



BAY AREA AIR QUALITY MANAGEMENT DISTRICT
PERMIT SERVICES DIVISION

March 25, 1996

Major Facility Review Advisory #3

ADVISORY FOR REGULATION 2, RULE 6: MAJOR FACILITY REVIEW

From: John F. Powell, Acting Air Pollution Control Officer

Contact: Janet Stromberg (415) 749-4716

IMPACTS OF EPA'S WHITE PAPER # 2 ON TITLE V IMPLEMENTATION IN THE BAY AREA

On March 5, 1996, the U. S. EPA issued "White Paper Number 2 for Improved Implementation of The Part 70 Operating Permits Program" (White Paper 2) a guidance document for Title V permit applications and permits. This document grew out of negotiations between California permitting agencies, industrial associations, and the U. S. EPA. As a companion to the first Title V White Paper issued July 10, 1995, it offers policies that allow Title V permit applications in California to be completed in a much simplified manner. It also addresses concerns in the State over the layering of outdated or redundant federal, state and local regulations in Title V permits, by offering a method to 'streamline' multiple applicable requirements into a single set of permit terms and conditions.

Simplified Permit Applications

The first White Paper states that a permit application may be deemed "administratively complete" if the applicant has provided enough information for the permitting agency to begin processing the application. White Paper 2 further states that applicants may reference information that the agency already has rather than restating it in the application. Together, these provisions dramatically reduce the effort required for most plants to submit a Title V (major facility review, "MFR") application in the Bay Area Air Quality Management District. Taking advantage of the first White Paper, the District was able to designate as "complete" fifty-one out of the fifty-four applications received last October.

The eased application requirements in White Paper 2 are helpful for plants that have applied for synthetic minor operating permits (SMOPs) but that have not yet completed the process. These plants may take advantage of the referencing provision in White Paper 2 to apply for an MFR permit with relatively little effort. Once the SMOPs are complete, these plants will no longer be subject to MFR and may withdraw their MFR applications. Likewise, in the next two years some major facilities will be reducing emissions to below 50% of all Title V thresholds. Using White

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Paper 2, these plants may submit minimally complete applications now, and be removed from the list of plants subject to MFR if they demonstrate sufficiently reduced emissions before the permits would have to be issued. District Title V staff are available to help applicants with these simplified MFR applications.

Streamlining Multiple Requirements

White Paper 2 offers detailed guidance to applicants and agencies for the development of proposals to simplify overlapping, redundant and/or outdated requirements. This is the first time that it has been possible to eliminate unnecessary federal requirements on complying sources. Unique provisions in the Title V statute allow this to take place. Specifically, Title V of the federal Clean Air Act as amended in 1990:

- Requires public participation, a necessary component of federal enforceability [§ 502(b) Regulations];
- Requires permitting authorities to issue permits with terms and conditions that assure compliance with applicable requirements [§ 504(a) Conditions];
- Provides that plants in compliance with permit terms and conditions may be deemed in compliance with applicable requirements, and that the actual requirements may be placed under a permit shield and therefore no longer independently enforceable [§ 504(f) Permit shield]; and
- Requires EPA review and approval of the permits, another component of federal enforceability [§ 505 Notification to administrator and contiguous states].

These provisions amount to the equivalent of a permit-by-permit 'rulemaking' procedure which may be used to simplify requirements on sources. Briefly, applicants may determine which of the multiple requirements is the most stringent in limiting emissions, identify associated compliance terms and conditions (following the guidance in White Paper 2) and propose that the remaining applicable requirements be "subsumed" and covered by a permit shield. The procedure presumes that compliance with the most stringent emission limitation will assure compliance with the requirements covered by the permit shield. It is most useful for sources subject to MACT, NSPS, NESHAP, PSD, BACT and/or NSR requirements.

The District is working with applicants and EPA to develop streamlining proposals for certain source categories. We are currently developing template proposals for valves at refineries and chemical plants, and for gas turbines. When the proposals are final and have been approved by EPA, we will make them available to all applicants for actual use, or as examples for other proposals. Facilities that choose to propose streamlining of multiple requirements in their MFR applications may certify compliance with the proposed streamlined requirements rather than with all the individual requirements if they can demonstrate that they have been in compliance with the streamlined requirements. Plants may propose streamlining in their initial applications, as amendments to their initial applications, or as significant modifications to their MFR permits.

EPA Approved Test Methods for Use in Streamlining Proposals

White Paper 2 requires the use of EPA approved test methods in proposals for streamlining multiple applicable requirements. Region IX staff have stated that it takes them about two months to approve alternate test methods. Applicants who wish to use other District methods in

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their proposals should notify the District immediately so that we may apply to EPA for approval of additional test methods. Below is a list of approved alternate test methods.

