

# **Air Management Study Group**

## **Quarterly Meeting**

Madison - GEF2  
Thursday, August 22, 2013

# **Air Program Updates**

**Bart Sponseller**

Director

Bureau of Air Management

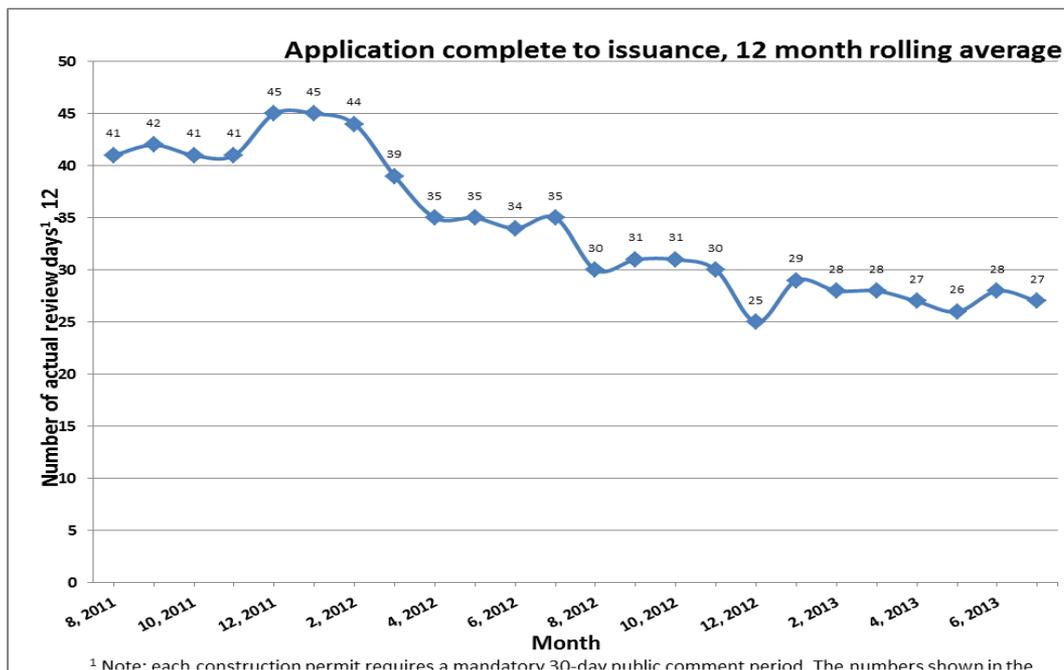
Wisconsin DNR

# AWaRe Annual Report – Air Program Highlights

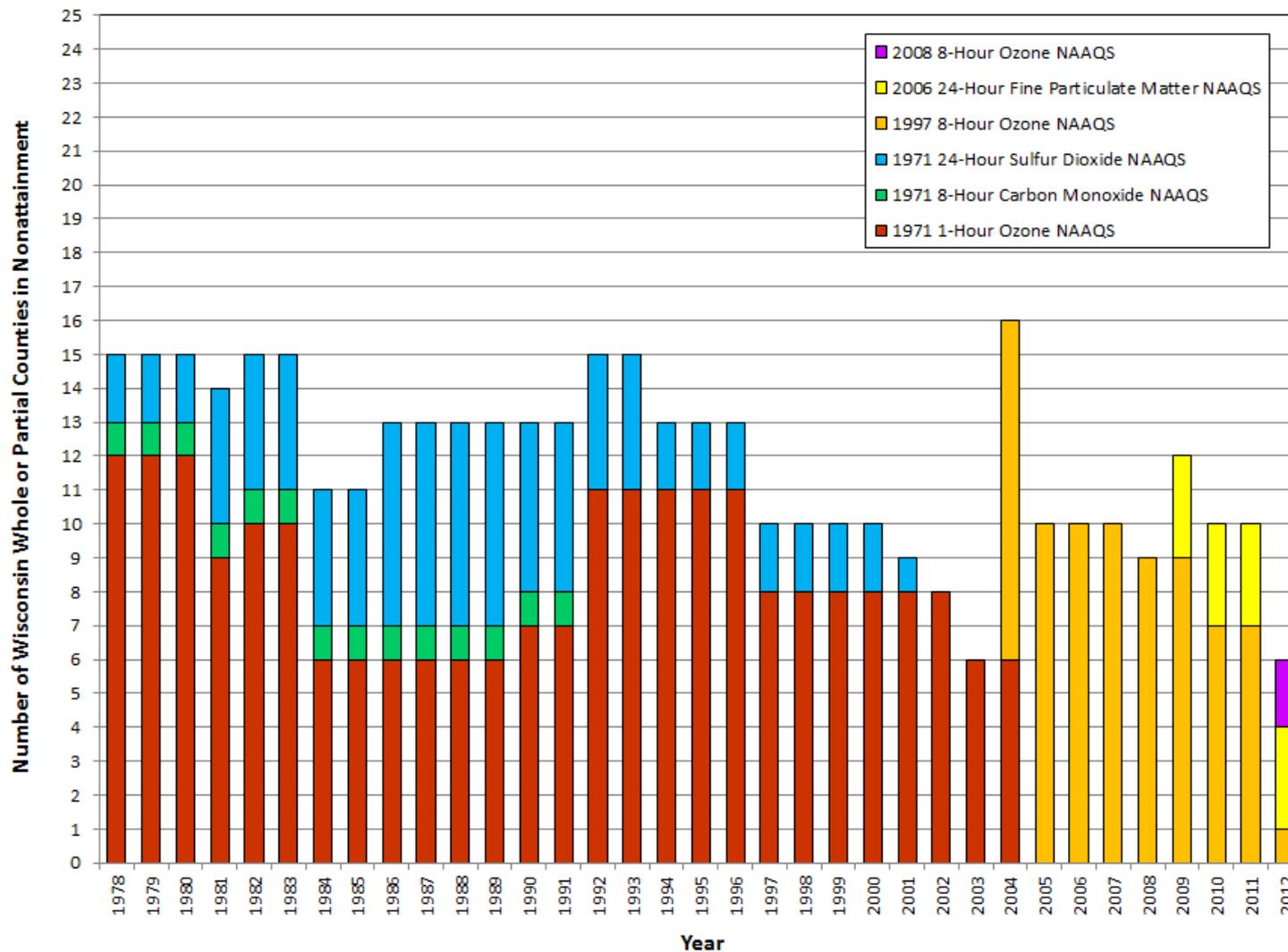
- Faster construction permit processing
- Major air quality improvements
- Air permits streamlining rule package
- Mercury rule revisions authorized by NRB
