

Texas Commission on Environmental Quality

INTEROFFICE MEMORANDUM

To: Air Permits Division Staff **Date:** April 15, 2005

Thru: Richard A. Hyde, P.E., Director
Air Permits Division
Office of Permitting, Remediation, and Registration

From: Dana Poppa Vermillion, P.E., Manager
Chemical New Source Review Permits

Subject: Incorporating Permit by Rule Emissions in Permit Review - Pilot Study

The use of Permits by Rule (PBRs) has been an effective permitting mechanism. However, the cumulative impacts of emissions from the use of PBRs at a site have raised concerns that efforts to improve air quality might be affected. As part of the settlement of environmental justice lawsuits, the Texas Commission on Environmental Quality has agreed to address the issue of cumulative emissions from the multiple use of PBRs at a single site.

As a pilot program, the Air Permits Division (APD) will selectively evaluate the predicted additional impact of PBRs during the case-by-case permitting process of new and modified facilities. Applicants in Brazoria, Galveston, Harris, and Jefferson Counties could be asked to identify and provide hourly and annual emissions information for PBRs with the same pollutants considered in the permit application. Permit projects that meet the requirements for fast-track process can be exempted from the pilot project with section manager approval.

The following procedures will be used to identify projects to be included in the pilot study:

Step 1 - Is the project located in Brazoria, Galveston, Harris, or Jefferson County and are there PBRs for the same pollutant as the permit action at the site? If yes, proceed to Step 2. If no, proceed with technical review.

Step 2 - Does the project also meet one or more of the following criteria?

- The pollutant is included on the APD Pollutant Watch List and the facility is located in the watch list area;
- There have been monitored exceedances, from fixed or mobile monitors, of a standard or effects screening level (ESL) in the local area within the past five years;
- There is a disaster potential;
- The pollutant has an $ESL \leq 2 \mu\text{g}/\text{m}^3$;
- The site has confirmed nuisance complaints; or

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- The percentage of PBR emissions (E_{PBR}) to sitewide emissions (E_{SITE}) exceed thresholds established by APD and based on ESLs, regulatory standards, and National Ambient Air Quality Standards.

If the project does not match any of the criteria, it does not need to be included in the study. If the project does meet any of the criteria, proceed to Step 3.

Step 3 - The following criteria may be used to exempt a project from the study with management approval:

- Sitewide modeling has been conducted previously with acceptable impacts;
- Representative monitoring data is available that indicates that concentrations in the local area are less than standards or ESLs; and
- The PBR has a level of control.

Step 4 - Include identified PBR emissions in the permit review as increased emissions unless the applicant agrees to include a special condition that limits the use of PBRs for the same air contaminant(s) at the site. Proceed with impacts review following modeling and effects review applicability guidance document.

Step 5 - Forward the results of Steps 3 and 4 to the Technical Program Support Section (TPSS). The TPSS will review the results at the 3 and 6-month point to determine if a statistically significant sample has been captured. If the answer is yes, the TPSS will summarize the results for management review to determine if the project should continue.