



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

21 September 2004

Ursula Kramer, Director
Pima County Department of Environmental Quality
150 W. Congress Street, Suite 109
Tucson, Arizona 85701-1317

Re: Pima County Title V Program Evaluation Report

Dear  Ms. Kramer:

We are pleased to enclose the final Pima County Department of Environmental Quality (PDEQ) Title V Program Evaluation Report. EPA Region IX undertook this program evaluation consistent with our goal of reviewing all Title V programs across the nation. The final report incorporates the Department's comments on the draft report, sent to you August 20, 2004, which we found most helpful.

Overall, the findings in the report are positive. We are pleased with the progress the PDEQ program has made in issuing permits. We hope the findings in our report will facilitate continued progress in PDEQ's Title V program. This will be especially important as PDEQ begins to renew the first round of Title V permits, which will be expiring over the next few years. Consistent with our goal to share good practices among Title V permitting authorities, we will be making the report available on our Region IX website. We will also be sharing it with our counterparts in other EPA regional offices and EPA headquarters.

We would like to express our appreciation for the cooperation of PDEQ management and staff throughout all stages of our review of PDEQ's Title V program. We look forward to working with you and your staff as you continue to implement this important program. If you or your staff have any questions please feel free to contact me, or call Colleen McKaughan, Associate Director, at (520) 498-0118 or Gerardo Rios, Permits Office Chief, at (415) 972-3974.

Sincerely,



Deborah Jordan
Director, Air Division

Enclosures

cc: Richard Grimaldi, Deputy Director (w/ Enclosures)
Pima County Department of Environmental Quality

**Pima County Department of Environmental Quality
Title V Operating Permit Program Evaluation**

FINAL REPORT

September 21, 2004

Conducted by the

U.S. Environmental Protection Agency
Region IX
75 Hawthorne Street
San Francisco, California 94105

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ACKNOWLEDGMENTS

EPA Region IX appreciates the cooperation and insights of the staff and management of the Pima County Department of Environmental Quality during this Title V Program Evaluation. We appreciate their willingness to respond to information requests and share their experiences regarding the development and implementation of the Title V program at the Department.

EXECUTIVE SUMMARY

In response to the 2002 Office of Inspector General audit recommendations, the Environmental Protection Agency (EPA) has reexamined the ways it can improve state and local Title V operating permit programs and expedite permit issuance. Specifically, EPA developed an action plan for performing program reviews of Title V operating permit programs. EPA Headquarters (HQ) directed each Regional office to perform Title V program evaluations for each air pollution control agency beginning in fiscal year (FY) 2003.

EPA Region IX oversees 43 separate air permitting authorities (35 in California, 3 in Nevada, 4 in Arizona, and Hawaii). Due to the significant number of permitting authorities, Region IX committed to performing comprehensive Title V program evaluations on 10 of the largest permitting authorities by fiscal year 2008, which would represent about 85% of the Title V sources in Region IX. The purpose of the program evaluations is to identify good practices, document areas needing improvement, and learn how EPA can help the permitting agencies improve their performance.

Region IX conducted its first Title V program evaluation at the Pima County Department of Environmental Quality (PDEQ). PDEQ is a local air pollution control agency within the state of Arizona. (See Appendix A, Air Pollution Agencies in Arizona.) The Region IX program evaluation team consisted of Colleen McKaughan, Associate Director for Arizona; Gerardo Rios, Chief of the Air Permits Office; Shaheerah Fateen, Program Evaluation Coordinator; Emmanuelle Ropicavoli, EPA Permit Engineer for Arizona; and Anna Yen, EPA Permit Engineer for Arizona.

The evaluation was conducted in two stages. In the first stage, Region IX sent PDEQ a questionnaire (See Appendix B, Title V Questionnaire for Pima County) focusing on Title V program implementation in preparation for the on-site visit to PDEQ's office. The Title V questionnaire was developed by EPA nationally and covers the following program areas: (1) Title V Permit Preparation and Content; (2) General Permits; (3) Monitoring; (4) Public Participation and Affected State Review; (5) Permit Issuance/Revision/Renewal Processes; (6) Compliance; (7) Resources & Internal Management Support; and (8) Title V Benefits. PDEQ completed the questionnaire in advance of Region IX's onsite visit to the Department.

During the first stage, Region IX also conducted an internal review of PDEQ's Title V permit files. Region IX selected permits that were already issued, but had not been previously reviewed by the Agency. PDEQ initially received Title V applications for 21 Title V sources at the beginning of the Department's implementation of its Title V program, and currently has 19 Title V sources within the County. Of the Title V permits issued by PDEQ, Region IX reviewed three permits. Region IX used the Permit Review Checklist, which was also developed by EPA nationally, to assist with the review of permit files. As of August 2004, PDEQ had issued permits for all but one of the Title V sources in the County.

The second stage of the program evaluation was the program review, which consisted of

EPA representatives visiting the PDEQ office to conduct further file reviews, interview PDEQ staff and managers, and review the Department's databases used for tracking permit-related information. The purpose of the interviews was to confirm what was in the completed questionnaire and to ask clarifying questions. The onsite visit took place during January 14 - 16, 2004. Region IX also conducted several interviews by phone with PDEQ staff and managers and made several informational requests in the months following the onsite visit.

Based on EPA Region IX's program evaluation, PDEQ's major findings and recommendations are provided below. While EPA identified areas of improvement, there were many areas where PDEQ is already performing well.

