

**INDUSTRIAL STAKEHOLDERS GROUP (ISG)
MEETING MINUTES –October 10, 2008**

The following issues were discussed at the 10/10/08 ISG meeting. Follow-up items are **bolded**.

The following issues were discussed:

1. The Department stated that the Clean Air Act Section 185 Penalty Fees were only applicable to facilities located in Northern New Jersey counties which were designated as not achieving the 1 hour ozone standard. This non-attainment designation resulted from ambient air monitor readings in Connecticut. All NJ monitors met the standard. Any major facilities which emit over 80% of its baseline emission level (annual highest emissions over the last ten years) would be subject to an inflation adjusted fee of approximately \$8000 for each ton emitted over the 80% level. The Department advised that any emission reductions which resulted from a curtailment of operations would be counted when determining applicability and fees. Other states are implementing the Section 185 fee program, and New Jersey may proceed with its own program in 2009. Facilities can avoid the fees if the Northern New Jersey counties come into attainment with the 1 hour ozone standard or by lowering emissions to the 80% level.

FOLLOWUP

The Department will issue on Listserv the March, 2008 USEPA Section 185 guidance memorandum.

2. The Department stated that it was forming a "Temporary Equipment" Workgroup to expand the definition of "insignificant source" in N.J.A.C. 7:27-22.1. The Workgroup would determine which additional sources will be included in the insignificant source definition, allowable operating time (anticipated to be between 30-90 days), and methodology to confirm that N.J.A.C. 7:27-18 will not be triggered. The Department is of the opinion that each time a facility brings temporary equipment on-site, the facility should conduct an N.J.A.C. 7:27-18.7 netting analysis. This netting analysis would be maintained on-site and not submitted to the Department for review.

At this time temporary equipment can still be operated at Title V facilities with placeholder conditions so long as the contractor's equipment has a preconstruction permit. A recurring problem noted is that many contractors do not have their equipment permitted.

FOLLOWUP

The Department will contact the ISG members who signed up to be on the Temporary Equipment Workgroup and hold a subgroup meeting.

3. The Department distributed the following policy memoranda:

- A. The August 8, 2008 final memorandum, "Inclusion of Hazardous Air Pollutant (HAP) Emissions in Air Quality Permit," states that all air pollution control (APC) permits, including those for the storage and combustion of commercial fuel, list any HAP emitted over the reporting threshold levels. One objective of the 8/8/08 memorandum was to reinforce this existing procedure.

HAP emitted over the reporting threshold must be included in permits for new equipment, modifications, and, for Operating Permits, renewals. The inclusion of HAPs, by itself, will not trigger SOTA applicability, but may result in the need for a health risk assessment. When asked, the Department responded that the 8/8/08 memorandum would not impact General Permits since HAP emissions were considered during their development.

- B. The September 19, 2008 final memorandum, "Guidance on Averaging Period for Stack Emission Tests," provided a hierarchical list of ways to evaluate multiple stack test runs for enforcement purposes. Compliance with either the average of three validated stack test runs or each individual validated stack test run must be demonstrated based on origin of the emission limit (code, consent agreement, short term health impact, SOTA analysis). The Department advised that the permit evaluator or management, if necessary, should be contacted if a draft or final compliance plan is issued which is inconsistent with this policy.
- C. An October 10, 2008 draft memorandum, "Guidance on Determining Health Risks for Diesel Exhaust Particulates for Internal Combustion Engines (ICE)" advised that health risk assessments are conducted for diesel particulates. This is consistent with the 8/8/08 memorandum outlined in Item 3.A. above. Two exceptions are Emergency Generators and ICE used as portable equipment. A request was made to expand the list of exceptions to other scenarios which were consistent with the limited operation of ICE.

FOLLOWUP

The Department asked the ISG to forward any comments on this draft policy within 3 weeks.

4. Revisions to the Presumptive Norm for Stack Testing of Boilers and Turbines were outlined. These included only testing combined cycle turbines at the worst case scenarios, instead of each scenario, and eliminating stack testing for natural gas and Number 2 fuel oil for boilers greater or equal to than 50 million British Thermal Units per hour (MMBTU/hr) and less than 100 MMBTU/hr. A question was raised as to why dual fuel boilers had to be stack tested while boilers which combusted either natural gas or Number 2 fuel oil did not. The Department acknowledged this inconsistency and stated that it would be addressed. The Department stated that if a current permit had a testing requirement inconsistent with the revised presumptive norm, the requirement would still be in effect and enforceable until a formal permit modification has been filed and issued.

