AGENDA ITEM 2

ENVIRONMENTAL MANAGEMENT COMMISSION AIR QUALITY COMMITTEE MEETING SUMMARY September 7, 2016 Archdale Building-Ground Floor Hearing Room 3:30-5:00 PM

The Air Quality Committee (AQC) of the Environmental Management Commission (EMC) met on September 7, 2016, in the Ground Floor Hearing Room of the Archdale Building. The AQC members in attendance were: Mr. Charlie Carter, Mr. E.O. Ferrell, Dr. Lawrence Raymond, Mr. J.D. Solomon, and Mr. Steve W. Tedder, the Director and staff members of the Division of Air Quality (DAQ), Ms. Jennie Hauser of the North Carolina Attorney General's Office and the general public was also in attendance.

CALL TO ORDER (Charlie Carter)

Agenda Item #1, Call to Order and the State Government Ethics Act, N.C.G.S. §138A-15(e)

General Statute §138A-15(e) mandates that the Chairman inquire as to whether any member knows of any known conflict of interest or appearance of conflict with respect to matters before the Environmental Management Commission's Air Quality Committee. No conflicts were identified.

MINUTES (Charlie Carter)

Agenda Item #2, Review and Approval of July 13, 2016 Meeting Minutes

Chairman Carter inquired if everyone had been able to review the minutes from the July meeting and if there were any changes or corrections. No changes were cited. Chairman Carter asked for a motion to approve the minutes. Dr. Raymond made a motion to approve the minutes and Mr. Solomon seconded. The minutes were unanimously approved.

CONCEPTS

None

DRAFT RULES

None

SEPTEMBER EMC AGENDA ITEMS

Agenda Item #3, Hearing Officer's Report on Startup, Shutdown and Malfunction (SSM) State Implementation Plan (SIP) Call Rule Revisions (533) (Michael Pjetraj, DAQ/ Charlie Carter, EMC/E.O. Ferrell, EMC)

Mr. Michael Pjetraj, Stationary Source Compliance Branch Supervisor of the Division of Air Quality, briefly summarized the public hearings on the Startup, Shutdown, and Malfunction State Implementation Plan (SIP) Call Rule Revisions highlighting the key changes since proposal before the full EMC for adoption the following day. Mr. Charles Carter, Environmental Management Commissioner and Air Quality Committee Chairman, and Mr. E. O. Ferrell, Environmental Management Commissioner, were appointed and acted as hearing officers for the Raleigh and Charlotte hearings, respectively.

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In total 1781 sets of comments were received with the majority being template comments from individual members of the general public, and the remainder consisting of several comments from environmental groups, comments submitted by EPA, and comments from the regulated community.

Overall the primary changes include removal of two unnecessary lines related to enforcement issues and recommendation of a rule effective date of May 22, 2018 to allow time for ongoing litigation to complete and which aligns with the Clean Air Act eighteen-month timeframe for EPA approval of the state's implementation plan submittal due November 22, 2016.

Agenda Item #4, Hearing Officer's Report on Repeal of 15A NCAC 02D .1010, Heavy-Duty Vehicle Idling Restrictions (535) (Lori Cherry, DAQ)

Ms. Lori Cherry, Program Consultant with the Division of Air Quality Ambient Monitoring Section, served as hearing officer and summarized the public hearing record on the proposed repeal of 15A NCAC 02D .1010, Heavy-Duty Vehicle Idling Restrictions, pursuant to Section 4.24 of Session Law 2015-286 which mandates that the Secretary of the Department Environmental Quality repeal 15A NCAC 02D .1010.

Until the effective date of the repeal of the rule required pursuant to this section, the law prohibits the DEQ Secretary, the Environmental Management Commission, or any other political subdivision of the State from implementing or enforcing 15A NCAC 02D .1010.

Four persons provided comments in opposition to the repeal expressing concerns during the comment period expressing concern it would not protect of air quality standards, that there could be potential health impacts from diesel exhaust, and that the repeal could pose a potential environmental justice problem. Pursuant to the session law, the Secretary is obligated to repeal the rule and the Hearing Officer recommends that the proposed repeal be adopted by the Environmental Management Commission.

Agenda Item #5, Hearing Officer's Report on Revisions to Volatile Organic Compound (VOC) Rules in 15A NCAC 02D .0902 (532) (Lori Cherry, DAQ)

Ms. Lori Cherry, Program Consultant with the Division of Air Quality Ambient Monitoring Section, served as hearing officer for a public hearing held on May 25, 2016 at 3:00 pm in Raleigh, NC.

The hearing considered the proposed amendment to Rule 15A NCAC 02D .0902, Applicability, to narrow the applicability of 15A NCAC 02D .0958, Work Practices for Sources of Volatile Organic Compounds, from statewide to the maintenance area for the 1997 8-hour ozone standard. The proposed amendment removes the Rule .0958 from the list of rules that apply statewide in Paragraph (e) of Rule 02D .0902.

Two persons commented on the amendments with one noting more information would be needed to demonstrate the rule change would not interfere with air quality or other requirements of the Clean Air Act and one expressing concern that other federal guidelines intended to control VOCs through work practice standards don't create legal obligations and aren't sufficient to ensure worker safety in facilities. No changes were made to the rule as a result of the comments.

INFORMATION ITEMS

Agenda Item #6, Update on Revisions to Address Sewage Sludge Incinerator (SSI) Emissions Guidelines Federal Plan (497a) (Joelle Burleson, DAQ)

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Ms. Joelle Burleson, Rule Development Branch of the Division of Air Quality, presented an update about the steps necessary for delegation of the Sewage Sludge Incinerator Emissions Guidelines Federal Plan. EPA had published its final federal plan, 40 CFR 62 LLL, applicable to existing sewage sludge incinerators on April 29, 2016. North Carolina DAQ will work with EPA to take delegation of the federal plan as quickly as possible to fulfill its role under the Clean Air Act as primary implementer, given that the agency and local program where the impacted sources are located already interact with the four existing sources regarding these and other applicable requirements. Amendments to the state incinerator rules in 15A NCAC 02D .1204 are anticipated to be necessary to reflect the state's approach to address the SSI emissions guidelines beyond the federal plan.

Agenda Item #7, Director's Remarks (Sheila Holman, DAQ)

1) Boiler MACT - The D.C. Circuit vacated the Boiler MACT and EPA will have to examine their options. In the meanwhile, North Carolina had handled these sources through its earlier case-by-case 112 (j) standards which remain in place until May 2019.

(2) EPA Final Action on Transport Rule - The EPA finds, in the final air quality modeling on which this rule is based, one state for which the EPA proposed a FIP in the proposed CSAPR Update rule, North Carolina, is not linked to any downwind nonattainment or maintenance receptors. Therefore, the EPA is not finalizing a FIP for North Carolina. The EPA is not finalizing a FIP because the EPA's analysis performed to support the final rule does not indicate that North Carolina is linked to any identified downwind nonattainment or maintenance receptors with respect to the 2008 ozone standard. Because the 2008 ozone NAAQS is more stringent than the 1997 ozone NAAQS, this modeling necessarily indicates that North Carolina also is not linked to any remaining air quality concerns with respect to the 1997 ozone standard for which the state was regulated in the original CSAPR. Accordingly, in order to address the Court's remand with respect to interstate transport responsibility under the 1997 ozone standard, the EPA is removing North Carolina from the CSAPR ozone season trading program beginning in 2017 when the phase 2 ozone season emission budgets were scheduled to be implemented.

Chairman Carter asked for additional questions or comments, and upon hearing none, noted that the next meeting of the AQC would be November 9. Chairman Carter adjourned the meeting.