



North Carolina Department of Environment and Natural Resources

Division of Air Quality

Beverly Eaves Perdue
Governor

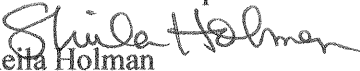
Sheila C. Holman
Director

Dee Freeman
Secretary

January 11, 2011

Memorandum

To: MACT Task Force
Deputy Director
Section Chiefs and Supervisors
Regional Office Permit Coordinators
Regional Office Compliance Coordinators
Permit Work Group Members

From: 
Sheila Holman

Subject: Interim Policy on Reciprocating Internal Combustion Engines (RICE) Area Source Rule Implementation

The purpose of this memo is to provide an interim permitting and compliance guidance to DAQ staff concerning the RICE area source requirements while DAQ investigates de-delegation of this generally available control technology (GACT) standard. The DAQ is facing the use of a large amount of its limited resources in order to permit and ensure compliance for the RICE GACT. As such, this memo is intended to guide DAQ staff forward with the RICE effort using staff resources most efficiently until a de-delegation decision is made.

Background

The final rule for RICE National Emission Standard for Hazardous Air Pollutant (NESHAP) Subpart ZZZZ (4Z) was promulgated on August 20, 2010, with an effective date of October 19, 2010. This rule covers existing, new, or reconstructed stationary RICE located at a major or area source of HAP emissions. For existing and new RICE, the rule specifies compliance requirements based on engine size and the date of construction/reconstruction at a major source or an area source.

Permitting and Inspection Guidance

1. DAQ permit engineers will continue to insert place-holder language in permits until the outcome of the de-delegation process is known. No further efforts to draft permit conditions for both permitted and insignificant RICE sources will be performed.
2. New engines at an area source must comply with 4Z requirements (at installation) that require compliance with NSPS Subparts IIII (4I) or JJJJ (4J). DAQ permit engineers will ensure that 4I and 4J requirements are incorporated into the permits for new engines.

3. Existing engines at area sources do not have to comply with 4Z requirements until May 3, 2013 or October 19, 2013 (depending on engine type). Permitting guidance for these sources will be determined based on the outcome of the de-delegation process. If the de-delegation process is successful, no further revisions to the placeholders will be needed.
4. Regional office compliance inspectors will continue to identify RICE sources during site inspections¹. In order to track facilities and specific units subject to this rule, regional office staff will enter GACT 4Z as a Program (while recording the inspection in IBEAM) and enter generators as sources in IBEAM (during permit renewal/modification). During site inspections, DAQ will determine facility compliance with GACT 4Z based solely upon the fact that we have identified a unit that is subject, not based on meeting specific requirements. The compliance status for this program, on the inspection screen in IBEAM, will be marked as "Compliance – Procedure".

If the de-delegation process is successful, we will continue to track subject units. However, we will evaluate the process of modifying IBEAM to track these units and this program with no additional implications for permitting/compliance/inventory programs.

5. For subject permitted facilities, regional office compliance inspectors should inform the affected sites, during routine inspections, that they are responsible for meeting federal compliance requirements, and direct them to EPA rules and other information web-sites². Enforcement actions will be determined based on the outcome of the de-delegation request.
6. The MACT/GACT Team Lead for RICE will continue to keep abreast of EPA activities on 4Z. However, minimal resources should be spent in developing implementation guidance.
7. As resources allow at individual Regional Offices, DAQ staff should continue customer service to affected facilities by helping them determine compliance requirements and schedules. Questions from facilities should be handled on a case-by-case basis.

cc: Local Program MACT Contacts
Small Business Ombudsman
DENR Division of Environmental Assistance and Customer Service

¹ Guidance documents posted by EPA and a rule summary report developed for internal use by the MACT Taskforce may be utilized (<http://ibeamaq.enr.state.nc.us/aq/Internal/Planning/MACT/> – see DAQ Rule Summary, EPA Applicability Flowchart and Summary Table of Requirements).

² <http://www.epa.gov/ttn/atw/area/arearules.html> - see Implementation Tools/RICE Summary Table of Requirements.