- Air Program's registration permit program & customer survey
- Air quality mapping and monitoring trends
- New Air Management Study Group
- Wisconsin's Clean Diesel Grant programs

# Faster Construction Permit Processing

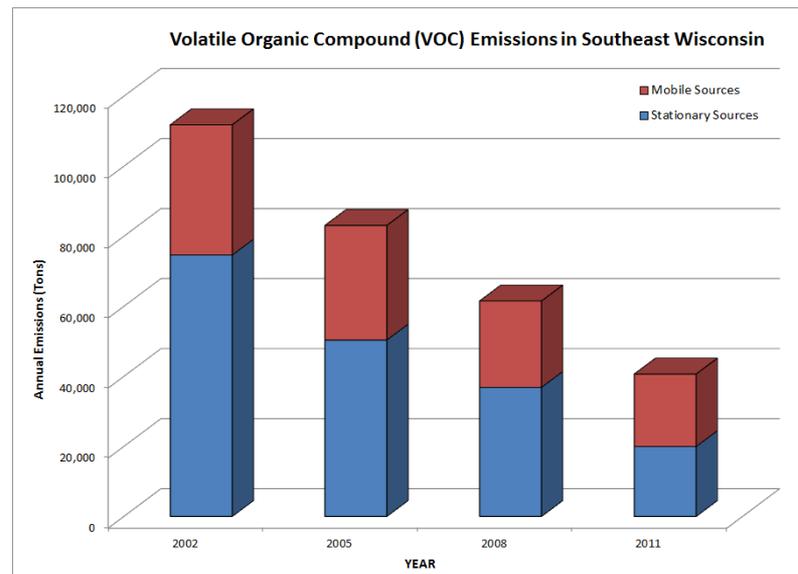
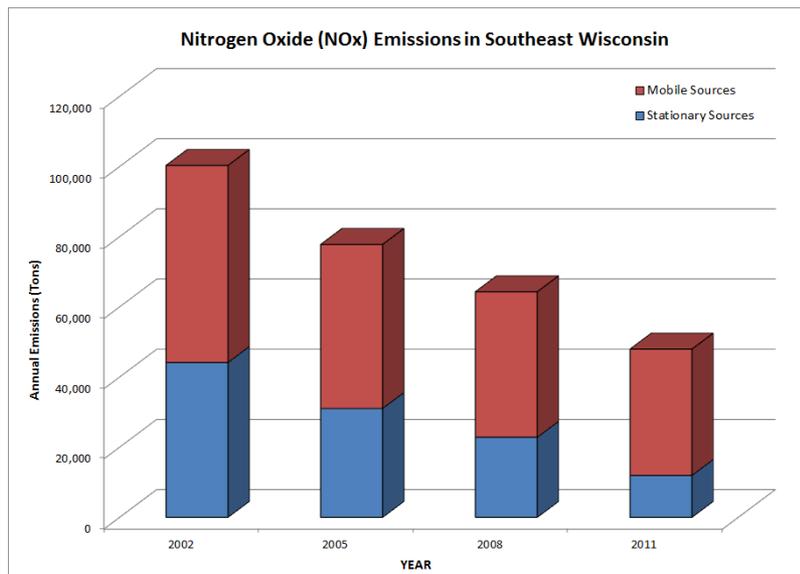
Timeframe (Days) from Complete Application to Authorization	Number of Permits Authorized In FY 2013	Percent of Permits Authorized In FY 2013
15 or less	60	33.3%
16-49	73	40.6%
50-100	29	16.1%
101 or more	18	10.0%
Totals	180	100.0%



