




North Carolina Department of Environment and Natural Resources
DIVISION OF AIR QUALITY

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MEMORANDUM TO: Regional Supervisors
Regional Compliance Supervisors/Coordinators
Lee Daniel
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FROM: Keith Overcash 
Deputy Director

SUBJECT: Implementing the Compliance Monitoring Strategy

The North Carolina Division of Air Quality (DAQ) conducts an air quality program to protect and improve air quality and to protect public health. The DAQ assures compliance with air regulations through the following activities:

- Performing inspections,
- Issuing permits,
- Enforcing against violators,
- Reviewing self-monitoring reports,
- Assuring quality of measurements and operations,
- Reviewing source test results, and
- Maintaining emission inventories.

The State performs inspections of facilities to determine compliance not only with State and Federal regulations, but also with permit requirements. Permits codify applicable requirements and place on facilities other conditions and limitations necessary for achieving clean air goals. Enforcement actions against violators are necessary to regain compliance and deter further violations. Self-monitoring is required at specified facilities where it is necessary to assure compliance on a continuous basis. Quality assurance activities maintain the accuracy of the measurement devices and pollution control equipment. Maintaining an inventory of emission sources helps DAQ identify where emissions can be reduced most effectively to meet clean air standards.

Increased tasks and responsibilities in these activity areas are required by the Clean Air Act as amended in 1990 (CAA). In particular, the U.S. Environmental Protection Agency (EPA) requires states to document their plans for performing inspections. Given limited State resources and a constantly increasing number of facilities to inspect, there is a clear need to have a cohesive program to help plan inspections. This program is set forth each year in the Compliance Operating Plan submitted to the EPA. This statewide Compliance Operating Plan details the CAA Section 105 Air Planning Agreement and CAA Title V Implementation Agreement with regard to compliance inspections. This plan states the compliance inspection plan and commitments for each of the seven regional offices in North Carolina.

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Beginning in FFY 2002, the Compliance Operating Plan was renamed by EPA the Compliance Monitoring Strategy Plan and the N.C. plan was developed by DAQ under guidelines for a compliance program put forth in an EPA memorandum titled, "Revised Compliance Monitoring Strategy," dated April 25, 2001, in which EPA proposed that State agencies use inspection programs to meet the objectives of the CAA. (This Compliance Monitoring Strategy replaced the previous Inspection Frequency Guidance provided by the EPA.) The primary goal of an inspection program based on the Compliance Monitoring Strategy is to focus the resources of the division on the facilities likely to have a significant impact on air quality.

The DAQ's general goal has been to inspect each Title V and synthetic minor facility once every year and to inspect each small facility once every two years. This simple goal may be modified by this plan to better target facilities more likely to have emission or compliance problems.

To assure consistency in DAQ's inspection efforts, this memo is being prepared to provide guidance in the performance of inspections and the preparation of inspection reports in accordance with the Compliance Monitoring Strategy.

Inspections

The Compliance Monitoring Strategy introduces the concept of a "Full Compliance Evaluation", which is defined as:

"a comprehensive evaluation of the compliance status of the facility. It addresses all regulated pollutants at all regulated emission units. Furthermore, it addresses the current compliance status of each emission unit, as well as the facility's continuing ability to maintain compliance at each emissions unit."

Therefore, in order to perform a full compliance evaluation, an inspector is expected to conduct a comprehensive file review prior to conducting the inspection, in order to be completely aware of the facility's compliance and permitting history. Many of the requirements for the inspection report (discussed later) should be addressed prior to the inspection.

The actual inspection is unique to each facility. In general, every permit condition listed in the Title V permit should be addressed during the inspection, whether in pre- or post-inspection conferences with the facility contact, during records review, or during the actual inspection. This includes discussions on-site and in the inspection report about required monitoring activities.

Every record required by the Title V Permit should be reviewed at a minimum, back to the date of the last inspection or one year back, whichever is shorter. When problems are noted, a more lengthy review may be warranted. Inspections should be performed in this manner for at least two years after the issuance of the initial Title V permit, and longer if the facility's compliance record indicates a need.

If, based on inspector/region discretion, type and/or frequency of record keeping changes are recommended, then the regional office will initiate steps to amend the specific permit. Until the permit is changed, all records required by the permit need to be maintained by the facility, and reviewed by the inspector.

It may be more efficient and effective for more than one inspector to conduct inspections at large and complicated facilities. Compliance supervisors/coordinators will arrange for trading time between Title V facilities and other facilities that are common to the region (i.e. asphalt plants, quarries, etc.). Remember, however, that the resources used must balance with the funding source in aggregate.

Inspection Reports

The inspection reports need to include the following:

- General information -- date, compliance monitoring category (full compliance evaluation, partial compliance evaluation, or complaint investigation).
- Facility information -- facility name, location, mailing address, facility contact and phone number, Title V designation and megasite designation.
- Applicable requirements -- all applicable requirements including regulatory requirements and permit conditions. This should include statements regarding the review/status of required reports and/or stack testing.
- Inventory and description of regulated emission units and processes.
- Enforcement history (go back 5 years -- this history forms the background for future inspections and any subsequent enforcement action).
- Compliance monitoring activities -- processes and emission units evaluated; on-site observations; whether compliance assistance was provided and, if so, the nature of the assistance; any action taken by the facility to come back into compliance during the on-site visit.
- Findings and recommendations relayed to the facility during the compliance evaluation. Please note this does not apply to information traditionally reserved for enforcement case files.

Enforcement Issues

- NOVs should be issued for any violation documented for a Title V facility. Enforcement is at the discretion of the regional supervisors. Please refer to the Enforcement Guidelines for assistance in this area.

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