



Permit-by-Rule Transition Program for Sources that have Constructed and/or Operated without a Permit

Gasoline Dispensing Facilities and
Stationary Emergency Engines

Gasoline Dispensing Facilities



- Applicable Air Regs:
 - 1200-03-18-.24, Gasoline Dispensing Facilities Stage I and Stage II Vapor Recovery
 - 40 CFR 63 Subpart CCCCCC, National Emission Standards for Hazardous Air Pollutants for Source Category: Gasoline Dispensing Facilities

Stationary Emergency Engines

- Applicable Air Regs:
 - 40 CFR 63 Subpart ZZZZ, Stationary Reciprocating Internal Combustion Engines
 - 40 CFR 60 Subpart IIII, Stationary Compression Ignition Internal Combustion Engines
 - 40 CFR 60 Subpart JJJJ, Stationary Spark Ignition Internal Combustion Engines



What is Happening?

- Currently GDFs and Stationary Emergency Engines were required to obtain an air quality permit to construct, then once they start up, to submit an application for a permit to operate.
- However, rulemaking is underway that will:
 - Allow GDFs and certain Stationary Emergency Engines to be covered under a “Permit-by-Rule”
 - Allow many (most) Stationary Emergency Engines to qualify as an insignificant emissions unit and be exempt from air quality permitting altogether
- Until such rulemaking is completed, TDEC has put in place a “permit-by-rule transition program” in order to:
 - Allow temporary relief from the requirement to obtain traditional permits
 - Gather information to bring more sources into the permit-by-rule program

Need for Transition Program – These Sources are Different

- Lots of Small Sources
 - 1442 operating permits for GDF NESHAP sources
 - 513 permitted stationary emergency engines
 - ~ 4000 unpermitted GDFs and stationary emergency engines
- Regulatory Obligations Less Complicated
 - Stationary Emergency Engines
 - Operate & Maintain in Accordance with Manufacturer's Instructions
 - Limit hours of non-emergency work
 - May be at unmanned locations
 - GDFs
 - Work Practice Standards & Stage I operation – Usually truck driver responsibility
 - Stage I, Stage II, Submerged Fill Pipes – design & construction requirements
 - Environmental/Technical Staff not at Source

Need for Transition Program – Can Use Resources More Wisely

- ~52 tpy of NO_x emissions
- est. 3500 hours of permit writer work
- Identifying & Permitting All Sources Difficult
- Enforcement often NFA
- Could Direct Resources to Developing & Implementing Permit-by-Rule



Future of GDF and Stationary Emergency Engine Permitting

- 1200-03-09-.07, Permit-by-Rule – gives APC general authority to use “Permit-by-Rule” process to allow sources to construct and operate without obtaining a traditional permit.
 - This new rule **has been formally proposed**.
- Source category in question specifically listed in 1200-03-09-.07
 - GDF is in proposed rule
 - Stationary Emergency Engine to be added soon
 - Auto Body Repair Shops – next on list to be developed
- Major and Conditional Major Sources not eligible

How will Permit-by-Rule Work?

- Source submits “Notice of intent” or “NOI” requesting authorization under a permit-by-rule
- APC issues “Notice of authorization” or “NOA” confirming authorization to construct, modify, or operate a minor air contaminant source under a permit-by-rule.
- TDEC utilizes more efficient tools to assist companies to comply with applicable requirements.
 - TDEC’s Small Business Environmental Assistance Program will play significant role in this.