# Major Air Quality Improvements



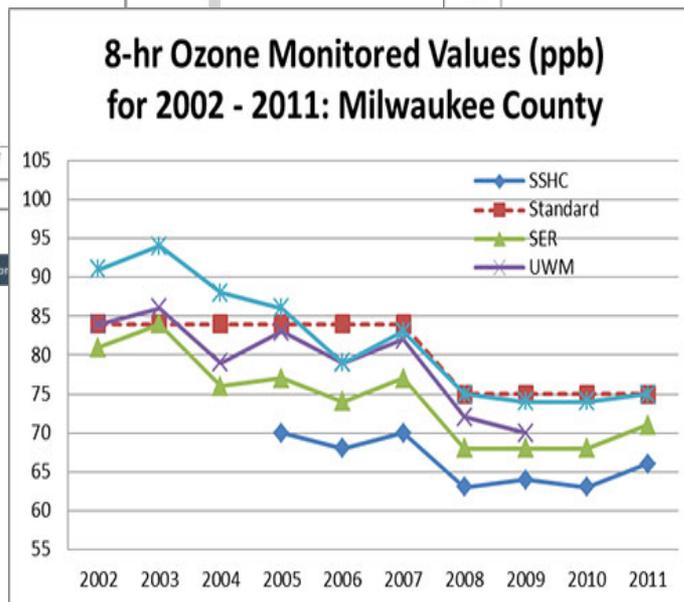
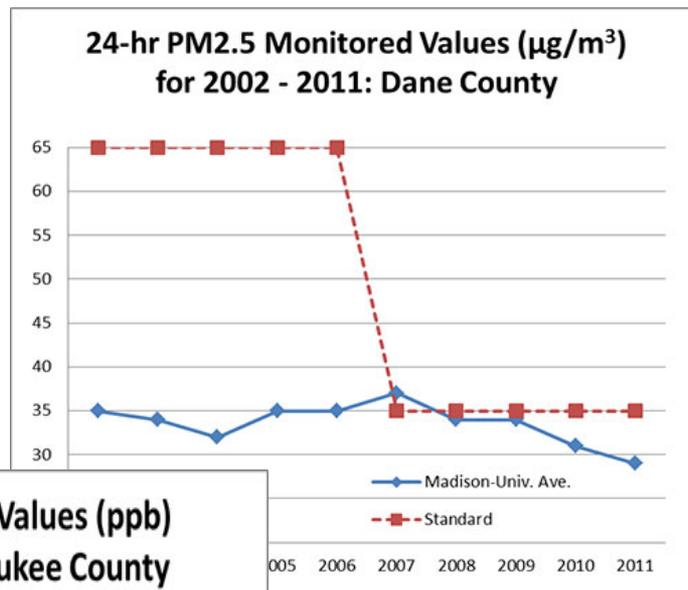
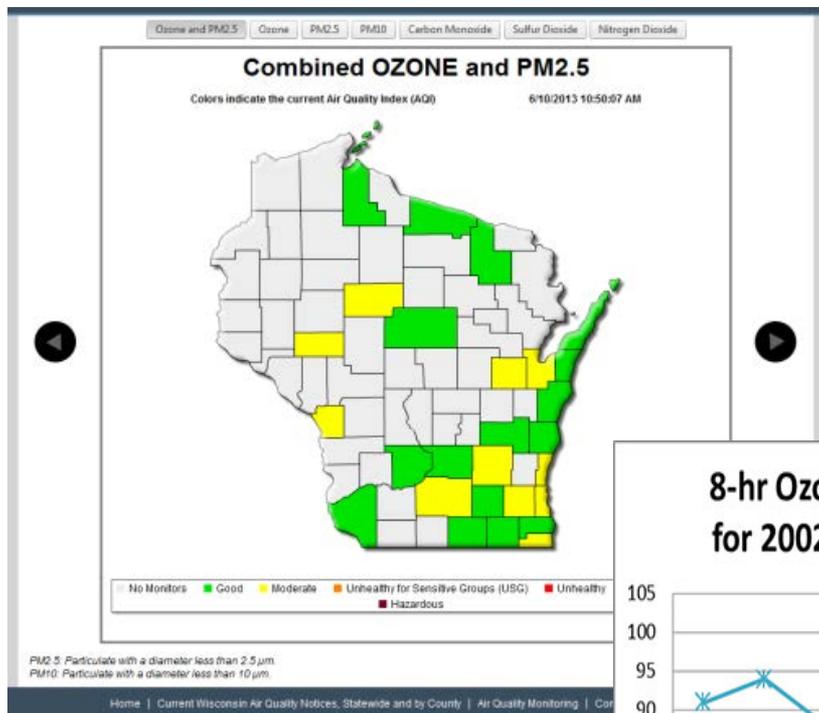
# Major Air Quality Improvements



