



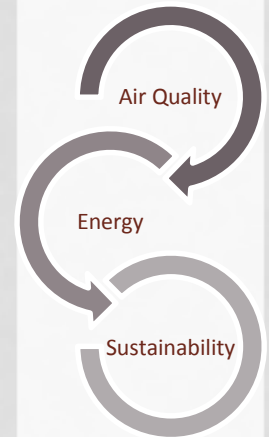
STATE OF NEW JERSEY
DEPARTMENT OF ENVIRONMENTAL PROTECTION



DIVISION OF AIR QUALITY AIR QUALITY, ENERGY, AND SUSTAINABILITY

AIR QUALITY RULE REVISIONS

BCONE & NJSWEP REGULATORY UPDATE
MAY 4, 2017 1:30 – 2:05



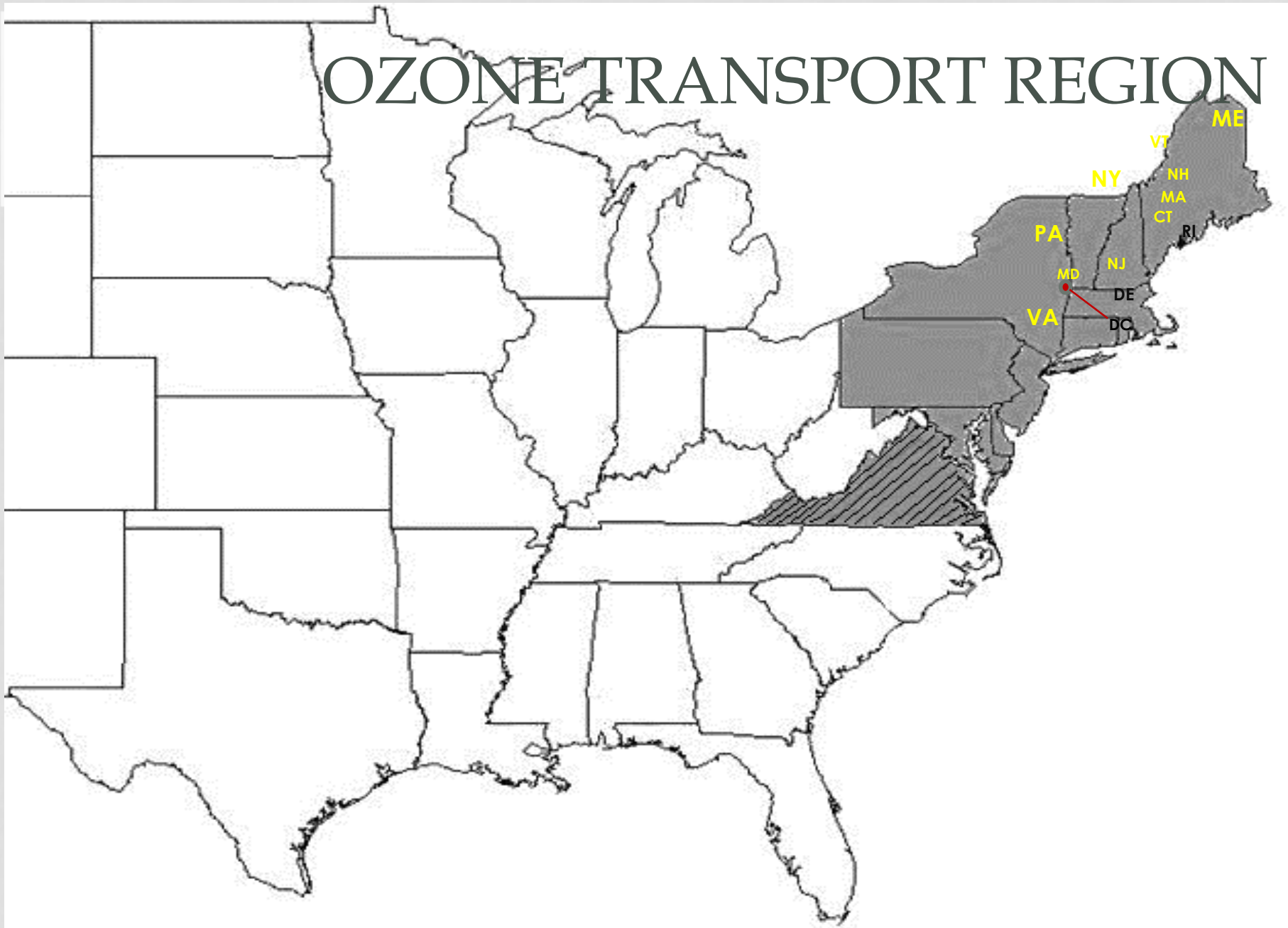
FOUR AIR RULE AMENDMENTS

1. Control Technique Guidelines (CTG)/NO_x Reasonably Available Control Technology (RACT)
2. Particulate Matter (PM_{2.5}), Startup, Shutdown, Malfunction (SSM)/Emission Statements (ES)
3. Stage II Removal and t-Butyl Acetate (TBAC) Reporting Repeal
4. Resiliency and Air Toxics

CLEAN AIR ACT REQUIREMENTS

- Federal Clean Air Act (CAA) requires State Implementation Plans (SIP) to include reasonably available control technologies (RACT)
- NJ is in a multi-state nonattainment area for ozone National Ambient Air Quality Standards (NAAQS)
 - Philadelphia Area (South)
 - New York City Area (North)
 - All of NJ is part of the Ozone Transport Region

OZONE TRANSPORT REGION



REASONABLY AVAILABLE CONTROL TECHNOLOGY (RACT)

- Control Techniques Guidelines (CTG)
 - Presumptive RACT for VOC
 - State may choose to:
 - Adopt CTG as issued by EPA
 - Adopt Amended CTG with justification
 - Provide Negative Declaration if no facilities in state are subject to CTG

RACT CONTINUED

- NO_x RACT
 - Regulate combustion sources not subject to current rules
 - Ozone Transport Commission (OTC) model rule used as guide
 - Reviewed regulations promulgated by other states for similar equipment

