TENTATIVE AGENDA STATE AIR POLLUTION CONTROL BOARD MEETING

FRIDAY, SEPTEMBER 10, 2010 HOUSE ROOM C GENERAL ASSEMBLY BUILDING 9TH & BROAD STREETS RICHMOND, VIRGINIA

Board Members Present:

Hullihen W. Moore, Chair Richard D. Langford Manning Gasch, Jr. Jo Anne Scott Webb Sterling E. Rives, III, Vice-Chair Randolph L. Gordon Roger L. Chaffe

Department of Environmental Quality:

David K. Paylor, Director

Cindy M. Berndt

Attorney General's Office:

Kerri Nicholas, Assistant Attorney General

The meeting was convened at 9:28 a.m., recessed at 11:55 a.m., reconvened at 12:58 p.m. and adjourned at 2:12 p.m.

Minute No. 1 - Review and Approval of Agenda: The agenda was approved with the addition of a presentation on the ozone standard.

Minute No. 2 - Minutes: The Board, on a motion by Mr. Rives, unanimously approved the minutes of the June 4, 2010, meeting.

Minute No. 3 - Ozone Standard: The Board discussed the ozone standard on which the VOC emission standards being proposed in Revisions C09, D09 and E09 are based, the fact that even though a lower ozone standard is expected in the next few weeks from the U.S. Environmental Protection Agency and it is within the Board's authority to enact more stringent requirements, it is unlikely that the categories under consideration would be targeted for further restrictions.

Minute No. 4 - VOC Emission Standards, Printing (9VAC5-40, Rev. C09) Regulation Development Report and Request to Publish Proposal for Public Comment: Mr. Gary Graham of the Office of Regulatory Affairs presented amendments to the Regulations for the Control and Abatement of Air Pollution concerning VOC emission standards for offset lithographic printing operations and letterpress printing operations. Mr. Graham explained that the requirements would apply to sources within the Northern Virginia volatile organic compound (VOC) emissions control area (counties of Arlington, Fairfax, Loudoun, Prince William, and Stafford; cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park). He advised that the proposal would add new Articles 55 and 56 to Chapter 40 and would establish standards, control techniques, provisions for determining compliance; and provisions for visible emissions, fugitive dust, odor, toxic pollutants, compliance, test methods and procedures, monitoring, notification, registration, malfunctions, and permits. In addition, the proposal would amend existing Article 53 to remove applicability provisions for facilities located in the Northern Virginia VOC emissions control area.

Mr. Graham briefed the Board on the public participation steps taken to date and reviewed the provisions of the proposal.

Approved Minte#2 December 17, 2010 Based on the Board book material, staff presentation and Board discussions at the meeting, the Board, on a motion by Mr. Langford, unanimously authorized the department to promulgate the proposal for public comment.

Minute No. 5 - VOC Emission Standards, Miscellaneous (9VAC5 Chapter 40, Rev. D09) - Regulation Development Report and Request to Publish Proposal for Public Comment: Ms. Karen G. Sabasteanski of the Office of Regulatory Affairs presented amendments to the Regulations for the Control and Abatement of Air Pollution concerning VOC emission standards for industrial solvent cleaning operations and miscellaneous industrial adhesive application processes. Ms. Sabasteanski explained that the requirements would apply to sources within the Northern Virginia volatile organic compound (VOC) emissions control area (counties of Arlington, Fairfax, Loudoun, Prince William, and Stafford; cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park). She advised that the proposal would add new Articles 57 and 58 to Chapter 40 and would establish standards, control techniques, provisions for determining compliance; and provisions for visible emissions, fugitive dust, odor, toxic pollutants, compliance, test methods and procedures, monitoring, notification, registration, malfunctions, and permits.

Ms. Sabasteanski briefed the Board on the public participation steps taken to date and reviewed the provisions of the proposal.

Based on the Board book material, staff presentation and Board discussions at the meeting, the Board, on a motion by Mr. Langford, unanimously authorized the department to promulgate the proposal for public comment.

