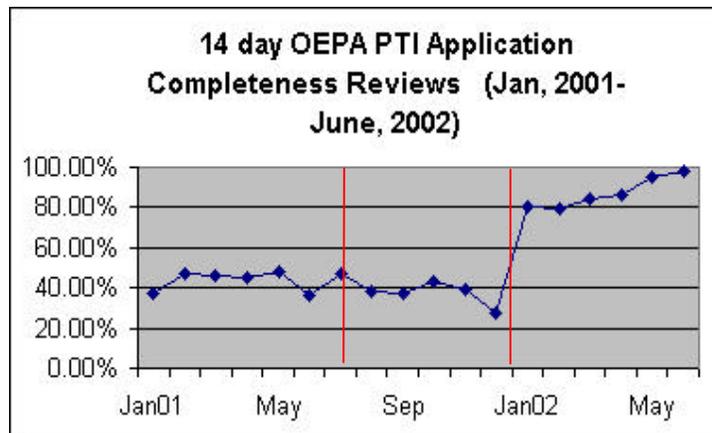
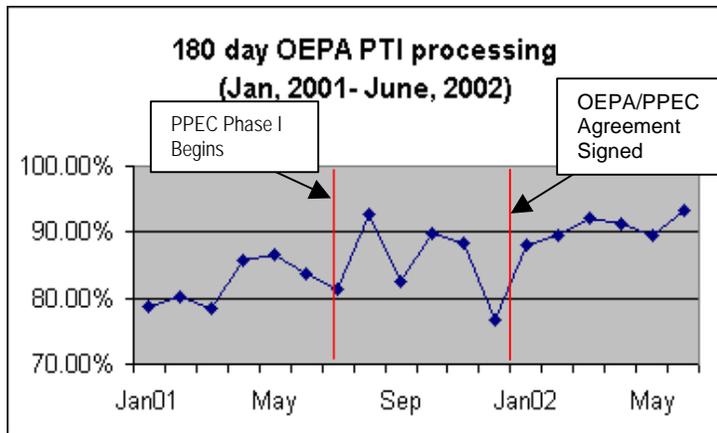


The following progress report highlights the substantial progress to date of the Industry-Ohio EPA PPEC. The potential benefits to the regulated community are substantial and your continued involvement in this process is critical to its eventual success.

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



Significant Progress from the PPEC Implementation Workgroups

- The agreement signed in January 2002 between Ohio EPA and the Industry PPEC includes performance goals of 100% for both the 14-day completeness reviews and 180 day processing of all PTI applications submitted after January 1, 2002. ***Based on the chart, Ohio EPA has met the agreement for completeness reviews and Ohio EPA has reported 100% of the PTI applications received subsequent to January 1, 2002 have been processed within the 180- day agreement.***
- The Industry-Ohio EPA PPEC has received the **endorsement and participation** of USEPA Region V in the implementation of its workgroup objectives. Deputy Administrator Bahat Mathur and Acting Air Director Steve Rothblatt of USEPA Region V attended the July 25, 2002 PPEC meeting and expressed positive support for the project and committed to an on-going support role on each implementation committee to help identify potential issues that will need final USEPA approval.
- Permit By Rule Committee- Identified late 2002 as the projected milestone for completion of work on the first Permit by Rule for Ohio EPA adoption.
- General Permit Committee-Identified April 2003 as the goal for issuance of the first General Permits. Reviewed the first draft version of the proposed administrative regulation for General Permit and requested solicitation of comments from the regulated community. The first draft of the General Permit language is complete and out for comment.

- Emissions Exemption Threshold Committee- Reviewed the implementation plan to complete a proposal for agency action by the end of 2002. Committee has reviewed other states and is in the process of establishing a recommended annual exemption level. Also started consultation with USEPA Region V.
- Emissions CAP/PAL Committee- Created two subcommittees and working to complete work plan and timeline for PAL program in Ohio. Continued review of NSR proposals and started initial consultation with USEPA Region V.

Significant Progress on the final report of the Industry – Ohio EPA PPEC

- Permit and Metrics Committee- the final report mandated management system changes at 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.
- Training Committee- the first phase of internal Ohio EPA training for permit staff by industry representatives was completed in June 2002. The next step is to initiate activity in the next quarter for development of external (industry training) in accordance with 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.
- DAPC Reorganization Committee- since the final PPEC report the Division of Air Pollution Control has completed a final reorganization plan and has started its implementation efforts that will be completed later this year. The reorganization will increase permit efficiency in the Division of Air Pollution Control.

Current Project Objectives

- Maintain USEPA engagement in the development work of each implementation committee to avoid “roadblocks” as the committee initiatives evolve further in 2002 and 2003.
- Meet the interim milestone dates identified by the Permit By Rule, General Permit, Increased Emissions Exemption Threshold Committees and the permit application training program development for industry. Secure and maintain active engagement of the regulated community in the process is essential.
- Reach consensus with USEPA and Ohio EPA on the framework for a useful and practical PAL/Emissions Cap permit system.
- Secure adequate funding that will ensure the continued PPEC project viability to achieve the overall project objectives and will meet the individual committee needs.
- 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.