January 10, 2011

To: Regional Supervisors
Section Chiefs

From: Sheila C. Holman

Subject: Activities Exempted From Permitting and Air Toxic Requirements

Emission sources currently exempted from permitting under 15A NCAC 02Q .0102(c) lose their exemption if they emit a toxic air pollutant (TAP) in common with a TAP that was modeled under 15A NCAC 02D .1100. The loss of the exemption is provided for under 15A NCAC 02Q .0102(b)(7) that states:

“(7) sources at facilities subject to 15A NCAC 02D .1100. (If a source does not emit a toxic air pollutant for which the facility at which it is located has been modeled, it shall be exempted from needing a permit if it qualifies for one of the exemptions in Paragraph (c) of this Rule).”

However, 15A NCAC 02Q .0702 provides that many of the activities currently exempted from needing a permit under 15A NCAC 02Q .0102(c) are not required to be included in the TAP demonstration. The confluence of these two provisions results in the requirement to permit sources that the EMC has already determined should be exempt (based on class) from both permitting requirements and air toxic requirements. The purpose of the 15A NCAC 02Q .0102(b)(7) provision was to require larger emission sources, or sources more likely to cause or contribute to an exceedance of the Acceptable Ambient Levels at 15A NCAC 02D .1100 from continuing to be exempt.¹ Therefore, the Rules Development Branch will proceed with a rule change to make the 15A NCAC 02Q .0102(b)(7) provision apply only to the activities that are not listed in 15A NCAC 02Q .0702(a)(1)-(24). During the pendency of this rulemaking process I am instructing the staff, through this memorandum, to continue to allow sources under 15 NCAC 02Q .0702(a)(1)-(24) to continue to be exempt from both permitting and air toxics requirements. This procedure will allow the Division, and regulated facilities, to continue to focus their limited resources on more significant regulatory requirements.

¹ Note that under 15A NCAC 02Q .0712, the Director can require a facility to demonstrate compliance and to include all sources including sources listed under 15A NCAC 02Q .0102(c)(1).