1. CTG/NOX RACT RULEMAKING

- 4 CTGs (N.J.A.C. 7:27-16)
 - Industrial Cleaning Solvents
 - Miscellaneous Metal and Plastic Parts Coatings
 - Fiberglass Boat Manufacturing Materials
 - Paper, Film, and Foil Coatings
- Emissions reduction
 - CTG: 150 tons/yr of VOC

1. CTG/NOX RACT RULEMAKING

- NOx RACT (N.J.A.C. 7:27-19)
 - Natural Gas Engines supplying power to compressors used to transport gaseous fuels
 - Not operated to generate electricity
- Emissions reduction
 - NOx RACT: 536 tons/yr of NOx for retrofit; 663 tons/yr of NOx for replacement
- Public Comment Period January 3, 2017 to March 4, 2017
- Public Hearing Held February 13, 2017
- Adoption Planned for this Fall

2. PM-2.5/SSM/ES RULEMAKING

- a. Add Particulate Matter less than 2.5 microns (PM-2.5) to Permitting Rules
- b. Remove antiquated Startup/Shutdown/Malfunction (SSM provision) from Control of Sulfur Rule (Subchapter 7)
- c. Update Emission Statement (ES) Reporting Rule

2a. PM-2.5 RULE MAKING

- CAA requires SIP to contain new source review (NSR) for all Pollutants (including PM2.5)
 - Minimal impact to facilities since federal requirements already implemented in permits
- PM2.5 provisions incorporated into NJ rules
 - Permits and Certificates for Minor Facilities and Major Facilities without an Operating Permit (N.J.A.C. 7:27-8)
 - Control and Prohibition of Air Pollution from New or Altered Sources Affecting Ambient Air Quality (N.J.A.C. 7:27-18)
 - Operating Permits (N.J.A.C. 7:27-22)

