

**NEVADA DIVISION OF ENVIRONMENTAL PROTECTION (NDEP)
Public Workshop on Proposed Regulations for Nevada's
Class IV Operating Permit Program, NAC 445B**

MINUTES
June 3, 2011

Desert Research Institute Las Vegas
Rogers' Auditorium
755 East Flamingo
Las Vegas, Nevada

ATTENDEES:

Workshop Chair: Robert Bamford, Chief, Bureau of Air Quality Planning (BAQP), NDEP

NDEP Staff:

Greg Remer, Supervisor, BAQP
Sig Jaunarajs, Supervisor, BAQP

Public:

Kathryn Knapp, NNSA/DOE
Shibi Paul, Clark County DAQEM
Ted Lendis, Clark County DAQEM
Bruce Clark, Clark County School District

Jon Howard, Clark County School District
Kim Williams, NV Energy
Nick Aboumrad, NV Energy
Chris Heintz, NV Energy

CALL TO ORDER:

Mr. Bamford called the Workshop to order at 10:08 a.m. He introduced himself then asked each person in the audience to state their name and affiliation. Mr. Bamford first explained that the proposed regulation affects areas of Nevada outside of Clark and Washoe Counties and that air quality agencies in those counties have their own respective programs for area sources. He went on to explain the purpose of the Workshop was to present proposed regulations for the permitting of area sources under a new Class IV operating permit program. He described how US EPA first developed the area sources program as a way to control Hazardous Air Pollutants (HAPS), sometimes also called air toxics, from small sources. States such as Nevada that have delegated authority for implementing the federal "prevention of significant deterioration of air quality" program are obligated to implement the federal area sources rules. The NDEP's implementation of this program was not intended to address any particular air quality problem in Nevada; rather it is intended to be a simple and low cost way to comply with federal requirements. The proposed program streamlines the permitting process by introducing an easy application and permit issuance process, instead of the more complex permitting requirements currently used for Class I, II, and III sources.

Petition P2011-02; LCB File No. T008-11

Mr. Bamford then moved on to briefly summarize the proposed language in each section of the regulatory petition. Beginning with section 2 and moving through the document in sequence, he either read or paraphrased the proposed regulation and expounded on its intended meaning. He paused to ask for questions from the audience. A question from the audience on section 4 sought to clarify the applicability for internal combustion engines. New internal combustion engines would be subject to either Subpart IIII or Subpart JJJJ of 40 CFR Part 60, in addition to Subpart ZZZZ of 40 CFR Part 63. The question was, “Did you give any consideration to making an exception to include those in Class IV?” Mr. Bamford replied that this option is not available for Class IV, but will be available for Class III. By keeping the implementation of Class IV permitting simple (with respect to multiple source types) required air dispersion modeling would not have to be performed as part of Class IV permit evaluations.

He continued with explanations of sections 5, 6, and 7. In reference to section 7, a question was asked if an area source would be prohibited from commencing operation until the operators had a permit in hand. Mr. Bamford confirmed that new sources would be prohibited from commencing operation until the permit was obtained, while existing sources would have to obtain a permit within a given timeframe.

Mr. Bamford continued with summaries of sections 8, 9, and 10. Mr. Remer noted that new language was added to the definition of Class III source to provide a greater regulatory separation between the existing Class III program and the new Class IV program. He pointed out that specifically, this section means that a Class III source does not have to obtain a Class IV permit. If a dual applicability situation exists with a source, that source would be precluded from obtaining a Class IV permit, which has a single applicability requirement. He went on to further discuss the applicability of Class III and Class IV permitting requirements for internal combustion engines.

Mr. Bamford continued with sections 11 and 12. A clarifying question was asked confirming that language in blue on some copies of the proposed regulations handed out at the Workshop was equivalent to the bold italics language on black and white copies of the same regulations. A short explanation was given of the process by which federal regulations are adopted by reference, which is covered in section 12 of the proposed regulations.

Mr. Bamford stated that language in section 13 is intended to state that Class IV sources are considered stationary sources for the purposes of air permitting regulations. Under the rules, all stationary sources must have an air permit. A question was raised about subsection 3 of section 13 over the inclusion of Class I and Class II, but no reference to Class III. Mr. Bamford stated that the NDEP would review that language and make sure Class III sources were not left out of that portion of the proposed regulation by mistake.

Mr. Remer explained that section 14 contains general requirements for permit applications; however, the NDEP is exempting Class IV permit applications from these requirements. That is what the language in the first sentence of section 14 does. Mr. Bamford went on to explain that section 15 states that no environmental evaluation is required for Class IV permits. Section 16 specifies how the parameter “heat input” is calculated for Class III and Class IV sources, if that

calculation is required for permit compliance. He concluded this portion of the Workshop by covering permit fees listed in section 17 and mentioning that section 18 covers a separate matter from Class IV permits; namely, the removal of certain unnecessary Class II requirements. Someone in the audience asked Mr. Bamford to confirm that the requirements for Class IV sources just discussed do not apply to facilities in Clark County. Mr. Bamford confirmed that these requirements only apply outside of Clark and Washoe Counties and suggested that facilities in Clark County contact the Clark County Department of Air Quality and Environmental Management to inquire about their area source requirements.

The discussion then turned to implementation. Mr. Bamford commented that outreach to affected parties would be undertaken prior to implementation of the rules. Mr. Remer mentioned that these are temporary regulations and that they would expire on November 1, 2011. Before that time, the NDEP would seek to have the rules approved as permanent regulations. He went on to state that the State Environmental Commission will hear this petition on June 16, 2011 and explained how the regulatory adoption process worked.

A question from the audience asked what issues were raised concerning this petition at the June 1, 2011 Workshop held in Carson City. Mr. Bamford replied that there were comments received. First, the definition of the term “area source” was called into question since it uses the phrase “toxic air pollutant” but not the term US EPA commonly uses, “hazardous air pollutant”. Secondly, Mr. Remer pointed out that similar to today’s discussion, the applicability of the Class IV rule to internal combustion engines was questioned by attendees since Subparts IIII and JJJJ of 40 CFR Part 60 may also apply in certain circumstances.

Mr. Remer continued by making some general statements that the Class IV permitting program would provide NDEP with a simple and efficient program for a large number of sources that US EPA has chosen to regulate; sources that the NDEP has never had any contact with before in regulatory matters. Mr. Jaunarajs added that comments would be received today by the NDEP representatives present and that comments could also be submitted to the State Environmental Commission Executive Secretary up until the date of the hearing, June 16th.

There was a question about whether the NDEP performed testing for some of the area sources; testing that is required in the federal regulations. Mr. Bamford stated that the NDEP usually requires the facility to contract with another party to have that testing service performed independently. Another question concerned electronic payment of fees. Mr. Remer stated that Nevada has an electronic payment process used in some instances and a discussion ensued on the types of situations when electronic payments could be made instead of payments by check. Mr. Bamford stated that it is unlikely that small payments such as the Class IV fee would be made electronically, but the NDEP would consider exploring alternative payment methods used by other state agencies, such as the online payment methods used by the Department of Motor Vehicles.

There being no other questions, Mr. Bamford adjourned the Workshop.

ADJOURNMENT: The Workshop was adjourned at 10:45 am.

Respectfully submitted on June 20, 2011,

Sig Jaunarajs, Recording Secretary