Minute No. 6 - VOC Emission Standards, Miscellaneous Metal and Plastic Parts Coating Operations (9VAC5 Chapter 40, Rev. E09) - Regulation Development Report and Request to Publish Proposal for Public Comment: Ms. Mary E. Major of the Office of Regulatory Affairs presented amendments to the Regulations for the Control and Abatement of Air Pollution concerning VOC emission standards for miscellaneous metal and plastic parts coating operations. Ms. Major explained that the requirements would apply to sources within the Northern Virginia volatile organic compound (VOC) emissions control area (counties of Arlington, Fairfax, Loudoun, Prince William, and Stafford; cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park). She advised that the proposal would add new Article 59 to Chapter 40 and would establish standards, control techniques, provisions for determining compliance; and provisions for visible emissions, fugitive dust, odor, toxic pollutants, compliance, test methods and procedures, monitoring, notification, registration, malfunctions, and permits.

Ms. Major briefed the Board on the public participation steps taken to date and reviewed the provisions of the proposal.

Based on the Board book material, staff presentation and Board discussions at the meeting, the Board, on a motion by Mr. Langford, unanimously authorized the department to promulgate the proposal for public comment.

Minute No. 7 - General Permit Concerning Qualified Energy Generator (QEG) for a Biomass Pilot Test Facility (9VAC5 Chapter 520, Rev. Cg) - Regulation Development Report and Request to Publish Proposal for Public Comment: Ms. Mary E. Major of the Office of Regulatory Affairs presented a proposed regulation that would establish a general permit for the construction and testing of a qualified energy generator. Ms. Major explained that the General Assembly adopted legislation which mandates that the Board develop an expedited process for issuing any permit that the Board is required to issue for the construction or operation of a qualified energy generator provided that the generator is not subject to the major new source review program. In addition, Ms. Major briefed the Board on the statute, the public participation process used to develop the proposal and the provisions of the proposed general permit. In addition, Ms. Major advised the Board that a change had been made to the proposed permit since preparation of the Board books. She explained that the threshold limit for VOCs had been changed from 40 tons per year to 25 tons per year to conform to the minor new source review program.

Based on the Board book material, staff presentation and Board discussions at the meeting, the Board, on a motion by Mr. Langford, unanimously authorized the department to promulgate the proposal for public comment. In addition, the Board directed that the public notice of the proposal reinforce the testing aspect of the permit, confirm that the proposal is clear on ongoing fuel testing and fuel testing for different fuels and request public comment on the issues.

Minute No. 8 - Consumer and Commercial Products (9VAC5 Chapter 45, Rev. J07) - Public Participation Report and Request for Final Board Action: Mr. Gary E. Graham of the Office of Regulatory Affairs presented final amendments to the Regulations for the Control and Abatement of Air Pollution concerning consumer and commercial products. Mr. Graham advised the Board that the final amendments would (i) expand applicability of four of the seven new articles proposed in revision D06 (Consumer and Commercial Products) into the Richmond VOC emissions control area, (ii) amend Chapter 40, Article 48 to expand the applicability of that article into the Richmond VOC emissions control area and (iii) would establish new compliance dates for affected facilities in the Richmond VOC emissions control area.

Mr. Graham reviewed the original proposal, the results of the public participation process and the substantive revisions being recommended for the Board's consideration.

Based on the Board book material, staff presentation and Board discussion at the meeting, the Board, on a motion by Mr. Langford, unanimously adopted the amendments with an effective date as provided in the Administrative Process Act.

Minute No. 9 - Outer Continental Shelf Sources (9VAC5-20-21, Rev. D10) - Request for Board Action on Exempt Final Regulation: Ms. Karen G. Sabasteanski of the Office of Regulatory Affairs presented a final exempt action adopting regulations necessary to implement and enforce the requirements of § 328 of the federal Clean Air Act relating to requirements to control air pollution from Outer Continental Shelf (OCS) sources located offshore of the Commonwealth. Ms. Sabasteanski explained that the regulations may not differ materially from the regulations promulgated by the U.S. Environmental Protection Agency (EPA) in implementing § 328 of the federal Clean Air Act (that is, 40 CFR Part 55) and that after adopted, EPA would be able to delegate implementation and enforcement of 40 CFR Part 55 to the Commonwealth, and, in turn, enable the Commonwealth to require limitations on emissions as needed in order to attain and maintain the ambient air quality standards, and to meet prevention of significant deterioration (PSD) requirements.

