The Area Source Program July 28, 2005

Area Source Characteristics

- Individually area sources are small emitters
 - Many sources emit less than 100 pounds of HAPs

There are numerous facilities

- Sources are difficult to locate
- Many are small businesses
- Most have not been regulated before
- Many sources emit fine particulate matter, precursors for ozone, and lead
- Collectively, these sources are important toxic contributors in urban areas

CAA Requirements

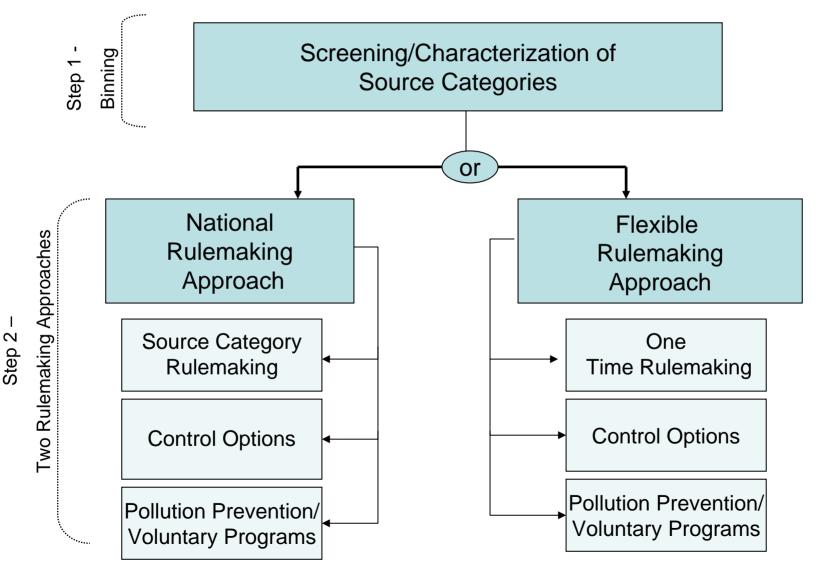
- 112(k)(3) and 112(c)(3) of the CAA require EPA to list area (small) source categories accounting for 90% of the emissions of the 30 priority HAP
- Must "subject to regulations"
- Final list of 70 source categories completed November 22, 2002
 - 15 completed
 - 5 under court ordered deadline
 - 28 have been initiated
 - 22 remain unaddressed

Schedule currently under litigation

Implementation Challenges

- Many states don't have resources to take delegation
- EPA will have to implement program where states do not take delegation
- Need to minimize burden for all levels -especially small businesses

Proposed Area Source Framework



Two Regulatory Approaches

- National Rulemaking Approach
 - Establish national standards for source categories that have a national level of concern
- Flexible Rulemaking Approach
 - Enact a rule, covering a set of categories, that will regulate how categories are controlled at the local level based on local needs
 - EPA will provide guidance on control approaches

Focus on GACT

Can develop standards or requirements

 112(d)(5) – use of Generally Available Control Technologies <u>or</u> management practices

Advantages to using GACT:

- Allows more flexibility
- There is no floor to calculate
- Cost effectiveness is considered

Pollution Prevention Initiative

- Two-prong approach -- develop voluntary approaches and integrate P2 practices into rulemaking
- Partnered with OPPTS and Regional Air & P2 staff to identify and develop approaches to reduce urban air toxics emissions
- Evaluate P2 proposals from trade associations and similar organizations for developing voluntary approach

P2 Initiative Benefits

- Leverage existing data from P2 programs
- Identify controls/BMPs/P2 opportunities for a "common-sense rule"
- Potentially allows us to impact emissions in a shorter time frame
- Opportunity to tap into other Agency resources

Status of effort

- Conducting on going meetings with Interested States, Locals and Tribes to flesh out the framework
- Meeting with Regions, OPPT
- Next steps meeting with appropriate trade associations
- Workgroups are developing workplans for pilots for P2 activities (autobody and industrial boilers are underway)
- Projected proposal in 2006