1. PDEQ has a process for quality assuring permits before issuance. EPA recommends that PDEQ continue to quality assure permits. Permits should be reviewed by the permits management and compliance staff prior to being public noticed. EPA supports PDEQ in developing a checklist to verify the inclusion of all necessary elements. EPA recommends that PDEQ use relevant EPA policy documents in addition to the checklist. (See Finding 2.5)
2. PDEQ delayed the issuance of initial Title V permits because the Department waited for EPA's interpretation of federal regulations, and for ADEQ to issue specific Title V permits. EPA will continue to work with PDEQ and other Arizona agencies in response to the Department's requests for obtaining case-by-case guidance and interpretation on federal regulations and their interface with state law. EPA will continue to work with PDEQ and other Arizona agencies in the context of the Arizona Permit Manager's Meetings to resolve any issues of interpretation that these agencies may have. (See Finding 2.7)
3. PDEQ does not require sources to supplement their applications on file with current information if there is an extended period of time between the application and issuance of the permit. EPA recommends that PDEQ notify Title V applicants of the applicants' duty to correct, supplement, and make current their applications, whenever necessary. PDEQ should consider doing this especially if the Department encounters the same delays for renewal applications that occurred for the initial applications. (See Finding 2.9)
4. In the initial implementation of PDEQ's Title V program, EPA made frequent comments on most permits regarding the need for more frequent testing, monitoring, or recordkeeping to assure compliance with applicable requirements (including SIP, NSPS, MACT, and PSD). More recently, PDEQ has improved their process for incorporating monitoring requirements, resulting in fewer comments from EPA. EPA recommends that PDEQ maintain its current approach to incorporating monitoring requirements in Title V permits. (See Finding 3.1)
5. PDEQ does an exceptional job of outreach to the public for permits where there is significant citizen interest. Outreach efforts include multiple newspaper notices in both

Spanish and English, as well as public meetings and workshops for controversial permits. PDEQ provides a valuable service and an effective public outreach process. The Department should follow the same approach of publishing multiple public notices and arranging public informational meetings when the need arises for Title V permits that have significant citizen interest. (See Finding 4.1)

6. PDEQ has staff that are dedicated to public relations and who assist permitting staff with public outreach. EPA commends PDEQ and recommends that PDEQ maintain this practice for any Title V permits with significant public interest. (See Finding 4.2)
7. PDEQ does not currently have a practice of making the public aware of the public petition process provided under 40 CFR 70.8(d). EPA recommends that PDEQ notify the public during the public comment period, via the public notice or public hearing, and also developing a mechanism for notifying the public when their 60-day petition period starts (i.e., the end of EPA's 45 day review). EPA will assist Department staff in understanding the petition process requirement and in developing such a mechanism for public notification, if requested by PDEQ. [Note: As of August 2004, PDEQ has stated that the Department is taking steps to incorporate information regarding the public petition process into their procedures manual.] (See Finding 4.7)
8. PDEQ's practice has been to re-notice draft permits in which the Department has made substantive changes after the public comment period. EPA understands that PDEQ has been advised by their legal counsel to use the criteria in ARS 41-1025 to determine whether or not changes to a draft permit are considered substantive. EPA uses the criteria in 40 CFR 70.7(e)(2)(i)(A) to determine whether changes to a draft permit are significant and, therefore, require public notice. EPA recommends that the Department use the relevant criteria in Part 70 and Pima's Title V program (i.e., 70.7(e)(2)(i)(A) and Pima County Rule 17.12.250) for determining whether a change would constitute a minor or significant permit revision and thus require additional public notice. EPA will assist in giving the Department guidance whenever necessary. (See Finding 4.13)
9. Issuance of initial Title V permits varied due to staff turnover, consistency issues with ADEQ, and a complex permitting process. Although the Department is developing plans to issue timely renewals, staffing issues may interfere with the Department's plans. EPA is aware that PDEQ is planning to ensure that all permits are issued in a reasonable timeframe. EPA supports PDEQ's efforts in looking at its past practices and identifying any roadblocks to issuing Title V permits. PDEQ should proceed with meeting its goals to issue timely initial and renewal Title V permits. However, EPA encourages the Department to avoid delaying the issuance of any renewal Title V permits because the Department is waiting for ADEQ to issue permits. EPA recommends that PDEQ communicate with EPA if such situations arise. (See Finding 5.1)

10. Annual compliance certifications have not been useful for enforcement purposes in the past, but PDEQ recently revised their policies, forms, and procedures to improve the likelihood that these will be more useful in compliance determinations. EPA supports the development and use of this standard form and encourages Pima County to require that all of their Title V sources use it to further improve its utility for field inspection staff. (See Finding 6.6)
11. PDEQ's Title V permits include both an emergency defense provision from 40 CFR 70.6(g) and an affirmative defense provision during start-up, shutdown and malfunction that has not been approved into PDEQ's SIP. EPA recommends that PDEQ not include the affirmative defense provision in their Title V permits until such time as the rule is approved into Pima County's SIP. If PDEQ wishes to include such an affirmative defense provision during startup, shutdown and malfunction in their Title V permits, EPA recommends that the Department submit the rule to EPA for approval into the County's SIP. (See Finding 6.10)
12. While training on Title V issues is adequate, there is no standard set of courses to ensure that permit engineers are prepared to address issues as they arise. EPA supports PDEQ's attempts to develop or identify a standard set of courses that employees working with Title V issues should take in order to better prepare their staff to address issues as they arise. EPA is willing to assist in informing PDEQ of permit-related training that is sponsored by the Agency.(See Finding 7.3)
13. Though morale is high among those who work on Title V permits within PDEQ, there is little focus on career development. PDEQ should consider instituting more frequent performance reviews of permittees and should consider conducting a job classification review to ensure that the classifications attract qualified applicants with the technical skills necessary to perform Title V permit reviews. A Department-specific classification may be necessary to reflect the unique requirements of air permit engineers. EPA is willing to assist in this effort if necessary. (See Finding 7.4)
14. PDEQ's management of the permit review process is adequate. However, there have been a few times when the review process has been slow and inefficient. PDEQ should improve its present process for managing the permit review process by clarifying the duties of the position responsible for managing the permits process and making these duties unique to the position. [Note: Since the time of EPA's January 2004 onsite visit to PDEQ, the Department is in the process of reorganizing such that permitting and compliance staff report to the same manager who is familiar with the Title V permitting process. PDEQ believes this reorganization will make the permitting process more efficient.] (See Finding 7.5)
15. PDEQ plans to change the Department's fee structure for Title V sources. PDEQ should present EPA with an analysis (if not already performed) that shows the effects of any change in fee structure. PDEQ should also work with EPA to demonstrate that any