Exception for Certain Sources

- The proposed rule change will revise the language in 1200-03-09-.04(2)(c) as follows:
 - Notwithstanding any other provision of Division ~~1200-3~~ 1200-03, no emissions unit or activity subject to a federally enforceable applicable requirement (~~other than generally applicable requirements of the state implementation plan~~) not included in this Division 1200-03 (other than generally applicable requirements of the state implementation plan) shall qualify as an insignificant emissions unit or activity...
 - (f)37. - The following equipment, when used exclusively for **emergency replacement or standby service**:
Internal combustion engines burning natural gas, gasoline, or diesel fuel including stationary reciprocating engines, internal combustion (IC) engine driven compressors, **IC engine driven electric generator sets and IC driven water pumps.**
- The text “not included in this Division 1200-03” will change the meaning of this subparagraph so that sources can be insignificant if the federal regulations have been adopted into ours.
 - Once APC incorporates 40 CFR 63 Subpart ZZZZ, 40 CFR 60 Subpart IIII, and 40 CFR 60 Subpart JJJJ, most stationary emergency engines can qualify as an “insignificant emissions unit” and exempt from permitting

What is the “Permit-by-Rule Transition Program”?

- What it is:
 - a transition program for certain facilities that have constructed and/or operated a stationary emergency engine or GDF **without** first obtaining the required air quality **construction and/or operating permit**
 - an exercise of Technical Secretary’s **enforcement discretion** for having constructed and/or operated without a permit
- What it is NOT:
 - an exemption from the requirement for sources to comply with all other applicable requirements (e.g., TN Stage I and Stage II requirements, NESHAPs, NSPS)
 - an exemption from complying with permits already issued to such sources
 - a moratorium on enforcement for any non-permit related requirements for stationary emergency engines or GDFs

How do Sources Quality?

- Submit a “Permit by Rule Qualification” form
 - By mail to APC Central Office (address on form)
 - By email to Air.Pollution.Control@tn.gov
 - Complete site information and contact information
 - Must be signed by authorized representative and dated
- Commit to Four things (listed on form)
 - complying with the applicable regulatory requirements for the GDF or stationary emergency engine
 - updating APC of any changes to information contained on the form
 - completing a Notice of Intent to operate under the Permit-by-Rule within 60 days after a PBR is available for that source category
 - Except that Stationary Emergency Engines that qualify as an insignificant activity (following revision to our rules) are exempt from permitting altogether and do not need to submit a Notice of Intent
 - not located at a Title V or Conditional Major source

What is the Process?

- Company receives form & instructions from APC staff, SBEAP staff, or downloads from APC or SBEAP website
- Company submits form by mail or email to APC
- APC will review form for completeness and send out one of the following:
 - If complete – send letter that the source(s) qualify for the transition program
 - If incomplete – return form and inform them what is missing
- If site, contact, authorized representative, source category, number of engines (i.e., anything on form changes)
 - Submit a letter identifying such changes to APC with a copy of the original form
 - Admin staff updates Smog Log accordingly

Forms and other Documents

- Memorandum from Technical Secretary Authorizing Permit-by-Rule Transition Program
- Permit-by Rule Transition Program Qualification form and instructions
- Qualify Letter
- Incomplete Letter
- **GDF Guidance booklet**
- **stationary emergency engine information sheet**

Then What?

- Once the following occur:
 - Permit-by-Rule regulation is adopted and effective
 - Applicable NSPS and NESHAPs adopted into TN regulations
 - Done for GDFs
 - Stationary Emergency Engine rulemaking under development
 - Source category listed in Permit-by-Rule regulation
 - GDFs currently listed in draft Permit-by-Rule regulation
 - Will need to add Stationary Emergency Engines
 - Permit-by-Rule forms and processes developed
- Then:
 - GDFs that have submitted PBR Transition Program forms will be contacted and requested to submit a Permit-by-Rule application
 - Sources with stationary emergency engines will be contacted with instructions on how to qualify as an insignificant emissions unit or to submit a Permit-by-Rule application
 - Once both GDF and stationary emergency engine PBR are available and sources have been given 60 days to submit, the Permit-by-Rule Transition Program will end.

For Further Information

- PBR Transition Program
 - Jimmy Johnston
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 - 615-253-7319
- Technical Assistance
 - Small Business Environmental Assistance Program
 - BGSBEAP@tn.gov
 - 800-734-3619
 - Donovan Grimwood
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 - Tammy Gambill
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- Permit-by-Rule and Insignificant Activity Exemption
 - Lacey Hardin
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Questions