

**SYNOPSIS OF
THE PROPOSED AMENDMENT TO THE RULES OF THE
DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION DIVISION
RELATING TO AIR QUALITY, CHAPTER 391-3-1**

Rule 391-3-1-.02(2)(y), “Volatile Organic Compound Emissions from Metal Furniture Coating,” is being amended by revising subparagraph (y)2.(ii).

Purpose: To harmonize the compliance demonstration procedures and time periods between certain State rules and recently-promulgated Federal rules. This change will reduce the daily recordkeeping burden to coincide with the monthly compliance averaging period allowed by Federal regulations for similar source categories.

Main Features: Georgia Rule (y) only allows a 24-hour averaging period to demonstrate compliance with emission limits. Federal Rules (40 Code of Federal Regulations Parts 60 and 63) for the Metal Furniture source category provide for monthly averaging periods to demonstrate compliance with emission limits. The option to use a monthly averaging period will reduce the recordkeeping and calculation burden to the affected facilities. Facilities committed to using the 24-hour averaging period will be allowed to continue to use the daily compliance monitoring strategy.

Rule 391-3-1-.02(2)(ff), “Solvent Metal Cleaning,” is being amended by revising subparagraph 5.(vi) and adding new subparagraphs 5.(vii) and 6.

Purpose: To include applicability criteria from the Control Technologies Guidelines and Part 63 Maximum Available Control Technology Standard that were overlooked during initial rulemaking and to eliminate the overlap of rule applicability between Rule (ff) “Solvent Metal Cleaning and Rule (kkk), “Aerospace Manufacturing and Rework.”

Main Features: The Control Technologies Guidelines for Solvent Metal Cleaning include a clear exemption for solvent metal cleaners that use aqueous cleaning solvents. Additionally, the Maximum Available Control Technology Standard for Halogenated Solvent Cleaning (40 Code of Federal Regulations 63, Subpart T) allows an exemption for solvent metal cleaning conducted in pails and buckets that are no larger than two gallons capacity. The amendments to subparagraph (5) will focus the rule applicability to volatile-organic-compound-emitting sources of significant size. The revision to subparagraph (6) makes it clear that Rule (ff) does not apply to aerospace flush cleaning machine activities. Solvent cleaning of non-aerospace metal parts and components at aerospace and non-aerospace facilities remain covered by Rule (ff).

Rule 391-3-1-.02(2)(ii), “Volatile Organic Compound Emissions from Surface Coating of Miscellaneous Metal Parts and Products,” is amended by revising subparagraph 5.(xii).

Purpose: To include applicability criteria from the Control Technologies Guidelines that was overlooked during initial rulemaking.

Main Features: This change integrates rule applicability criteria from the Control Technologies Guidelines that specifies that a facility must “manufacture” a product before Rule .02(2)(ii) is applicable. The Division has previously relied on Control Technologies Guidelines language, not in Rule (ii), to exempt Rule applicability. This revision will make the State Rule consistent with the Control Technologies Guidelines and previous Division determinations.

Rule 391-3-1-.02(2)(rr), “Gasoline Dispensing Facility – Stage I,” is revised to change the compliance date for gasoline dispensing facilities that dispense less than 50,000 gallons-per-month located in Barrow, Bartow, Carroll, Hall, Newton, Spalding, and Walton Counties.

Purpose : The purpose of this amendment is to revise the compliance date for gasoline dispensing facilities that dispense less than 50,000 gallons- per-month located in Barrow, Bartow, Carroll, Hall, Newton, Spalding, and Walton Counties as required by the final “Determination of Non-Attainment and Reclassification of the Atlanta, Georgia 8-hour Ozone Non-Attainment Area” published in the Federal Register dated March 6, 2008.

Main Features: This initial compliance date for gasoline dispensing facilities that dispense less than 50,000 gallons-per-month located in Barrow, Bartow, Carroll, Hall, Newton, Spalding, and Walton is changed from May 1, 2009, to March 1, 2009.

Rule 391-3-1-.02(2)(tt), “VOC Emissions from Major Sources,” is being amended to revise the compliance date for sources located in Barrow County.

Purpose: The purpose of this amendment is revise the compliance date for Barrow County as required by the final “Determination of Non-Attainment and Reclassification of the Atlanta, Georgia 8-hour Ozone Non-Attainment Area” published in the Federal Register dated March 6, 2008.

Main Features: The initial compliance date for sources located in Barrow County is changed from May 1, 2009, to March 1, 2009.

