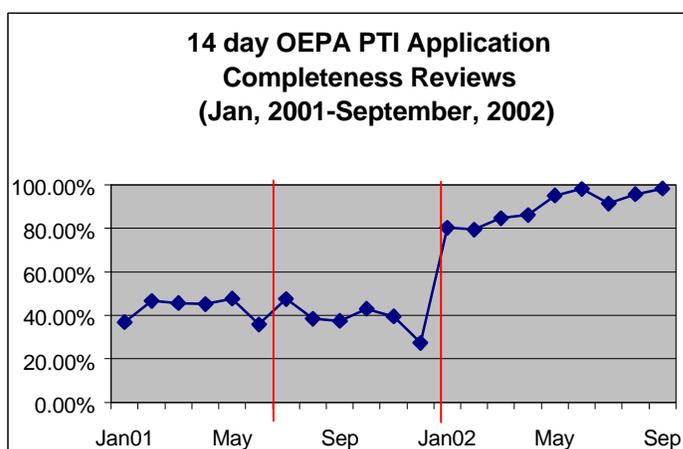
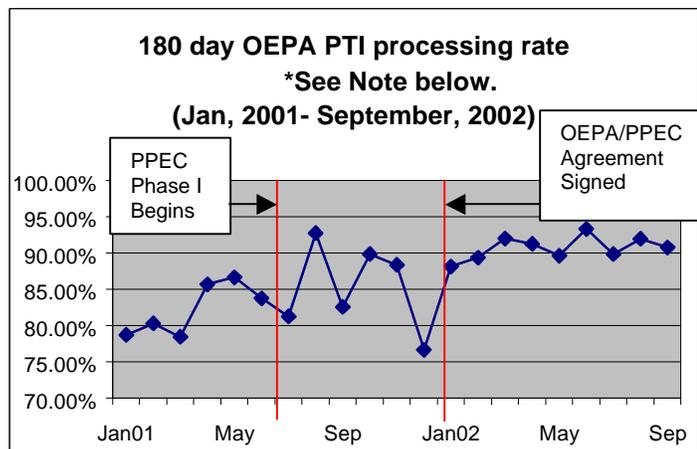


The following progress report highlights the substantial progress to date of the Industry-Ohio EPA PPEC. The potential benefits to the regulated community are substantial and your continued involvement in this process is critical to its eventual success.

## Industry-Ohio EPA Permit Process Efficiency Committee Progress Report - November, 2002 Executive Summary



*\*Note: the above graph for 180 day processing includes all PTI applications pending (including those submitted prior to 1/1/2002) not just the applications agreed to be processed and compared within the 180 day performance goal. Ohio EPA reported 99+% of the PTI applications received subsequent to January 1, 2002 have been processed within the 180 day performance goal.*

### Original Industry-Ohio EPA PPEC Workgroup Update

**Permit and Metrics Committee** – the final report mandated Ohio EPA to maintain a 100% goal for 14-day application completeness reviews and 180 day processing for PTI applications. The information and charts provided by Ohio EPA reflects this progress (see charts and note above).

**Training Committee** - the next step is to initiate the development of external (industry training) in accordance with the PPEC agreement. The goal of the industry application training will be to have better applications for PTI and PTO permits to be submitted to Ohio EPA by the regulated community. The committee will need help securing resources (financial and time) to proceed with the external training program. In addition, Ohio EPA intends to implement an annual training program in conjunction with U.S. EPA for Ohio EPA agency permit review staff.

**DAPC Reorganization Committee** – due to the Ohio EPA budget reductions, the committee reported that the previous DAPC reorganization presented to the Industry-Ohio EPA PPEC will need to be reassessed. Ohio EPA will prepare and present a revised draft reorganization plan to the PPEC in the spring of 2003.

### Update from the Industry-Ohio EPA PPEC Implementation Workgroups

**Permit By Rule Committee** - the committee reported a conference call with U. S. EPA staff during the quarter. The first Permit by Rule proposal is still on schedule to occur in 2003.

Elise Spriggs of the Ohio Petroleum Council (614 221-5439) is the trade association representative for the committee

**General Permit Committee** – the committee reported that the draft rule for the General Permit is about to be released for initiation of the public comment period. The General Permit final rule is expected to be completed by second quarter of 2003. The terms and conditions of the General Permit for the first eleven sources to be covered by a General Permit is currently being discussed and debated by the eleven industry subgroups.

