

**NEW SOURCE REVIEW  
REFORM DISCUSSION GROUP MEETING  
DISCUSSION TOPIC:  
PLANT-WIDE APPLICABILITY LIMITS (PALS)  
JANUARY 20, 2004**

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**OVERVIEW/BACKGROUND**

**PAL RULE**

Bob Hodanbosi and Jenny Nichols (DAPC) provided background information and an overview on this section of the NSR rules

**PAL RULE - OPEN DISCUSSION**

1. Commenter asked for clarification on slide #9 regarding PALS and tons per year. Are any units expressed in lbs/hour?
  - a. OEPA Response: No, TPY is used. This is to determine major new source applicability.
2. Commenter asked for clarification on one slide that references “establishing PALS.” What if you have a co-located facility. How are PALS derived?
  - a. OEPA response: We would look at the definitions under the NSR rule for this. Our determination would be consistent with this language.
3. Commenter asked for clarification on figures provided in one slide (page 7 of handouts, Example PAL). Question about figures. If there was no shutdown period considered, would this mean that the PAL would actually equal 190 (150 + 40 = 190)?
  - a. OEPA response: Yes, that’s correct.
4. Commenter asked for clarification on Bob Hodanbosi’s description of OEPA’s existing variance (the “bubble concept”). Does OEPA plan to keep this variance in its rules, once the NSR rules go through?
  - a. OEPA response: We’ll need to evaluate this at a later time. Very few companies have gone through the process of obtaining such a variance.
  - b. OEPA response: Clarified that the variance can also be used for short-term anomalies at a site. This is one reason why OEPA may decide to keep the variance in place.

- c. OEPA response: Clarified that the existing “bubble concept” variance cannot be used to “tinker with PAL numbers.”
5. Commenter responds to OEPA’s slide which references that we’ll be considering the use of a PTI mechanism to address PALs. He mentioned that a facility with PALS may likely need to modify their Title V permit. He was wondering if it might be appropriate to address PALS in Title V renewals.
- a. OEPA response: OEPA thought about the use of the PTI, because this mechanism is already in place and it seems like the best tool to use.
  - b. OEPA response: Clarified that OEPA is obligated to use a SIP-approved vehicle for PAL implementation and, given this, we wouldn’t be able to use the Title V process to do this.
6. Comment asks question: Does OEPA issue permits that limit actual emissions?
- a. OEPA response. No, but can’t say for certain because of netting permits. There may be some permits based on actual emissions.
7. Commenter stated that he worked on an actual PAL at an auto assembly plant and has several comments about PALS:
- a. Encourages OEPA to adopt the PAL rule as promulgated by USEPA. He feels that it provides flexibility for both the regulated source and community. It allows industry operational flexibility and provides the community with a bright line for NSR determination.
  - b. PALS reduce the burden on a source when demonstrating compliance.
  - c. As long as a source is under the PAL cap, OEPA should consider this in issuing permits. In his example, the company was able to get quicker turnaround time on permits (minor NSR 30 days, major 45 days).
  - d. PALS should be the “underlying surrogate” for other requirements such as NSPS, BACT, etc. PALS should not be just one more obligation that someone needs to comply with, otherwise there’s no incentive to go for a PAL.
  - e. Flexibility in getting a PAL should not be “scuttled” by the Title V permit process.
  - f. Ohio EPA should look at the concept of partial PALS.
  - g. PALS should be easy to obtain. A facility should not be required to go through the equivalent of a full-blown research and development process just to obtain a PAL.



13. Commenter asks for clarification on slide #6 (Increase in PALs) and statements regarding what is meant by BACT-level control. Does this mean that a company needs to do an analysis of BACT-level requirements or does it also mean that equipment needs to be installed? He feels that the intent is to have an evaluation done, not equipment installed.
  - a. OEPA response: That is correct so long as the PAL limit will still be met or the newly established limit can be met, equipment installation is not required.
  
14. Commenter said he supported earlier statements about how to enhance the PALs by looking at other possible options. If someone came through with an idea of how we can improve the NSR program and PALs, could OEPA engage USEPA in this type of discussion?
  - a. OEPA response: We need to know more about the specific concepts that are being proposed. We could discuss, but it might be difficult to get approval on something that deviates too much from the federal requirements, especially within our time constraints.
  - b. Commenter responds: Can OEPA consider other options, possibly after the rules are implemented (maybe 1-2 years down the road).
  - c. OEPA response: Maybe we could do this down the road.

#### **EQUIPMENT REPLACEMENT AND REPAIR REVIEW**

As a follow-up to the previous meeting, Ohio EPA provided an overview of the RMRR portion of the NSR rule (agenda topic at last meeting). Ohio EPA mentioned that they did not know what the court's schedule is on addressing the stay. It could possibly be toward the end of the calendar year before any decision is made on this.

15. Commenter asked for clarification on this. Does this mean that OEPA's efforts in getting the NSR rules done will not include the RMRR portion of the rule?
  - a. OEPA response: Yes, this is correct, unless the court makes a determination on the stay before this time.
  - b. OEPA response: OEPA clarified that they are unable to move forward with the RMRR rule at this time, because any proposed changes made would be in conflict with the current federal rule language. We need to wait for the court's decision or other action by USEPA.

## **OPEN DISCUSSION/WRAP-UP**

The group was reminded about how to submit comments.

At the opening of the meeting, participants were asked about the option for an additional group meeting in February. This was scheduled, but no topic(s) had been identified. This was left open. Ohio EPA proposed some ideas for meeting items, however, there was a general consensus that it would be better to have a meeting later, possibly in March. At this time, OEPA will be farther along in the NSR rule process and can better provide updates and answer questions. More information on a future meeting will be forthcoming from OEPA, DAPC.