changes in the Department's fee structure satisfies the fee demonstration requirements in the Title V regulations. EPA will carefully study this fee structure issue in Arizona as we continue to perform our Title V evaluations at other permitting agencies within the State. (See Finding 7.9)

16. Although PDEQ has no formal EJ policy, they are addressing community issues effectively. EPA has provided EJ training to PDEQ staff in the past and will continue to support the Department's EJ efforts in the future. PDEQ should consider increasing its capacity on EJ to provide for backup in case of an unexpected absence or departure. [Note: Since the onsite visit in January 2004, PDEQ has made EJ an official duty of the Citizen's Assistance Coordinator (refer to Finding 4.2)] (See Finding 7.10)
17. Title V has resulted in more comprehensive permits issued by PDEQ, and permitting engineers have a better understanding of federal air pollution regulations. PDEQ should continue writing comprehensive Title V permits. (See Finding 8.1)
18. Title V permits have been useful for compliance and enforcement staff to ensure conditions in permits are practically enforceable. PDEQ should continue coordinating with enforcement and compliance staff to determine the compliance status of sources. (See Finding 8.2)
19. Title V improved permitting engineers' understanding of sources' operations and emissions. EPA acknowledges and supports the improvements PDEQ has achieved as a result of implementing Title V. (See Finding 8.3)
20. Title V has resulted in better records management for permits at PDEQ. PDEQ should upgrade the Department's computer-based tracking systems by integrating the AppTrack and Paradox databases so that both programs interact with each other. (See Finding 8.5)
21. The Title V fees have been helpful in supporting some aspects of the Department's Title V program. PDEQ is allowed to use its Title V revenues for any expenses that will support its Title V program, which can include hiring new staff to draft Title V permits. EPA recommends that PDEQ work with EPA regarding any proposed changes to the Department's Title V fee schedule to demonstrate that the any newly proposed fee structure is adequate to cover the costs of the Department's Title V program. PDEQ should consider conducting a job classification review to ensure that the classifications attract qualified applicants with the technical skills necessary to perform Title V permit reviews. A Department-specific classification might be necessary to reflect the unique requirements of air permit engineers. If a new salary structure is indicated, EPA encourages the Department to consider investigating the use of Title V fees to support any increase. EPA is willing to assist in this effort if necessary. (See Finding 8.6)

1. INTRODUCTION

Background

In 2000, the Office of Inspector General (OIG) initiated an evaluation on the progress of issuing Title V permits by EPA and states at the request of the management at EPA Region V. Region V was concerned about the progress that its state and local air pollution control agencies were making in issuing Title V permits under the Act. In planning the evaluation, OIG expanded the scope to include other EPA regions because problems in issuing Title V permits were not isolated to Region V. The purpose of OIG's evaluation was to identify factors delaying the issuance of Title V permits by selected state and local agencies and to identify practices contributing to more timely issuance of permits by those same agencies.

After reviewing several selected state and local air pollution control agencies, OIG issued a report¹ on the progress of Title V permit issuance by EPA and States. In the report, OIG concluded that the key factors delaying the issuance of Title V permits included (1) a lack of resources, complex EPA regulations, and conflicting priorities contributed to permit delays; (2) EPA oversight and technical assistance had little impact on issuing Title V permits; (3) management support, partnerships, and site visits contributed to more timely issuance of Title V permits; and (4) state agency management support for the Title V program, state agency and industry partnering, and permit writer site visits to facilities contributed to the progress that agencies made in issuing Title V operating permits.

OIG's report provided several recommendations for EPA to improve Title V programs and increase the issuance of Title V permits. In response to OIG's recommendations, EPA made a commitment in July 2002 to carry out comprehensive Title V program evaluations nationwide. The goals of these evaluations are to identify areas where EPA's oversight role can be improved, areas where air pollution control agencies are taking unique approaches that may benefit other agencies, and areas of an air pollution control agency's program that need improvement. EPA directed each Regional office to perform Title V program evaluations for each air pollution control agency beginning in fiscal year (FY) 2003. EPA HQ developed, with the assistance of the regional offices, an evaluation protocol.

EPA Region IX oversees 43 separate air permitting authorities (35 in California, 3 in Nevada, 4 in Arizona, and Hawaii). Due to the significant number of permitting authorities, Region IX committed to performing comprehensive Title V program evaluations on 10 of the largest permitting authorities by fiscal year 2008, which would represent about 85% of the Title V sources in Region IX.

¹ See Report No. 2002-P-00008, Office of Inspector General Evaluation Report, AIR, EPA and State Progress In Issuing Title V Permits, dated March 29, 2002.