Rule 391-3-1-.02(2)(yy), “Emissions of Nitrogen Oxides from Major Sources,” is being amended to revise the compliance date for sources located in Barrow County.

Purpose: The purpose of this amendment is revise the compliance date for Barrow County as required by the final “Determination of Non-Attainment and Reclassification of the Atlanta, Georgia 8-hour Ozone Non-Attainment Area” published in the Federal Register dated March 6, 2008.

Main Features: The initial compliance date for sources located in Barrow County is changed from May 1, 2009, to March 1, 2009.

Rule 391-3-1-.02(2)(kkk), “Volatile Organic Compound Emissions from Aerospace Manufacturing and Rework Facilities,” is being amended by adding subparagraph 1.(iv) and revising subparagraphs 9., 11., 12.(xii), 14., 18., and 17.

Purpose: (1) To include applicability criteria from the Control Technologies Guidelines that was overlooked during initial rulemaking. (2) To remove Maximum Available Control Technology exemptions that confound applicability and compliance determinations. (3) To extend rule applicability to better cover aerospace activities. (4) To add critical definitions and correct typographical errors.

Main Features: The revisions correct inconsistencies in rule language. Georgia Rule (kkk) will cover a greater number of aerospace activities negating the need for case-by-case Reasonably Available Control Technology determinations under Georgia Rule (tt). Critical exemptions and definitions omitted from the initial rule are added to provide greater flexibility and certainty to the regulated community.

Rule 391-3-1-.02(4) “Ambient Air Standards,” subparagraph (c)2., thereof, relating to particulate matter, is being amended.

Purpose: Georgia’s ambient air standard for particulate matter is being revised to be consistent with the current Federal standard.

Main Features: The 24-hour particulate matter standard is changed from 65 micrograms per cubic meter to 35 micrograms per cubic meter in order to be consistent with revisions to the Federal National Ambient Air Quality Standards that became effective December 18, 2006.

Rule 391-3-1-.02(7) “Prevention of Significant Deterioration,” subparagraphs (a)2.(iii) and (b)6. thereof, are being amended.

Purpose: Specific portions of the Federal regulations are being updated in order to keep the Georgia rule consistent with the Federal regulation as it pertains to certain ethanol production facilities.

Main Features: The Federal definition of major stationary source, which is incorporated into Georgia rules within 391-3-1-.02(7)(a)2., is updated by reference. The Federal provisions related to review of major stationary sources and

major modifications, incorporated into Georgia rules at 391-3-1-.02(7)(b)6., are updated. These Federal provisions were revised on May 1, 2007, to specify that ethanol production facilities that produce ethanol by natural fermentation included in North American Industry Classification System codes 325193 or 312140 are not considered “chemical process plants.” These facilities would include, among other things, bio-fuels production facilities. Such facilities will be subject to less stringent permitting requirements under the Prevention of Significant Deterioration program.

Rule 391-3-1-.02(8)(b), “New Source Performance Standards,” is being amended by updating all current references to incorporate revised Federal standards and to add new Federal standards.

Purpose: To adopt the Federal Performance Standards into the Georgia Rules by reference to ensure consistency between the State and Federal programs.

Main Features: New standards for Stationary Spark Ignition Internal Combustion Engines; New standards for Equipment Leaks of volatile organic compounds in the Synthetic Organic Chemicals Manufacturing Industry For Which Construction, Reconstruction, or Modification Commenced after November 7, 2006; and New standards for Equipment Leaks of volatile organic compounds in Petroleum Refineries For Which Construction, Reconstruction, or Modification Commenced after November 7, 2006, are being adopted. The remaining standards are being updated to incorporate any amendments since the last rulemaking.

Rule 391-3-1-.02(9) “Emission Standards for Hazardous Air Pollutants”, subparagraph (b) is being amended.

Purpose: The standards for three recently-vacated standards are removed and all of the remaining standards are updated to be consistent with Federal regulations.

Main Features: The standards for “Industrial, Commercial, and Institutional Boilers and Process Heaters” (Subpart DDDDD), “Brick and Structural Clay Products Manufacturing” (Subpart JJJJJ), and “Clay Ceramics Manufacturing” (Subpart KKKKK) are removed. All other standards are updated by reference.

Rule 391-3-1-.03(9) “Permit Fees”, subparagraph (b) thereof, is being amended.

Purpose: The Permit Fee provision is being revised to specify the dollar-per-ton rate and reference a fee manual for calendar year 2007 fees.