***ALTERNATIVE CALIFORNIA TEST METHODS**
(April 7, 1995)

Method #	Title
BAAQMD 13	Determination of the Reid Vapor Pressure of Petroleum Products
BAAQMD 21	Compliance for Air-Dried Arch., Water Based Coatings
BAAQMD 22	Compliance, Air-Dried Solvent Based Coatings
BAAQMD 23	Determination of Volatile Emissions from Polyester Resins
BAAQMD 26	Determination of Volatile Weight Loss of Gel Coats
BAAQMD 29	Determination of Ethanol Bakery Effluents
BAAQMD 31	Paint Strippers for Aerospace/Component Coating
BAAQMD 33	Determination of Dissolved Critical VOCs in Wastewater Separator
BAAQMD 35	VOC in Solvent Based on Aerosol Paints
BAAQMD 36	VOC in Water Based Aerosol Paints
BAAQMD 37	Determination of Perchloroethylene in Dry Cleaning Filtration Wastes
BAAQMD 38	Determination of Petro. Solvent in Dry Cleaning Filtration Wastes
BAAQMD ST- 1B	Ammonia, Continuous Sampling
BAAQMD ST- 3	Bulk Plants Emission Factor Determination
BAAQMD ST- 27	Gasoline Dispensing Facility - Dynamic Back Pressure
BAAQMD ST- 30	Gasoline Dispensing Facility - Leak Test Procedure
BAAQMD ST- 32	Ethanol, Integrated Sampling
BAAQMD ST- 33	Gasoline Cargo Tanks
BAAQMD ST- 34	Bulk Gasoline Distribution Facilities - ER Unit or C Adsorption
CARB 202	Certification and Test Procedures for Vapor Recovery Systems at Gasoline Bulk Plants
CARB 203	Certification and Test Procedures for Vapor Recovery Systems at Gasoline Terminals
CARB 401	Determination of the Weight Percent of VOC in Waste Products
CARB 422	Exempt Halogenated VOCs in Gases
CARB 432	Exempt Halogenated VOC in Liquids

*Note: These alternative test methods are referenced in the SIP-approved rules. These methods may be used to determine compliance with these rules.

U. S. EPA REGION IX REQUEST FOR MFR APPLICATIONS

Region IX has requested that all MFR applications submitted to the District after February 1, 1996, also be submitted, in their entirety, to EPA. Applicants are requested to send one copy of their applications to:

Dr. Deborah Jordan
Chief, Operating Permits Section
U. S. EPA Region IX
75 Hawthorne Street
San Francisco, California 94105

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BAAQMD APPROVED SIP

The following table was included in the District's first MFR advisory dated June 30, 1996. Applicants may refer to it for a general listing of regulations that have been approved into the District's SIP as of June 2, 1995. For more recent information, applicants should contact rule development staff in the District's Enforcement Division at (415) 749-4795.

RECENT SIP APPROVALS

REGULATION	Date Of Amendment	SIP APPROVAL
8-1	6/15/94	5/22/95
8-2	6/15/94	5/22/95
8-4	6/01/94	5/22/95
8-6	2/2/94	6/2/95
8-7	6/01/94	5/22/95
8-8	6/15/94	10/28/94
8-11	6/15/94	2/7/95
8-12	6/15/94	5/22/95
8-13	6/15/94	5/26/95
8-14	6/1/94	5/26/95
8-15	6/01/94	5/22/95
8-16	6/15/94	2/7/95
8-17	9/5/90	7/25/94
8-18	3/4/92	3/20/95
8-19	6/15/94	6/2/95
8-20	6/15/94	5/22/95
8-22	6/1/94	4/17/95
8-23	6/15/94	5/26/95
8-24	6/15/94	5/22/95
8-25	6/1/94	5/8/95
8-28	6/1/94	2/7/95
8-29	6/1/94	6/2/95
8-30	6/15/94	5/22/95
8-31	6/01/94	5/22/95
8-32	7/06/94	5/22/95
8-33	6/1/94	6/2/95
8-34	6/15/94	5/22/95
8-35	6/15/94	5/22/95
8-38	6/15/94	6/2/95
8-39	6/1/94	6/2/95
8-40	6/15/94	5/22/95
8-41	6/01/94	5/22/95
8-42	6/1/94	5/8/95
8-43	6/1/94	5/26/95
8-45	11/02/94	5/22/95
8-47	6/15/94	5/26/95
8-49	8/21/92	5/22/95
8-50	6/15/94	5/8/95