Jack Pounds of the Ohio Chemistry Technology Council (614 224-1730) is the trade association representative for the committee.

**Emissions Exemption Threshold Committee** – the committee reported meeting two times during the quarter to move forward on the issues. Workgroup is finalizing draft language for a rule change. The key points include: a facility must be in compliance with applicable laws, including major new source or other Clean Air Act provisions; must not be covered by a Permit-by-Rule or other permanent exemption; must have a Potential-to-Emit (PTE) of <25 TPY CO and <10TPY for any other air contaminant. The group is also discussing including an “actual” emission threshold of <25 and <10 TPY with some detailed record keeping. In addition, a facility must develop adequate records and maintain them for a period of time; notify Ohio EPA if they exceed the exempted emission level and also of use; and request to revoke a permit and operate under this exemption.

The committee also reported that the initial project milestone schedule is being revised and updated to reflect the delay in resolving technical and regulatory issues. The group is voting on key components of the rule at the December meeting and then will provide the rule to Ohio EPA for review and comment.

Susan McDonald of the Ohio Chamber of Commerce (614 228-4201) is the trade association representative for the committee.

**Emissions CAP / PAL Committee** – the committee reported that one meeting was held during the quarter. The committee is anticipating final U.S. EPA action on federal New Source review (NSR) regulations by the end of the year. The federal NSR regulations if passed would allow for a state PAL process in Ohio. For now, the committee is in a “holding” pattern depending on whether or not U.S. EPA finalizes the NSR regulations within the next few months. If the federal NSR regulations would not pass, the committee would begin work on a separate PAL program specifically for Ohio. Additionally, a subcommittee of the PAL Committee is also continuing to work on the synthetic minor proposal.

Greg Vergamini of the Ohio Manufacturers’ Association (614 224-5111) is the trade association representative for the committee

### **Additional Issues from the Industry-Ohio EPA PPEC Meeting on October 22, 2002**

**PTIO proposal** - A detailed overview of the September 2002 Ohio EPA concept proposal to convert the current PTI and PTO permits into one permit (“PTIO”) was presented by the Ohio EPA at the October PPEC meeting. After the presentation, an Industry-Ohio EPA PPEC workgroup was formed to discuss several issues of concern raised by committee members during the presentation. The workgroup submitted formal comments and a PPEC position paper to Ohio EPA on November 15<sup>th</sup>. At this point, Ohio EPA will evaluate the comments from various sources and develop a formal proposal for comment on the PTIO proposal. For a copy of the PPEC comments on the PTIO proposal, please contact Linda Woggon at the Ohio Chamber (614 228-4201).

**Ohio EPA Permit Fees** - Ohio EPA presented a draft proposal for revising the PTI fees to replace the anticipated lost fees/revenue from the adoption of the new exemptions and reduced permits that are being proposed by the PPEC implementation workgroups. Ohio EPA also discussed submitting the final proposal into the upcoming 2003-2004

biennium budget bill. Ohio EPA is interested in feedback from the regulated community on the draft proposal prior to finalizing the fee increases.

### **Key Upcoming Project Milestones**

- Secure adequate funding to ensure the Industry-Ohio EPA PPEC continued viability to achieve the overall project objectives and meet individual committee needs as they are requested.
- Maintain schedule with regard to current project milestones for each subcommittee and update project schedules to reflect actual progress to date.
- Maintain the 100% permitting goals set by Ohio EPA and Industry PPEC on PTI processing rates for new applications. Industry PPEC will continue to track the reduction and/or elimination of the PTI backlog and will urge Ohio EPA to post the results on the Ohio EPA website as agreed to in the PPEC agreement.

As you can see, the Industry-Ohio EPA Permit Process Efficiency Committee is making substantial progress. The collective objective is to make the air permit processing system more effective and responsive to industry in Ohio. It has been estimated that, if we are successful on all efforts, we will reduce permitting by as much as 40% resulting in reduced delays and more productive use of the agency's limited resources.

**NOTE: THE NEXT INDUSTRY-OHIO EPA PPEC STEERING COMMITTEE MEETING IS FEBRUARY 11, 2003 (10:00 AM) AT THE OHIO EPA OFFICES IN COLUMBUS, OHIO.**