# Air Program's Registration Permit Program & Customer Survey

- 94 businesses receiving registration permits in CY 2012 sent survey
- Most responses indicated application process was either “very easy” or “easy”
- 71% needed DNR assistance during process
- Beginning in 2013 survey is sent to each recipient
- Results will drive additional guidance for applicants

# Air Quality Mapping and Monitoring Trends



# Wisconsin's Clean Diesel Grant Programs

- Public-private partnerships in Wisconsin's Clean Diesel Grant programs have already led to air pollution reductions, health cost savings and local economic incentives
- Grantees garner fuel-efficiency and improve their bottom lines

## Results from FY2013 Wisconsin Clean Diesel Grant Program:

Project	Quantity	County	Grant Award	Recipient Share
Waste hauler replacement (diesel to hybrid)	1	Milwaukee	\$100,000	\$344,934.93
School bus retrofit (diesel oxidation catalysts)	6	Oneida	\$13,219.92	0
School bus replacement (diesel to propane)	2	Sheboygan	\$50,000	\$125,000
School bus replacement (diesel to propane)	2	Sheboygan	\$43,356	\$131,644
Rock crusher engine repower	1	Brown	\$50,000	\$59,493
Crane engine repower	2	Waukesha	\$50,000	\$57,231.42
<b>TOTAL</b>	<b>14</b>		<b>\$306,576</b>	<b>\$718,303.35</b>



## Air Program Budget

- We focused on stabilizing funding in order to continue to meet federal requirements
- Title V Sources
  - In addition to annual emission fees, creates a base and other fees
  - Sustains Title V staff at current levels through FY18
- Non Title V Sources
  - Increases flat fee
  - Additional funding to staff non-Title V work
- Two new positions for sand mining work

## Other Budget Related Items

- Administer a grant program to assist the removal of vapor control systems from gasoline retail stations
- Establish an additional special purpose ozone monitor in Sheboygan County
- Create an operation permit exemption for natural minor sources
- Create a registration permit for sources whose emissions do not exceed 50% of federal thresholds
- Annually notify sources of their potential eligibility to obtain a registration permit
- Evaluate existing compliance requirements for sources that hold state operation permits and, where appropriate, simplify, reduce or remove



# Alternative Enforcement Options

**Bill Baumann**

Chief

Compliance, Enforcement & Emission Inventory Section

Bureau of Air Management

Wisconsin DNR

# Major Source NSR Guidance

What we are working on in 2013

**Steve Dunn & Sam Spiering**

Permits and Stationary Source Modeling Section

Bureau of Air Management

Wisconsin DNR

## Major Source NSR Guidance

- Developing new guidance and form(s) to facilitate review and application process
- Areas being developed so far
  - PSD/NSR application checklist - optional
    - August 2013
  - Comprehensive guide to review applications for PSD/NSR permits
    - Fall – Winter 2013/2014

# Major Source NSR Guidance

## PSD/NSR guide topics

- Baseline emissions
- Future actual projections
- Excludable emissions
- *BACT analysis review and submittals*
- Aggregation of projects
- Netting and offsets
- Others?

