide a summary of the environmental benefit. However, if there are any comments from the public, a formal public response to comment document must be drafted and the 45-day EPA review period would have to be restarted. The Department stated that it is still pursuing concurrent public and EPA review for other types of significant modifications.
4. An update on General Permits was given. GP-5B, which is for natural gas emergency generators, can be obtained through a paper submittal, and will become available on-line. GP-7A and GOP-7, which are for boilers with a capacity of less than 5 million BTU/hr, should be available on-line by early 2016. These general permits incorporate 40 CFR Part 63, Subpart JJJJ, and determine air contaminant emissions by fuel usage. A similar GP will be made available for boilers with a capacities between 5 and 10 million BTU/hr.

5. Stakeholders were requested to submit any questions and difficulties concerning the electronic submission of documents and use of the Department's information technology (IT) systems. The Department stated that it will be using training videos and a Facebook page to assist the public in the use of the Department's IT systems.
6. Recent USEPA actions were outlined. The 1-hour sulfur dioxide (SO₂) Data Requirement Rule was finalized. The purpose of this rule is to characterize the current air quality in the vicinity of sources operations which emit large quantities of SO₂. Large New Jersey power plants which emit SO₂ are not subject to the Rule's provisions since these facilities have already installed air pollution control equipment. However, large power plants in New York and Pennsylvania are subject to the Rule and the Department is going to evaluate how these plants demonstrate compliance and will submit comments as necessary.

The USEPA transport modeling rule considers 0.75 parts per billion (ppb) as a significant contribution to the 75 ppb ozone standard. Consistent with Section 110 of the Clean Air Act, NJ is evaluating the upwind contributions that impact NJ's air quality. Some states contribute as much as or more to NJ ambient contaminant readings as do NJ sources of air pollution. The USEPA has given NJ's Southern Nonattainment Area (NAA), which also includes sections of Pennsylvania and Maryland and all of Delaware, a year extension, until July 20, 2016, to demonstrate compliance with the ozone National Ambient Air Quality Standard (NAAQS). The NJ's northern NAA, which includes parts of New York and Connecticut (CT), may have its ozone nonattainment status downgraded to moderate. If, through transport modeling, NJ can demonstrate that it does not have a significant impact (i.e. <0.075 ppb) on CT's ozone levels, NJ can request to be removed from the current Northern NAA.

Ambient concentrations of ozone, as well as other contaminants, will be decreased through the USEPA regulations revising maximum sulfur content in gasoline. The lower gasoline sulfur content will increase the control efficiency of automobile catalytic converters. The Department believes this will greatly aid in its goal of attaining the ozone NAAQS.

7. "The Cancer Risk Screening Worksheet for Nonroad Diesel Engines" is available for use on the Air Quality Permitting Website. Modifications were made to the Worksheet based on stakeholder input. Stakeholder comments that were not able to be addressed in this version of the Worksheet will be taken into consideration when the Worksheet is modified.

8. A draft rule proposal has been completed for the four Control Techniques Guidelines (CTG) (industrial cleaning solvents; paper, film, and foil coating, miscellaneous metal and plastic parts coating; and fiberglass boat manufacturing materials) and for nitrogen oxide(s) limits for natural gas turbines and engines which power compressors and do not generate electricity. The draft had been distributed for comment to stakeholders in July and modifications were made based on the comments received. The draft rule is scheduled to be issued for public comment by December, 2015, and the public hearing is scheduled to be held in March, 2016.
9. The proposed revisions to 40 Code of Federal Regulations (CFR) Part 51, Appendix W concerning the guidelines for air quality modeling were outlined. The most important proposed changes include the following:
 - a. Modify AERMOD to be less conservative when predicting concentrations under stable, low wind speed conditions, and for tall stacks located near relatively small urban areas.
 - b. Modify the Ambient Ratio Method (ARM2) to be less conservative when determining the NO_x to NO₂ ratio.
 - c. Establishing a MERP (Model Emissions Rate for Precursors) level which would be a trigger for a photochemical grid model.
 - d. Removal of CALPUFF as a preferred model.

The public comment period ends on October 27, 2015, and the revisions are scheduled to be adopted in the second quarter of 2016.

10. An update on the Emission Statement program was provided. Of the 2014 Emission Statements submitted thus far, 241 are from major facilities and 237 are from non-major facilities. Approximately 80% were submitted through the Department's portal. The Department has considered mandatory portal submission in a future rule revision, but no time frame has been set. Prior to the rulemaking, a stakeholder process will be initiated to discuss this, including a waiver for those facilities which do not have access to the appropriate computer technology.
11. The Department is working with the Board of Public Utilities (BPU) on the issue of Renewable Energy Credits (REC). The Department is requesting that the BPU issue a Class II REC to an in-state or out-of-state resource recovery facility only if scrap metal is removed from bottom ash before any blending with fly ash occurs. This reduces the potential for the release of fly ash, which is more contaminated than bottom ash, to the environment. The

Department also asked the BPU not to issue Class I REC to out-of-state engines which burn landfill gas which have higher air contaminant emissions than NJ landfill engines.

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