2b. REMOVAL OF ANTIQUATED REQUIREMENT

- Federal CAA does not allow for blanket exemptions to emission limits for startup/shutdown/malfunction (SSM)
- Propose to delete antiquated exemption in NJ's Sulfur Rule, N.J.A.C. 7:27-7.2(k)2
- No impact to facilities

2c. REVISE EMISSION STATEMENT RULE (N.J.A.C. 7:27-21)

- Implements Federal Rules
 - Air Emissions Reporting Requirements (AERR) for unit level reporting
 - Cross-Media Electronic Reporting Rule (CROMERR) for data verification
- Minimal impact to facilities since federal requirements already implemented

PM/SSM/ES RULE STATUS

- Public Comment Period to March 20, 2017 to May 19, 2017
- Public Hearing Scheduled for May 9, 2017
- Adoption Planned for this Fall

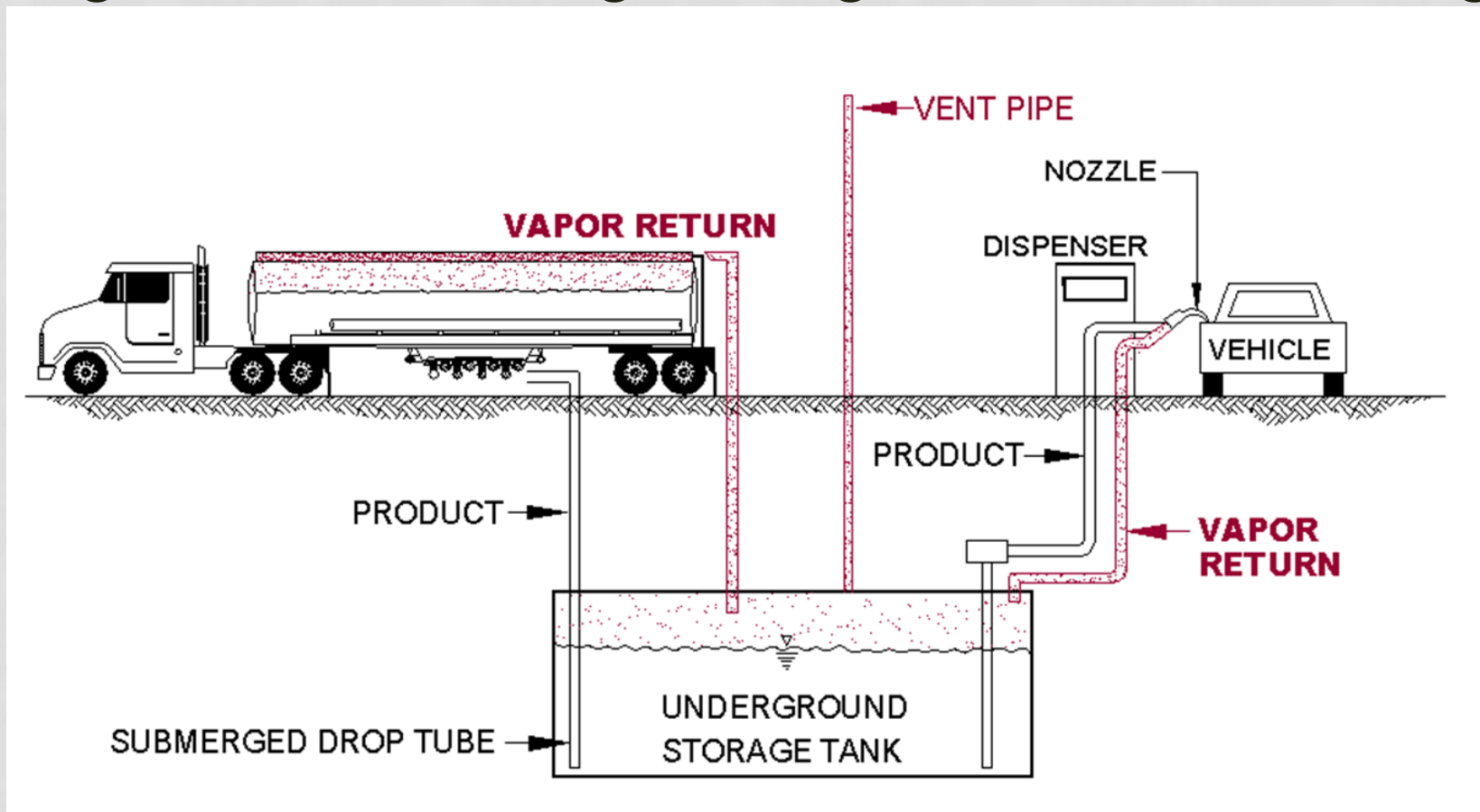
3. STAGE II REMOVAL AND T-BUTYL ACETATE (TBAC) REPORTING REPEAL