Title V Program Evaluation at Pima County

Region IX conducted the first Title V program evaluation at the Pima County Department of Environmental Quality (PDEQ). PDEQ is a local air pollution control agency within the state of Arizona. (See Appendix A, Air Pollution Agencies in Arizona.) The Region IX program evaluation team consisted of Colleen McKaughan, Associate Director for Arizona; Gerardo Rios, Chief of the Air Permits Office; Shaheerah Fateen, Program Evaluation Coordinator; Emmanuelle Rapticavoli, EPA Permit Engineer for Arizona; and Anna Yen, EPA Permit Engineer for Arizona.

The objectives of the evaluation were to assess how PDEQ implements its Title V permitting program, evaluate the overall effectiveness of PDEQ's operating permit program, identify areas of PDEQ's program that need improvement and areas where EPA's oversight role can be improved, and highlight the unique and innovative aspects of PDEQ's program that may be beneficial to transfer to other permitting authorities. The evaluation was conducted in two stages. In the first stage, EPA sent PDEQ a questionnaire (See Appendix B, Title V Questionnaire for Pima County) focusing on Title V program implementation in preparation for the onsite visit to PDEQ's office. The Title V questionnaire was developed by EPA nationally and covers the following program areas: (1) Title V Permit Preparation and Content; (2) General Permits; (3) Monitoring; (4) Public Participation and Affected State Review; (5) Permit Issuance/Revision/Renewal Processes; (6) Compliance; (7) Resources & Internal Management Support; and (8) Title V Benefits.

During the first stage, Region IX also conducted an internal review of PDEQ's Title V permits. Pima County submits Title V permits to EPA in accordance with the Title V regulations, however EPA is not obligated to review all Title V permits submitted to the Agency. For the purposes of this evaluation, Region IX selected permits that were already issued, but had not been previously reviewed by the Agency. PDEQ initially received Title V applications for 21 Title V sources, and currently has 19 Title V sources in the County. Of the Title V permits issued by PDEQ, Region IX reviewed three permits. Region IX used the Permit Review Checklist, which was also developed by EPA nationally, to assist with the review of permit files. As of August 2004, PDEQ had issued permits for all but one Title V source.

The second stage of the program evaluation was the program review, which consisted of Region IX representatives visiting the PDEQ office to conduct further file reviews, interview PDEQ staff and managers, and review the Department's databases used for tracking permit-related information. The purpose of the interviews was to confirm what was in the completed questionnaire and to ask clarifying questions. The onsite visit took place during January 14 - 16, 2004. EPA also conducted several interviews by phone with PDEQ staff and managers and made several informational requests in the months following the onsite visit.

PDEQ Description

PDEQ is the regulatory and enforcement agency for air pollution control in Pima County. PDEQ was created in 1989 when it was split off from the Pima County Health Department by the Pima County Board of Supervisors. The Department currently includes the air quality, water, and waste programs. PDEQ is mandated to protect the environment and health of the citizens of Pima County, Arizona. The Department consists of six Divisions: Director's Office, Technical Services, Field Services, Household Hazardous Waste Program, Technical Operations, and Communications. (See Appendix C, PDEQ Organization Chart.)

The Director of the PDEQ is the designated Air Pollution Control Officer and is the executive head of PDEQ. The Air Quality Control Officer is responsible for implementing the ambient air monitoring, enforcement, and stationary source permitting programs in the County. Technical Services generally administers programs for regulating air pollution, water companies, solid and liquid waste haulers, and hazardous waste generators. Applications are reviewed and permits, including Title V permits, are issued to air pollution sources under the Technical Services Division. As mandated by the Clean Air Act Amendments of 1990, PDEQ has a Small Business Assistance Program (SBAP), which operates under the Technical Services Division, to provide assistance to business owners and operators in determining the County, State, and Federal requirements that apply to businesses.

Field Services is responsible for ensuring that regulated entities are complying with the County and State laws as they relate to regulating air, water and waste pollution. Field Services is responsible for enforcing these laws when they are violated. Technical Operations is responsible for performing air quality analysis and monitoring and the Communications Division provides public outreach and education on environmental topics. The Communications Division includes a Citizen's Assistance and Environmental Justice Coordinator. One staff person is assigned to this position to serve as a liaison between the Department and the public, specifically to (1) encourage public input; (2) promote public awareness of environmental concerns; (3) encourage public assistance in enhancing Pima County's environmental quality; and (4) promote environmental justice.

Coordination with the State of Arizona

The Arizona Department of Environmental Quality (ADEQ) is responsible for submitting the State Implementation Plan (SIP) and Federally-mandated air permitting programs for Arizona to EPA. PDEQ is a local air pollution control agency within the state. State law and a delegation agreement between ADEQ and PDEQ describe the roles and responsibilities of each agency, and delineate jurisdiction of sources within Pima County. On November 10, 1993, ADEQ, on behalf of PDEQ, submitted Pima County's proposed operating permits program, pursuant to Title V of the Clean Air Act (the Act) and the Arizona Comprehensive Air Quality Act, for approval to EPA.