Ms. Sabasteanski explained that action on the regulations is exempt as the regulations are necessary to conform to Virginia statutory law and provided a brief summary of the substantive revisions to the Board's regulations.

Based on the Board book material, staff presentation and Board discussion at the meeting, the Board, on a motion by Mr. Langford, unanimously adopted the regulation, with an effective date as provided in the Administrative Process Act and affirmed that it will receive, consider, and respond to petitions by any person at any time with respect to reconsideration or revision, as provided in § 2.2-4006 B of the Administrative Process Act.

Minute No. 10 - Minor New Source Review (Rev. H05) (9VAC5 Chapter 80, Rev. H05) - Public Participation Report and Request for Board Action: Mr. Gary E. Graham of the Office of Regulatory Affairs presented final amendments to the Regulations for the Control and Abatement of Air Pollution concerning the minor new source review (NSR) program. Mr. Graham reviewed the history of the minor NSR program since the 2002 major revision of the program including the need to return the regulation to its previous applicability and BACT determination structure that is currently in the EPA-approved SIP. Mr. Graham reviewed the original proposal, the results of the public participation process and the revisions to the proposal being recommended by the staff.

Based on the Board book material, staff presentation and Board discussion at the meeting, the Board, on a motion by Mr. Langford, unanimously adopted the amendments with an effective date as provided in the Administrative Process Act.

Minute No. 11 - Permits for Stationary Sources of Pollutants Subject To Regulation, Greenhouse Gas Tailoring (9VAC5 Chapter 85, Rev. C10) - Request for Board Action on Exempt Final Regulation: Ms. Karen G. Sabasteanski of the Office of Regulatory Affairs presented a final regulation adding a new Chapter 85 to the regulations for the control and abatement of air pollution. Ms. Sabasteanski explained that the new chapter would enable permitting of GHGs for appropriate sources in conformance with EPA's tailoring rule and would raise the permitting thresholds for GHGs from 100/250 tons per year (tpy) to 100,000 tpy for new prevention of significant deterioration (PSD) sources and federal operating permit (Title V) sources, and 75,000 tpy for modifications. Ms. Sabasteanski reviewed the substantive provisions of the regulation.

The Board then received statements of support for the regulation from Mr. David Smith of Old Dominion Electric Cooperative, Ms. Pamela Faggert of Dominion, Mr. Ron Jefferson of Appalachian Power and Mr. Caleb Jaffe of Southern Environmental Law Center.

The Board, based on the Board book material, staff presentation and Board discussion at the meeting, on a motion by Mr. Langford, unanimously adopt the proposal with an effective date of January 2, 2011 and affirmed that it will receive, consider, and respond to petitions by any person at any time with respect to reconsideration or revision, as provided in § 2.2-4006 B of the Administrative Process Act.

Minute No. 12 - Division Director's Report: Mr. Michael G. Dowd, Air Division Director, briefed the Board on EPA's proposed transport rule, issuance of a state operating permit to Mirant Potomac River Generating Station, withdrawal of the application for the proposed Old Dominion Electric Cooperative's Cypress Creek coal-fired power plant, dust complaints received since the June Board meeting in southwest Virginia and Dominion's proposal for a gas-fired power plant in Warren County.

Minute No. 13 - High Priority Violators (HPV's) For The Third Quarter, 2010: Mr. Craig Nicol of the Division of Enforcement presented a report on high priority violators for the third quarter of 2010.

Minute No. 14 - Public Forum: No one appeared during the public forum.

Minute No. 15 - City of Alexandria: Mr. William Skrabak with the City of Alexandria appeared to present the final report on Phase II of the Engineering Study completed under the City of Alexandria/Mirant Agreement of July 17, 2008 and to report on the progress made with respect to the technology options for enhanced PM_{2.5} stack emissions at the Potomac River Generating Station.

Minute No. 16 - Future Meetings: The Board confirmed December 17, 2010, as the date of their next meeting.

Cindy M. Berndt, Director, Office of Regulatory Affairs