- a. Amend Rules for Gasoline Dispensing in New Jersey
- b. Repeal Requirement to Report emissions of t-Butyl Acetate (TBAC)

WHAT IS STAGE I AND STAGE II?

Stage I: Fuel Unloading

Stage II: Vehicle Refueling



3a. GASOLINE DISPENSING FACILITIES (GDF)

- Require decommissioning of Stage II VRS at existing GDFs with the option to keep Stage II if the system is ORVR compatible and maintained.
- Decommissioning allowed effective with rule adoption
- Proposed compliance date for completion is 3 years.

WHY DECOMMISSION STAGE II?

- The Federal government requires new vehicles to have onboard refueling vapor recovery systems (ORVR). ORVR collects gasoline refueling emissions within the vehicle.
- ORVR was required to be installed in new passenger cars in 1998 and sport utility vehicles and pickup trucks by 2006.
- Some Stage II systems are incompatible with ORVR operation, causing excess emissions.
- Stage II is allowed to be removed once ORVR is in widespread use.

3a. DECOMMISSIONING STAGE II

- Decommissioning in accordance with “*PEI RP300-09 Recommended Practices for Installation and Testing of Vapor-Recovery Systems at Vehicle-Fueling Sites*” with the following addition:
 - Underground piping to be removed if the system fails a pressure test or underground piping is exposed
 - Certified Contractor
- Decommissioning One Time Cost Estimate: \$6,000 - \$15,000
- Annual Maintenance Cost Savings Estimate: \$1,000 - \$10,000
- For new stations, DEP issued an Administrative Order 2016-09 to allow construction without Stage II.

3a. NEW REQUIREMENTS FOR GDF

1. Dripless/ Enhanced Conventional (ECO) Nozzles and Low Permeation Hoses after decommissioning and for new facilities
2. California Air Resources Board (CARB) Certified Phase I Enhanced Vapor Recovery (EVR) System components phased in over 7 years with maintenance and for new facilities
3. CARB Certified Phase I Enhanced Vapor Recovery (EVR) pressure/vacuum relief valve within one year
4. "Stop at the Click"

3b. TBAC RULES REPEAL N.J.A.C. 7:27-34

- Rule affects manufacturers of t-butyl acetate (TBAC), or a product containing TBAC, subject to N.J.A.C. 7:27-34
 - TBAC is used in coating operations and may be found in products such as paints, inks and adhesives
- Intent is to repeal Subchapter 34, TBAC Emissions Reporting
- As of April 25, 2016, EPA concluded that recordkeeping and reporting of TBAC are unnecessary and burdensome to stakeholders and states.