The Arizona Revised Statutes, Title 49, Chapter 3, Air Quality, provide authority for

county air quality control districts to permit sources of air pollution, including sources operating pursuant to Title V of the Act. Arizona law provides that ADEQ has jurisdiction over sources, permits and violations that pertain to (1) major sources in any county that has not received New Source Review or Prevention of Significant Deterioration approval from the Administrator; (2) metal ore smelters; (3) petroleum refineries; (4) coal-fired electrical generating stations; (5) Portland cement plants; (6) air pollution by portable sources; (7) mobile sources; and (8) sources located in a county which has not submitted a program as required by Title V of the Act or a county that had its program disapproved.² All other sources located in Pima County are under the jurisdiction of the County. Arizona law further provides authority for the Director of ADEQ to delegate to local agencies authority over sources under ADEQ's jurisdiction.³

Arizona law provides legal authority for local agencies to review, issue, revise, administer and enforce permits for sources required to obtain a permit under Arizona law.⁴ It mandates that the county procedures for review, issuance, revision and administration of permits for sources subject to the requirements of Title V of the Act be identical to the procedures for such sources permitted by the state. Under Arizona law, all sources subject to permitting requirements within the state of Arizona, exclusive of lands within the exterior boundaries of Indian reservations, are covered by either the state or by a county's permitting program.

² See Arizona Revised Statute (ARS) 49-402.

³ See ARS 49-107.

⁴ See ARS 49-480(B). This statute states the following: "Procedures for the review, issuance, revision and administration of permits issued pursuant to this section and required to be obtained pursuant to Title V of the clean air act including sources that emit hazardous air pollutants shall be substantially identical to procedures for the review, issuance, revision and administration of permits issued by the department under this chapter. Such procedures shall comply with the requirements of sections 165, 173 and 408 and Titles III and V of the clean air act and implementing regulations for sources subject to Titles III and V of the clean air act. Procedures for the review, issuance, revision and administration of permits issued pursuant to this section and not required to be obtained pursuant to Title V of the clean air act shall impose no greater procedural burden on the permit applicant than procedures for the review, issuance, revision and administration of permits issued by the department under sections 49-426 and 49-426.01 and other applicable provisions of this chapter."

PDEQ's Title V Program

PDEQ was granted final interim approval by EPA for the Department's Title V program on November 29, 1996⁵ and was granted full approval on November 30, 2001⁶. According to PDEQ's November 10, 1993, Title V program submittal, the Department estimated that approximately 47 sources would apply for Title V permits by May 1, 1995. At the time, this number included all existing permitted sources and anticipated new sources. As of January 2004, PDEQ had received 21 initial Title V applications, and currently expects to issue a total of 19 Title V permits. PDEQ has a unitary permit program that allows the Department to issue permits containing requirements for new construction or installation of a source, and operation of the source under the Title V program.

EPA's Findings and Recommendations

The following sections will include a brief introduction, and then a series of findings, discussions, and recommendations. The findings are grouped in accordance with the order of the program areas as they appear in the Title V questionnaire. However, this report does not include a section on General Permits, which was a topic covered in the questionnaire, since PDEQ does not issue General Permits.

It is important to note that the findings and recommendations in this report are based on EPA's internal reviews performed prior to the onsite visit to PDEQ, the Department's responses to the Title V Questionnaire, the onsite portion of the program evaluation that took place January 14 - 16, 2004, and phone interviews and information requests conducted during the months after the onsite visit.

⁵ See 61 Federal Register (FR) 55910, dated October 30, 1996.

⁶ See 66 FR 63175, dated December 5, 2001.

2. TITLE V PERMIT PREPARATION AND CONTENT

The purpose of this section is to evaluate the permitting authority's procedure for preparing Title V permits. 40 CFR 70.5 outlines the necessary elements of a Title V permit application. 40 CFR 70.5(c) requires the permitting authority to develop a standard application form to ensure that these elements are included in sources' applications.

40 CFR 70.6 outlines the requirements that must be included in each Title V permit. Title V permits must include all applicable requirements, and necessary testing, monitoring, recordkeeping, and reporting requirements sufficient to ensure compliance with the permit.

2.1 Finding: The County Attorney's Office provides input on the Title V application and permit preparation process as needed.

Discussion: There are two attorneys assigned by the Pima County Attorney's Office to PDEQ. One of the attorneys is assigned to primarily prosecuting multimedia violations. The other attorney is assigned to rulemaking and air permitting issues, including Title V. According to the interview responses, the County attorney provides legal advice on the preparation of Title V permits when questions are brought to him by permitting staff. He estimated that he may receive about two questions a year on Title V.

Recommendation: PDEQ currently has 19 Title V sources, and any legal issues, whether significant or minor, that arise during the preparation of permits have been manageable by the Department. Thus, the attorney's involvement in PDEQ's Title V program appears to be adequate. However, if the Title V program includes more Title V sources in the future and those sources have significant legal issues associated with them, the Department should consider increasing the attorney's involvement in the program. EPA will continue to work with the County to address any legal interpretations that may arise.

2.2 Finding: Although the structure of Title V permits issued by PDEQ has evolved since the beginning of the implementation of the County's Title V program, and continues to evolve, the permits have been useful to compliance staff.

Discussion: PDEQ's permits were organized by equipment in the past, but now they are organized by standard. Permit engineers usually send the draft permit to the compliance office and to the source for review and comment. Compliance staff use Title V permits to conduct inspections. Compliance staff believe that when the permit is organized by equipment rather than by the Federal or local standards that apply to the source, the document is easier to understand from an inspector's standpoint. According to compliance staff, the way the permits are currently written has not interfered with enforcing the permits.

Recommendation: EPA acknowledges that there may be a difference of opinion between permitting and compliance staff regarding how the permits should be written. EPA also acknowledges that in many instances there is little that can be done to make permits less

cumbersome since Title V permits must include all applicable requirements. EPA recommends that PDEQ permit staff continue to communicate and coordinate with compliance staff while preparing Title V permits to ensure permits are practically enforceable.