# Major Source NSR Guidance

## PSD/NSR guide format and timeline

- Textual discussion
- Links to EPA and DNR documents and policy memos
- Examples of how different analyses can and have been done (updateable)

# Schedule

Looking for your input

- Send ideas or examples now
- Draft ready for internal review and AMMSG input in Fall 2013
- Public comment in Winter 2013/2014

# Contacts

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**Questions?**



# **Air Permit Streamlining Permit Efficiency Rule**

**Kristin Hart & John Roth**

Permits and Stationary Source Modeling Section

Bureau of Air Management

Wisconsin DNR

## Streamlining Overview

- 50% ROP - Registration permit for facilities emitting up to 50% of the major source threshold
- Procedural efficiencies
- Lean 6 projects
- Customer surveys
  - What guidance do sources want/need?
  - Where is consistency falling down?
  - How can we improve customer service?
- Rule making – Permit efficiency rule

## Permit Efficiency Rule

- Scope objective

*“...to improve operational efficiency and simplify the Air Pollution Permitting processes administered under chs. NR 406 and 407, Wis. Adm. Code, while remaining consistent with the Federal Clean Air Act.”*
- Changes to NR 406 – Construction permits
- Changes to NR 407 – Operation permits
- Changes to NR 445.09 – Air toxics rule – to remove inconsistencies between state and federal requirements
- Define “cause or exacerbate”

## AMSG Role

- Purpose of stakeholder involvement
  - Ideas – diversity of viewpoints
  - Receive input on issues
  - Communication/outreach
  - Identification of other stakeholders
- Stakeholder group structure
  - AMSG representation
  - Other outside expertise as needed
- Stakeholder group charges
- Report back to AMSG quarterly

## What We Need

- Volunteers to participate in workgroups
  - 406 – Construction permit streamlining
  - 407 – Operation permit clean-up and natural minor exemption
  - Defining “cause or exacerbate”
- Ideas
  - Scope of this rule is broad so that we can gather ideas from stakeholders
- Feedback
  - Review drafts, provide comment, tell us what you think

## Schedule

- Aug-Nov 2013 – Meet with stakeholder groups
- Dec. AMMSG meeting – Report on progress
- Jan/Feb 2014 – Split rule into portions that can move ahead and portions that need more stakeholder involvement
- April 2014 – Fast portion of rule in board order format
- Dec. 2015 – Final rule for fast portion
- Dec. 2016 – SIP approval – rule effective

## Ch. NR 406 – Construction Permits

- Defining terms
  - Reconstruction
  - Shutdown
  - Cause or exacerbate
- Aligning state definitions with federal definitions
- Clean up old language
- Correct errors or omissions

## Ch. NR 406 – Construction Permits

Explore the following

- Create an administrative revision process
- Expand existing exemptions
- Create new exemptions
- Examine construction permit waiver to remove requirement for “undue” hardship
- Other – we need your ideas and feedback

## Ch. NR 407 – Operation Permits

- Defining terms
- Aligning state definitions with federal definitions
- Clean up old language
- Correct errors or omissions

## Ch. NR 407 – Operation Permits

### Examine

- Exemption for “natural minor” sources
- Simplify and expand usability of minor revision process
- Expand registration permit program
- Make operation permits for minor sources non-expiring
- Expand existing exemptions
- Create new exemptions
- Other – we need your ideas and feedback

## s. NR 445.09 – Diesel Engines

*Jeff Myers*

- Narrow charge in the scope
- Propose language to assure compliance with state rule does not result in non-compliance with federal rule and vice versa
- Propose language so that facilities can manufacture and sell engines to international markets
- Jeff is working with affected industries to modify language in the rule

# Cause or Exacerbate

*John Roth*

One goal of the efficiency rules is to satisfy the statutory requirement:

*“The department shall promulgate rules to define what constitutes the cause or exacerbation of a violation of an ambient air quality standard or ambient air increment.”*

*-sec. 285.21(3), Wis. Stats*



## Why are we doing this?

- We've been directed by the legislature to do so
- It is one of the criteria for permit approval:

*“The source will not cause or exacerbate a violation of any ambient air quality standard or ambient air increment...”*

*-sec. 285.63(1)(b), Wis. Stats.*

## Methods / Process

- Detailed discussion within and between permits and modeling teams
- Contact external partners to participate on workgroup
- Hold teleconferences (2) in Sep/Oct 2013
- Primary method of sharing via email

## Example Categories

- Dictionary definition of terms
- Regulatory process
- Pollutant-specific approach

All suggestions to better focus the Department's  
limited resources



# Contacts

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“Cause or Exacerbate” – John Roth

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