Main Features: The dollar-per-ton rate is increased from \$28.50/ton to \$34.00/ton. A reference to a new fee manual dated March 31, 2008, which provides the

methods and procedures for calculating, reporting, and paying calendar year 2007 fees, is being added.

Rule 391-3-1-.03(10) “Title V Operating Permits,” subparagraph (a)4. is being amended.

Purpose: The Title V definitions are being revised so that the definition of major source within the metro Atlanta ozone non-attainment area remains the same as prior to revocation of the 1-hour ozone standard. The definitions are also updated in order to keep the Georgia rule consistent with the Federal regulation as it pertains to certain ethanol production facilities.

Main Features: A subparagraph is added to state that the major source threshold for volatile organic compounds and nitrogen oxides is 25 tons-per-year for the 13 counties that were formerly part of the metro Atlanta 1-hour ozone non-attainment area. This provides consistency with past Title V permitting requirements.

The Federal Title V definition of major source, which is incorporated into Georgia rules within 391-3-1-.03(10)(a)4., is updated by reference. The Federal definition of major source was revised on May 1, 2007, to specify that ethanol production facilities that produce ethanol by natural fermentation included in North American Industry Classification System codes 325193 or 312140 are not considered “chemical process plants.” These facilities would include, among other things, bio-fuel production facilities. Such facilities will be subject to less stringent permitting requirements under the Title V program.

Rule 391-3-1-.03(13) “Emission Reduction Credits,” subparagraphs (a), (d), and (h) thereof, relating to “**Applicability,**” are being amended.

Purpose: This revision expands the eligibility of sources in Barrow that can participate in the Emission Reduction Credit program from electric generating units only to any stationary source with potential volatile organic compounds or nitrogen oxide emissions greater than 100 tons-per-year. The revision also adds a provision for re-evaluation of Certificates of Emission Reduction Credit, changes the administrative fees, and eliminates an obsolete provision.

Main Features: Subparagraph (a)(2) is updated to add Barrow County to the list of counties. Subparagraph (a)(3) is updated to remove Barrow County as this county is now listed in subparagraph (a)(2). Subparagraph (d)1.(i)(I), relating to shutdown credits is removed since they are no longer applicable. Subparagraph (d)2., regarding re-evaluation of Certificates for Emission Reduction Credit is added and is consistent with current procedures. Subparagraph (h) is revised to change the administrative fees as follows: to create, certify and bank credits from \$1000 to \$6000, to use a banked credit from \$100 to \$3500, to transfer a Certificate of Emission Reduction Credit from \$100 to \$3000, and to create an administrative fee for re-evaluation of a certificate at \$2500. If fees have

already been paid for recent re-evaluations or transfers, then transfer or use fees are reduced accordingly. The revised administrative fees are based on the typical costs of processing such applications by the Division.

STATEMENT OF RATIONALE

Rules for Air Quality Control

Rule 391-3-1-.02(2)(y) – Volatile Organic Compound Emissions from Metal Furniture Coating

The basis of this rule is to limit volatile organic compound emissions (a precursor to ozone formation) from affected facilities that are located within or contribute to ozone levels in ozone non-attainment areas. This rule also limits volatile organic compound emissions from major volatile-organic-compound-emitting sources (>100 tons-per-year volatile organic compound emissions) located outside the ozone non-attainment area. The purpose of this revision is to allow a one-month compliance determination period as an alternative to the daily (a.k.a., 24-hour) compliance determination period. The alternative monthly compliance determination period is proposed to make the recordkeeping requirements of the State rule consistent with other Federal rules for the same source category.

Although the reduced recordkeeping burden has not been specifically calculated, there should be a positive economic impact to the regulated industry and to the Environmental Protection Division. This rule will reduce the frequency of data collection, data recordkeeping, and compliance calculations. No costs will be imposed on local governments or the general public.