2.3 Finding: PDEQ would like input on draft Title V permits early in the permitting process.

Discussion: PDEQ permitting staff believe it would be helpful to get EPA's input in the draft stages of the permit and would like to get EPA assistance on making policy determinations regarding Title V permits. EPA is willing to provide input to PDEQ regarding their draft permits as well as assistance with any general policy questions, as our resources allow. However, in order to make EPA's review and response to permits more efficient, EPA would like PDEQ to identify key issues for EPA to focus on during their review.

Recommendation: EPA recommends that PDEQ notify EPA of areas of concern in draft Title V permits before these permits are public noticed. EPA will continue to work with PDEQ early in the permitting process to address any issues that arise in permits.

2.4 Finding: PDEQ is planning to improve the standard Title V application to reduce the amount of follow-up required for a source's Title V application.

Discussion: According to PDEQ, the Department's standard application form mirrors ADEQ's application forms for Title V permits. (See Appendix D, PDEQ Standard Application Forms.) PDEQ has made minor changes to the standard application form in the past, and the Department is currently working on revising the filing instructions for the standard application form to make the form clearer and more comprehensive for sources.

PDEQ permit staff is also working on improving the application forms to make them more streamlined and easier to use. PDEQ plans to change the administrative content but not the technical content. They will revise the standard application form as well as create other written documents. According to PDEQ, the goal of the planned improvements to the application forms is to make them more comprehensive so that the permit can be drafted with minimal follow-up with the source.

PDEQ also plans to update their webpage to provide more comprehensive instructions regarding the Title V application forms. PDEQ's standard application forms can be downloaded from PDEQ's website. However the website fails to identify which application forms are for Title V, and it may not provide sufficient guidance regarding the necessary elements that must be included in a source's application.

Recommendation: EPA acknowledges that some amount of follow up is always necessary when processing applications submitted to the Department. EPA supports PDEQ's efforts to improve the Department's standard Title V application forms. EPA suggests that if PDEQ proceeds with changing these forms, PDEQ should spend some time explaining to sources what the Department's expectations are for permit renewals and revisions.

2.5 Finding: PDEQ has a process for quality assuring permits before issuance.

Discussion: PDEQ's process for quality assuring permits includes checklists and internal peer review. Permits are peer reviewed by more experienced permit engineers and management before being public noticed. In some cases, draft permits will be sent to field enforcement, particularly if the compliance staff have encountered compliance issues with a particular source.

As part of quality assuring permits, PDEQ has taken steps to improve permit writing over the years. To improve permit writing, PDEQ is developing checklists for applications, and consistency policies for monitoring, recordkeeping and reporting. The checklists are not comprehensive yet but are in the process of being improved. They also have a system of checks and balances with open communication, where management is the final checkpoint in reviewing permits.

Recommendation: PDEQ should continue to quality assure permits. Permits should be reviewed by the permitting managers and compliance staff prior to being public noticed. EPA supports PDEQ in developing a checklist to verify the inclusion of all necessary elements. EPA recommends that PDEQ use relevant EPA policy documents in addition to the checklist.

2.6 Finding: PDEQ has ways to verify whether a source is in compliance while drafting the Title V permit.

Discussion: The Title V permit must contain operational requirements and limitations that assure compliance with all applicable requirements at the time of permit issuance.⁷ For sources that are not in compliance with all applicable requirements at the time of permit issuance, permits must contain a schedule of compliance.⁸ PDEQ permit staff assure that sources are in compliance by reviewing the inspection and compliance history of a Title V facility prior to drafting the permit. Permit staff work with inspectors and look at compliance or inspection reports for the facility. They also talk to inspectors and field staff to identify outstanding issues, which they then address in the permit.

PDEQ has not yet encountered a non-compliance issue for a Title V source. Based upon PDEQ's current practices for non-Title V sources which are out of compliance, PDEQ may delay permit issuance until compliance is attained.

Recommendation: PDEQ should continue following their procedure for determining the compliance status of all Title V sources. EPA recommends that PDEQ include a schedule of compliance in the Title V permit for sources that are not in compliance with an applicable requirement so that the source will return to compliance within a reasonable period of time. We

⁷ See 40 CFR 70.6(a)(1).

⁸ See 40 CFR 70.5(c)(8)(iii)(C).

also recommend that PDEQ avoid delaying the issuance of Title V permits due to non-compliance issues. EPA also suggests that PDEQ communicate with EPA regarding any non-compliance situation.

2.7 Finding: PDEQ delayed the issuance of initial Title V permits because the Department waited for EPA’s interpretation of federal regulations, and for ADEQ to issue specific Title V permits.

Discussion: PDEQ believes that waiting for case-by-case guidance and interpretation of federal regulations from EPA has slowed the issuance of initial Title V permits. According to PDEQ, many of the Department’s requests were for interpreting “affected source” definitions and determining adequate monitoring for sources. At least one request dealt with Title V applicability where the Department had to determine whether a source (Davis Monthan AFB) was subject to Title V and was awaiting guidance from EPA.

PDEQ also delayed issuance of initial Title V permits because the Department waited for ADEQ to first issue permits for certain categories of sources that were being permitted by both PDEQ and ADEQ and that had permitting issues associated with them. According to PDEQ, Arizona State law requires Title V permits, including the substantial requirements within permits, issued by the Department to be substantially identical to Title V permits issued by ADEQ.⁹ Once ADEQ started issuing its initial permits, PDEQ followed ADEQ’s lead. For example, PDEQ delayed the issuance of a Title V permit for ASARCO to wait for ADEQ to resolve and issue a Title V permit for a similar source called Phelps Dodge Sierrita.

