

**ENVIRONMENTAL MANAGEMENT COMMISSION
AIR QUALITY COMMITTEE MEETING SUMMARY**

May 11, 2016

Archdale Building-Ground Floor Hearing Room

11:00 – 1:00 PM

The Air Quality Committee (AQC) of the Environmental Management Commission (EMC) met on May 11, 2016, in the Ground Floor Hearing Room of the Archdale Building. The AQC members in attendance were: Mr. Charlie Carter, Mr. E.O. Ferrell, Mr. Gerald Carroll, 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 (E.O. Ferrell)

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 (E.O. Ferrell)

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

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

CONCEPTS

Agenda Item #3, Revisions to Address Sewage Sludge Incinerator Emissions Guidelines Federal Plan (497a) (Joelle Burleson, DAQ)

Ms. Joelle Burleson, Rule Development Branch of the Division of Air Quality, presented a concept on addressing the final Sewage Sludge Incinerator Emissions Guidelines Federal Plan. EPA published its final federal plan, 40 CFR 62 LLL, applicable to existing sewage sludge incinerators on April 29, 2016. States have the option of taking delegation of the federal plan or submitting a state plan to replace the federal plan. Amendments to the state incinerator rules in 15A NCAC 02D .1200 are anticipated to be necessary to reflect the state's approach to address the SSI emissions guidelines federal plan.

DRAFT RULES

Agenda Item #4, Revision of Odor Control of Feed Ingredient Manufacturing Plants Rule per S.L. 2015-263 (536) (Joelle Burleson, DAQ)

Ms. Joelle Burleson, Rule Development Branch of the Division of Air Quality, presented a draft rule. During the 2015 legislative session, the General Assembly enacted S.L. 2015-263, An Act to Provide Regulatory Relief to the Agricultural Community of North Carolina By Providing for Various Transportation and Environmental Reforms and By Making Various Other Statutory Changes. Section 18 of the Session Law, Modify Implementation of the Odor Control of Feed Ingredient Manufacturing Plants

Rule, amends the requirements that pertain to the control of odor from feed ingredient manufacturing plants. The statutory amendments adjust the timeframe after which raw material has been unloaded at a facility or located at the facility from 24 to 36 hours. The amendments also add timeframes by which a vehicle or container holding raw material that has not been unloaded inside or parked inside an odor controlled area within the facility shall be unloaded for processing. For feathers with trace amounts of blood the timeframe is no later than 48 hours after being weighed upon arrival at the facility. For used cooking oil in sealed tankers the timeframe is no later than 96 hours after being weighed upon arrival at the facility.

Mr. Ferrell asked for a motion. Mr. Carroll made a motion to forward these rules on to the full Commission for approval in July and Mr. Tedder seconded. The motion was unanimously approved.

MAY EMC AGENDA ITEMS

Agenda Item #5 Request to Proceed to Hearing on Startup, Shutdown, and Malfunction (SSM) State Implementation Plan (SIP) Call Rule Revisions (533) (Michael Pjetraj, DAQ)

Mr. Michael Pjetraj, Stationary Source Compliance Branch Supervisor of the Division of Air Quality, presented the draft rules related to Startup, Shutdown, and Malfunction (SSM) State Implementation Plan (SIP) Call Rule Revisions and Rules Review Commission staff pre-review recommendations before the full EMC the next day to request to proceed to hearing.

15A NCAC 02D .0535 is proposed to be amended to include introductory language that indicates that 02D .0535 is the rule that will be in effect if the states' lawsuits are successful.

A new rule 15A NCAC 02D .0545, Treatment of Malfunction Events and Work Practices for Startup and Shutdown Operations, is proposed for adoption and would be in effect in the event that states' lawsuits are unsuccessful. For startup and shutdown, 02D .0545 allows a facility to demonstrate compliance with the applicable existing numeric emission limits, generally available work practice standards, work practice standards in analogous federal rules that a specific source may not otherwise be subject to, or source specific startup and shutdown work practice standard permit limit. For malfunctions a facility may demonstrate compliance with the applicable existing limits or with a source specific malfunction work practice standard permit limit.

Chairman Carter pointed out that there was a great deal of variability, that many other states had developed their rules over many years, and that many of them were found to be inadequate with respect to the objections raised by the lawsuit.

The fiscal note for these rules is expected to be approved by the Office of State Budget and Management (OSBM) prior to the EMC meeting on May 12, 2016.

INFORMATION ITEMS

Agenda Item #6, Director's Remarks (Sheila Holman, DAQ)

a.) At the March EMC meeting, the Commission voted to take the VOC rule change and repeal of the Heavy Duty Idling Restriction rule to public hearing. Those hearings will be held on May 25, 2016 at 3:00 pm in DAQ Green Square training room. Lori Cherry of DAQ Ambient Monitoring Section will serve as the hearing officer.

b.) Update on Ozone Season monitoring - That monitoring began on April 1. There have been 6 monitors showing exceedances, which occurred on April 19 and April 20. There have been no violations of the ozone standard.

c.) Update on Ambient Monitoring Network Plan - The plan will be posted in May for comment and forwarded to EPA by July.

d.) Two funding streams are under legislative review, and reports were sent to the General Assembly. On April 1, 2016 DAQ recommended that both the Fuel Tax and Inspection and Maintenance fees funds are continued. These funds have been changed to non-recurring. However, DAQ requested that these funds be restored in the continuation budget to recurring funds.

e.) Inspection and Maintenance Report - DAQ recommended that 31 counties can be removed from I & M emissions testing requirements and that the 17 remaining counties could be changed from an annual to a bi-annual emission testing program. In the existing program, 48 emissions counties require the annual OBD testing and in the remaining 52 counties safety only inspection is done.

f.) DAQ has completed a study on the short term SO₂ standard related to the Good Neighbor SIP demonstration. The comment period on the demonstration ends on June 6, 2016.

g.) EPA Proposed Action on PM_{2.5} permitting program. Two issues were raised by EPA. The issues were regarding the 1976 baseline date, and the significant impact levels set for NO_x emissions for Prevention of Significant Deterioration. The EMC initially established a threshold level of 140 tons which was subsequently revised consistent with the federal threshold. Comments are due June 9, 2016. Mr. Carter commented that the change to the baseline date is a significant area the Department needs to pushback EPA.

Dr. Raymond asked about the status of the rulemaking calendar related to the removal of several items from the pre-draft stage. Those rules included 1) mercury emissions from combustible sources, 2) exempting Maximum Achievable Control Technology (MACT) sources from work practice standards for the VOC rule, and 3) updating the bulk gasoline plant rule. Additional information on status of these items will be reported at the July AQC meeting.

Mr. Ferrell asked for additional questions or comments, and upon hearing none, Mr. Ferrell noted that the next meeting of the AQC would be July 13. Mr. Ferrell adjourned the meeting.