FOLLOWUP

The Department asked the ISG to forward any comments on the Presumption Norm revisions.

5. The Department announced that it was implementing a policy which would allow process monitors to be out of service for up to 24 hours per calendar quarter. This would apply to monitors, such as temperature and flow rate, which are not subject to Federal New Source Performance Standards. Facilities must still accurately record the dates and duration of the downtime. The Department clarified the following: 1) a "24 hour" allowance is applicable to monitors on an individual basis; 2) The policy is applicable as of the fourth quarter, 2008; and 3) facilities do not have to file any modification to their APC permits to avail themselves of the allowance.

The Department also stated that the "24 hour" allowance would be included in the modifications proposed for Technical Manual "Guidelines for Continuous Emissions Monitoring Systems (CEMS) and Continuous Opacity Monitoring Systems (COMS) (1005)," which will be issued for public comment.

FOLLOWUP

The Department will reassess this policy in a year to determine if it has met its objectives.

6. The Department stated that it was accepting RADIUS submittals of APC Permit applications on CD-ROM disks. Also, the Department outlined that it anticipated issuing all Operating Permits in a PDF format by the end of December, 2008, and all Preconstruction Permits shortly thereafter. This would allow the approved Permits to be forwarded to facilities on a CD-ROM disk instead on paper. Permits on PDF would be able to be posted on the Department's Dataminer website. In addition, the Department will try to place Operating Renewals on its website.
7. The Department stated that it is retiring the following three current SOTA Manuals: Asphalt Manufacturing, Glass Manufacturing, and Storage Tanks. This has been formally announced in an October, 2008 New Jersey Register notice. These SOTA Manuals are being removed since they contained outdated requirements. The Department will be drafting new SOTA Manuals for these source operations which reflect current APC technologies.
8. The Department announced that it was reopening the Batch Plant Technical Manual #1301, which was last modified in 1993. This is necessary to include the reporting thresholds in N.J.A.C. 7:27-8 and 22, the RADIUS submittal format, revised risk assessment procedures, and revised reporting forms. The Department requested stakeholder participation in a Workgroup which would review and provide feed back on the draft Manual. A goal is to resolve most issues before the draft Manual is published in the NJ Register for the formal public comment period. Outreach for the effort has

included an October 6, 2008 Listserv announcement, and a letter to companies to companies which hold a Batch Plant Permit.

9. The Department outlined its effort to adopt additional General Operating Permits (GOP). The GOP would be only for new equipment, and will be included in a facility's Operating Permit when the next minor modification, administrative amendment, or renewal is filed. Once the GOP has been merged into the Operating Permit, it will be terminated. The GOP can be used to replace existing equipment, but a minor modification would have to be filed to formally remove any existing equipment from the Operating Permit.

The facility using the GOP will still be responsible for conducting PSD and N.J.A.C. 7:27-18.7 applicability analyses. The Department feels, as stated in Item 2 above, that these analyses only have to be maintained on-site; however, the USEPA is of the opinion the analyses should be submitted to the Department for review.

Equipment that will be evaluated for inclusion in a GOP includes boilers with a capacity of less than 10 MMBTU/hr, and emergency generators.

10. The Department stated that PM-2.5 emissions would have to be address by 2010 or when the PM-2.5 test method is promulgated, whichever occurs first. The unofficial test method, which is on the USEPA website, uses a dry impinger for condensibles. The Department raised the concern of the number of projects that will need PM-2.5 credits to proceed.
11. The Department described the Emission Reporting Tool (ERT), which establishes a standard reporting format in Excel for USEPA Test Methods 1, 2, 3, 4, 5, 7, 8, 25, 25A and 28. It was acknowledged that each stack testing firm has its own proprietary formats, but the Department is strongly considering making the ERT format mandatory beginning in 2011. This would streamline the Department stack test review procedure and allow the creation of a searchable, electronic stack testing data base.

FOLLOWUP

The Department's Bureau of Technical Services will contact and meet with stack test firms to notify them about the anticipated use of the ERT.

12. The Department stated that it was making a considerable effort to have the draft RACT rules operative by May 1, 2009. In addition, the Department anticipates finalizing GP-017 and GP-08 by January 1, 2009.
13. A request was made for the Department to consider the time necessary for the facility's bidding process when establishing timelines for the installation and operation of continuous emission monitors. The Department stated that it would take this concern under consideration.