Recommendation: EPA will continue to work with PDEQ and other Arizona agencies in response to the Department’s requests for obtaining case-by-case guidance and interpretation on federal regulations and their interface with state law. EPA will continue to work with PDEQ and other Arizona agencies in the context of the Arizona Permit Manager’s Meetings to resolve any issues of interpretations that these agencies may have.

2.8 Finding: PDEQ includes a well-written “Technical Support Document” and emissions calculation sheet, which together serve as the statement of basis, with every permit.

Discussion: Permitting authorities are required to provide a statement that sets forth the legal and factual basis for the draft permit conditions (including references to the applicable statutory or regulatory provisions).¹⁰ This is commonly referred to by EPA as the “Statement of Basis”. PDEQ has a standard “Technical Support Document” (TSD) and an emissions calculation sheet that make up the statement of basis.

⁹ See ARS 49-480(B).

¹⁰ See 40 CFR 70.7(b)(5).

PDEQ stated that they include the following in their TSDs: a facility description; an explanation of applicable rules and regulations; recordkeeping, monitoring, and testing and reasons for including these; an explanation of revisions to the Title V permit; a statement describing the enforcement/compliance history of the source, especially if past compliance problems occurred; applicability determinations to explain why a regulation or rule does or does not apply; how emissions were aggregated; and explanations of how estimates were derived. The statement of basis essentially provides background to the permit history for the source.

Recommendation: For each Title V permit, PDEQ should continue preparing a Statement of Basis that includes all of the required elements, including (1) the factual basis for certain standard title V conditions; (2) applicability determinations for source-specific applicable requirements, such as the Acid Rain requirements and New Source Performance Standards (“NSPS”); (3) exclusion of certain conditions contained in underlying construction or operation permits; (4) recordkeeping decisions and periodic monitoring decisions under 70.6(a)(3)(i)(B); and (5) streamlining analyses, which includes a discussion of permit shields.¹¹ EPA will continue to assist PDEQ to meet these goals through guidance in the permitting process.

2.9 Finding: PDEQ does not require sources to supplement their applications on file with current information if there is an extended period of time between the application and issuance of the permit.

Discussion: Sources that submit an application for a Title V permit are required to supplement or correct the application when necessary.¹² Title V applicants who fail to submit any relevant facts or who have submitted incorrect information in a permit application must promptly submit such supplementary facts or corrected information upon becoming aware of such failure or incorrect submittal. In addition, Title V applicants are required to provide additional information as necessary to address any requirements that become applicable to the source after the date it filed a complete application but prior to release of a draft permit. PDEQ typically does not require Title V applicants to update their applications if the Title V permit has not been drafted yet, unless a source applies for a modification or makes changes at the facility. PDEQ relies on the Title V applicant to submit updates to its application after the Department deems the application complete.

¹¹ See EPA’s order responding to a Title V petition regarding the Los Medanos Energy Center in Pittsburg, California. In The Matter of Los Medanos Energy Center, (Order of the Administrator, May 24, 2004) This order is available on the internet at: <http://www.epa.gov/region07/programs/artd/air/title5/petitiondb/petitiondb2001.htm>

¹² See 40 CFR 70.5(b).

Recommendation: PDEQ should notify Title V applicants of the applicants' duty to correct, supplement, and make current their applications, whenever necessary. PDEQ should consider doing this especially if the Department encounters the same delays for renewal applications that occurred for processing the initial applications.

3. MONITORING

The purpose of this section is to evaluate the permitting authority's procedure for meeting the Title V monitoring requirements. 40 CFR 70.6(a)(3) requires Title V permits to include monitoring and related recordkeeping and reporting requirements. Each permit must contain monitoring and analysis procedures or test methods required under applicable monitoring and testing requirements. Where the applicable requirement does not require periodic testing or instrumental or noninstrumental monitoring, the permit has to contain periodic monitoring sufficient to yield reliable data from the relevant time period that is representative of the source's compliance with the permit. As necessary, permitting authorities may also include in Title V permits requirements concerning the use, maintenance, and, where appropriate, installation of monitoring equipment or methods.

Title V permits must also contain recordkeeping for required monitoring and require that each Title V source retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. With respect to reporting, permits must include all applicable reporting requirements and require (1) submittal of reports of any required monitoring at least every 6 months and (2) prompt reporting of deviations from permit requirements. All required reports must be certified by a responsible official consistent with 40 CFR 70.5(d).

3.1 Finding: In the initial implementation of PDEQ's Title V program, EPA made frequent comments on most permits regarding the need for more frequent testing, monitoring, or recordkeeping to assure compliance with applicable requirements (including SIP, NSPS, MACT, and PSD). More recently, PDEQ has improved their process for incorporating monitoring requirements.

Discussion: In the past, EPA provided comments on the permits for: 1) more frequent and inclusive recordkeeping for VOC and HAP usage and content, 2) periodic testing for scrubbers, 3) periodic testing for turbines, and 4) dust control plans.

More recently, PDEQ has adopted a practice of ensuring that monitoring found in underlying applicable requirements is contained in Title V permits. They have used EPA-approved permits as models. In the event that they are uncertain about monitoring, PDEQ consults with EPA. They are often able to resolve these issues without going to EPA. PDEQ is proactive in adding monitoring in non-Title V permits and in cases where there may be no monitoring in the underlying requirements. With respect to compliance assurance monitoring (CAM), no permits requiring this have been issued yet. As a result of PDEQ's current approach to monitoring, compliance is better at Title V sources and because of these monitoring requirements, many sources are identifying compliance issues early.

Recommendation: PDEQ should maintain its current approach to incorporating monitoring requirements in Title V permits and obtaining EPA feedback.