RULE STATUS

- Public Comment Period planned this Summer

4. AIR TOXICS AND RESILIENCY RULE

- a. Update Air Toxic Thresholds
- b. Repeal Outdated Emission Trading Rules
- c. Resiliency Measures

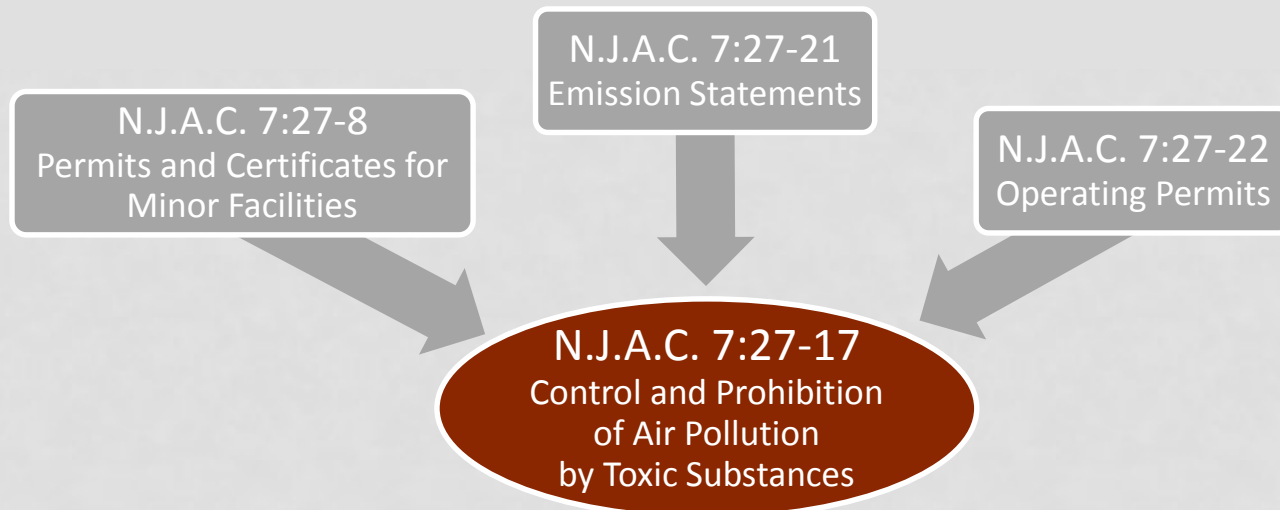
4a. HAP REPORTING THRESHOLD – WHY IS AN UPDATE NEEDED?

1. Current reporting thresholds are based on 1990s data, and not based on human health impacts.
2. New Toxicity Data
3. Advances in atmospheric dispersion modeling
4. Focus the permitting process on HAP emissions that were significant enough to potentially impact human health and trigger control requirements.

We need to ensure we are using the best available technical information to assess risk from a facility to the surrounding communities.

THE RULE AMENDMENTS WILL:

1. Update reporting thresholds based on potential health risks using most current scientific exposure assessment methodologies and health risk factors.
2. Consolidate air toxics thresholds into one subchapter; N.J.A.C. 7:27-17 “Control and Prohibition of Air Pollution by Toxic Substances”.
3. Include health based reporting thresholds for all CAA HAPs in N.J.A.C. 7:27-17.
4. Delete redundant or antiquated provisions in N.J.A.C. 7:27-17.
5. Revise N.J.A.C. 7:27-8, -21 and -22 to reference N.J.A.C. 7:27-17.



4b. REASONS FOR TRADING REPEAL

- Clean up Air Rules - N.J.A.C. 7:27-30 (CAIR) and N.J.A.C. 7:27-31 (NOx Budget)
- Both subchapters are obsolete
 - Dependent on federal regulations/programs that are no longer in existence
 - Remove reporting requirements that are no longer needed
- Does not negatively impact anyone (environment, public, industry, government, etc.)

4c. RESILIENCY MEASURES

Clarifications of Exemptions for:

- Emergency Operations
- Temporary Equipment
- Portable Equipment
- Construction, Repair and Maintenance

RULE STATUS

- Public Comment Period planned this Summer

QUESTIONS?