Rule 391-3-1-.02(2)(ff) - Solvent Metal Cleaning

The basis of this rule is to limit volatile organic compound emissions (a precursor to ozone formation) and certain chlorinated hazardous air pollutants from cold cleaners and vapor degreasers that are located within or contribute to ozone levels in ozone non-attainment areas. These rules also limit volatile organic compound emissions from major volatile-organic-compound-emitting sources (> 100 tons-per-year volatile organic compound emissions) located outside the ozone non-attainment area. The purpose of this revision is to exempt cold cleaners that use aqueous cleaning solvents from the rule. Cold cleaners that use aqueous cleaning solvents were clearly exempted from coverage in the Control Techniques Guideline but not included in the final rule. Additionally, Halogenated Solvent Cleaning Maximum Available Control Technology (40 Code of Federal Regulations 63, Subpart T), which is subsumed under Rule (ff), exempts buckets, pails, and beakers with capacities of two gallons as not being considered solvent cleaning machines. Integration of the 2-gallon container exemption into Rule (ff) will allow the consistent application of the rule and minimize rule applicability questions for these minor emission sources. This revision also includes an exemption for aerospace flush cleaners (i.e., cold cleaners) subject to Rule (kkk) from overlapping applicability with Rule (ff). Aerospace flush cleaning work practice requirements were developed specifically for the aerospace industry, based on common practices and economic impacts. The more generic Rule (ff) does not specifically consider the aerospace industry's needs and this revision eliminates overlapping regulatory requirements.

This revision is in no way more restrictive than the Federal requirements and does not incur any additional costs to EPD or the regulated industry beyond what is required by Federal regulations. No costs will be imposed on local governments or the general public.

Rule 391-3-1-.02(2)(ii) - Volatile Organic Compound Emissions from Surface Coating of Miscellaneous Metal Parts and Products

The basis of this rule is to limit volatile organic compound emissions (a precursor to ozone formation) from affected facilities that are located within or contribute to ozone levels in ozone non-attainment areas. This rule also limits volatile organic compound emissions from the major volatile organic compound emitting sources (> 100 tons per year volatile organic compound emissions) located outside the ozone non-attainment area. The revision amends the definition of "Miscellaneous Metal Parts and Products Manufacturing" to include applicability criteria from the Control Techniques Guidelines that was overlooked during initial rule construction. The Environmental Protection Division has repeatedly relied on the Control Technologies Guidelines language to make applicability determinations.

The regulated community will be able to make more certain applicability determinations based on revised applicability definitions. No costs will be imposed on local governments or the general public.

Rule 391-3-1-.02(2)(rr) – Gasoline Dispensing Facility – Stage I

Gasoline dispensing facilities are required to comply with Clean Air Act Section 182 as it relates to the implementation of "Reasonably Available Control Technology." The installation and operation of Stage I Vapor Recovery controls is equivalent to reasonably available control technology for such facilities. The Stage I equipment installed at the facilities ensures that the gasoline vapors remain in the storage tanks and provide the necessary components for the transport driver to connect vapor-tight recovery lines from the stationary storage tank to the delivery vessel in order to transfer the vapors to the transport vehicle. The amendment revises the compliance date for gasoline dispensing facilities that dispense less than 50,000 gallons-per-month from May 1, 2009, to March 1, 2009. This change is required by the final "Determination of Non-Attainment and Reclassification of the Atlanta, Georgia 8-hour Ozone Non-Attainment Area" published in the Federal Register dated March 6, 2008.

This revision is in no way more restrictive than the Federal requirements and does not incur any additional costs to the Environmental Protection Division nor the regulated industry beyond what is required by Federal regulations. No costs will be imposed on local governments or the general public.

Rule 391-3-1-.02(2)(tt) – Volatile Organic Compound Emissions from Major Sources

The basis of this rule is to adopt the Federal requirements for Reasonably Available Control Technology in 8-hour ozone non-attainment areas. The purpose of this revision is to revise the compliance date for sources located Barrow County from May 1, 2009, to March 1, 2009, as required by the final "Determination of Non-Attainment and Reclassification of the Atlanta, Georgia 8-hour Ozone Non-Attainment Area" published in the Federal Register dated March 6, 2008.

This revision is in no way more restrictive than the Federal requirements and does not incur any additional costs to the Environmental Protection Division nor the regulated industry beyond what is required by Federal regulations. No costs will be imposed on local governments or the general public.

Rule 391-3-1-.02(2)(yy) – Emissions of Nitrogen Oxides from Major Sources

The basis of this rule is to adopt the Federal requirements for Reasonably Available Control Technology in 8-hour ozone non-attainment areas. The purpose of this revision is to revise the compliance date for sources located Barrow County from May 1, 2009, to March 1, 2009, as required by the final “Determination of Non-Attainment and Reclassification of the Atlanta, Georgia 8-hour Ozone Non-Attainment Area” published in the Federal Register dated March 6, 2008.

This revision is in no way more restrictive than the Federal requirements and does not incur any additional costs to the Environmental Protection Division nor the regulated industry beyond what is required by Federal regulations. No costs will be imposed on local governments or the general public.

Rule 391-3-1-.02(2)(kkk) - Aerospace Manufacturing and Rework

The basis of this rule is to limit volatile organic compound emissions (a precursor to ozone formation) from aerospace manufacturing and rework facilities that are located within or contribute to ozone levels in ozone non-attainment areas. These rules also limit volatile organic compound emissions from major volatile organic compound emitting sources (> 100 tons-per-year of volatile organic compound emissions) located outside the ozone non-attainment area. The purpose of this revision is to:

- (1) Correct errors in rule applicability that were included in the initial rule that made the emission limits and work practices unenforceable.
- (2) Extend rule coverage to include depainting activities.
- (3) Enhance recordkeeping requirements to require records to demonstrate compliance with the emission limits and work practices.
- (4) Add critical definitions from the Control Technologies Guidelines necessary for understanding the rule.
- (5) Correct typographical errors.

This revision is in no way more restrictive than the federal requirements and does not incur any additional costs to Environmental Protection Division or the regulated industry beyond what is required by federal regulations. No costs will be imposed on local governments or the general public.

Rule 391-3-1-.02(4) – Ambient Air Standards

The basis of this subparagraph is to specify the ambient air quality standards for the state of Georgia. The purpose of this revision is to revise the standard for fine particulate matter to be consistent with a revised Federal standard that became effective December 18, 2006.

This revision is administrative in nature and is in no way any more restrictive than the Federal requirements and does not incur any additional costs to the regulated industry or public.

Rule 391-3-1-.02(7) – Prevention of Significant Deterioration of Air Quality

The basis of this paragraph is to specify permitting requirements for new major sources and major modifications at existing major sources. The purpose of this revision is to adopt recent changes to the Federal regulations as they pertain to certain ethanol production facilities.

This revision is administrative in nature and is in no way any more restrictive than the Federal requirements. This revision may reduce potential costs to the regulated industry. There are no additional costs to the public or local governments.

Rule 391-3-1.02(8) New Source Performance Standards

The basis of this rule is to adopt the Federal New Source Performance Standards by Reference. The purpose for this revision is to adopt new standards and to update the entire rule in order to include all changes made to the Federal New Source Performance Standards rules into the Georgia rules.

This revision is administrative in nature, is in no way any more restrictive than the Federal requirements, and does not incur any additional costs to the regulated industry or public.

Rule 391-3-1-.02(9) – Emission Standards for Hazardous Air Pollutants

The basis of this paragraph is to incorporate the Federal standards for hazardous air pollutants. The purpose of this revision is to 1) remove three standards that have been vacated by Federal courts and 2) update all other standards to incorporate any recent changes.

This revision is administrative in nature and is in no way any more restrictive than the Federal requirements. There are no additional costs to the public or local governments.

Rule 391-3-1-.03(9) – Permit Fees

The basis of this paragraph is to specify the fee rate and procedures for determining, reporting, and submitting permit fees. The purpose of this revision is to specify the fee rate and reference a new procedures manual for calendar year 2007 fees, (which will be due beginning September 1, 2008, and will fund state fiscal year 2009 fee-related activities).

This revision will increase fees paid by affected entities including regulated industrial, commercial, and utility activities that may include some local governments. The changes were developed through a workgroup that included these regulated entities. There will be no increase costs to the public.

Rule 391-3-1-.03(10) – Title V Operating Permits

The basis of this paragraph is to specify major source operating permit requirements. The purposes of this revision are to 1) retain the major source threshold for sources of volatile organic compounds and nitrogen oxides at levels that were in effect prior to revocation of the 1-hour ozone standard in 2005 and 2) adopt recent changes to the Federal definitions as they pertain to certain ethanol production facilities.

This revision is administrative in nature and is in no way more restrictive than the Federal requirements or recent permitting requirements. This revision should result in no additional costs for most regulated industries and may reduce potential costs to others. There are no additional costs to the public or local governments.

Rule 391-3-1-.03(13) – Emission Reduction Credits

The basis of this paragraph is to specify the program for creating, banking, transferring, and using nitrogen oxides and volatile organic compound Emission Reduction Credits in the metro Atlanta ozone non-attainment area and designated contributing area. The purposes of this revision are to make the applicability consistent with the current metro Atlanta ozone non-attainment area, add a provision for re-evaluation of Certificates of Emission Reduction Credits, change the administrative fees, and eliminate an obsolete provision.

Other than the administrative fee change, this revision is administrative in nature. The revision to the administrative fees will result in additional costs to the industry. These costs are reflective of the actual costs of implementing the program by the Environmental Protection Division. The other revisions will result in no additional costs to industry, the public, or local governments.