3.2 Finding: PDEQ uses public input to identify additional requirements in certain cases.

Discussion: In at least one example (where a source was not subject to Title V), PDEQ used public input to guide them in adding monitoring requirements that help address community concerns regarding a facility. For example, PDEQ increased the frequency of monitoring and testing at a facility to assure the public that the facility is in compliance.

Recommendation: EPA encourages PDEQ to continue using this approach to address public concerns regarding facility compliance issues.

3.3 Finding: Additional guidance by EPA should be provided to PDEQ regarding monitoring.

Discussion: Several interviewees suggested that additional guidance on “adequate” monitoring for Title V sources was needed from EPA. More generally, some expressed a need for monitoring guidance for Title V sources, though they acknowledged that this may be difficult for certain industries (e.g., crushing and screening).

Recommendation: EPA will work with PDEQ on a case-by-case basis to provide additional guidance as necessary regarding monitoring requirements to incorporate in Title V permits.

4. PUBLIC PARTICIPATION AND AFFECTED STATE REVIEW

This section focuses on the permitting authority's procedure that is used to meet the public participation requirements for the issuance of Title V permits. These requirements are covered under 40 CFR 70.7(h) of the Title V regulations. These requirements require all permit proceedings, including initial permit issuance, significant modifications, and renewals, to provide adequate procedures for public notice including offering an opportunity for public comment and a hearing on the draft permit. These procedures require permit actions be public noticed in a newspaper of general circulation or a State publication designed to give general public notice; to persons on a mailing list developed by the permitting authority, including those who request in writing to be on the list; and by other means if necessary to assure adequate notice to the affected public. The requirements also identify the minimum information that must be included in public notices, and require the permitting authority to provide at least 30 days for public comment and give notice of any public hearing at least 30 days in advance of the hearing. The permitting authority has to provide notice and opportunity for participation by affected States as is provided for by 40 CFR 70.8.

The permitting authority is also required to keep a record of the commenters and also of the issues raised during the public participation process so that the EPA may fulfill the Agency's obligation under section 505(b)(2) of the Act to determine whether a citizen petition may be granted. The public petition process, which is discussed under 40 CFR 70.8(d), allows any person to petition the EPA to object to a Title V permit if the EPA does not object to the permit in writing as provided under 40 CFR 70.8(c). Public petitions to object to any Title V permit must be submitted to EPA within 60 days after the expiration of the EPA 45-day review period, and any petition submitted to EPA must be based only on objections to the permit that were raised during the public comment period, unless the petitioner demonstrates that it was impracticable to raise such objections within such period, or unless the grounds for such objection arose after such period.

4.1 Finding: PDEQ does an exceptional job of outreach to the public for permits where there is significant citizen interest. Outreach efforts include multiple newspaper notices in both Spanish and English, as well as public meetings and workshops for controversial permits.

Discussion: Public notices for proposed Title V permits are published in a newspaper of general circulation, as required by the Title V regulations. Public notices for proposed Title V permits are typically published in county newspapers and, if necessary, in the state newspaper. PDEQ utilizes several different publications. These publications include the Arizona Daily Star, the Daily Territorial, the Tucson Citizen, and a local Ajo newspaper if the source is located in city of Ajo, Arizona.

In areas where there are significant non-English speaking populations, public notices may also be published in one or more local Spanish newspapers, such as El Imparcial, El Monitor, and Hispana. The Department determines which publications to use based on the location of the source and the need for notices in Spanish. Controversial permits are also posted on PDEQ's

website. The Department has also announced public notices for controversial permits through television and radio announcements.

PDEQ has published multiple newspaper notices for controversial non-Title V permits of high citizen interest (e.g., Brush Ceramics and Southwest Soils). This practice may also be used in the future for any proposed Title V permits in which situations of high citizen interest arises.

PDEQ arranges small meetings during the public notice period for permits with significant public interest. Small meetings appear to be effective for the Department. Newspaper notices may not necessarily reach out to the broader public since notices may be buried in the legal section of a newspaper and may not be viewed. According to PDEQ, public meetings are a good way to reach interested citizens. However, PDEQ has found that agitation and disruptions tend to be more common in big meetings. For the permits with high public interest, PDEQ has held small informational meetings and open houses instead. PDEQ believes that this approach is more effective because it allows a one-on-one format for people who have questions. PDEQ has had six open houses or informational meetings for two synthetic minor or minor source (non-Title V) permits where there had been high citizen interest.

PDEQ has not yet encountered significant citizen interest for any Title V permits, so the Department has not held any informational meetings or open houses for any Title V sources. Based on the Department's past practices, it is very likely that the same process would be followed for Title V permits with high citizen interest.

Recommendation: The Department should follow the same approach of publishing multiple public notices and arranging public informational meetings when the need arises for Title V permits that have significant citizen interest.

4.2 Finding: PDEQ provides a valuable service to the public through its Communications Division staff, who are dedicated to public relations and assist permitting staff with public outreach.

Discussion: PDEQ has a Communications Division. Major functions of this Division include interacting with the public, coordinating public notices in local newspapers, and setting up public meetings, if necessary. PDEQ uses this division to reach out to specific communities (e.g., environmental justice communities) beyond the standard public notification processes. The Division also develops mailing lists for specific permits and assists permit engineers with interacting with the public. Mailing lists are kept in the permit file for the particular company at PDEQ. The Division is small, consisting mainly of a program manager, program coordinator (who is also called the Citizen's Assistance Coordinator), and a few other staff that deal directly with the public.

The program manager represents PDEQ to media outlets, and the program coordinator works closely with air permitting staff, as well as staff from other technical offices within PDEQ. The program coordinator administers the citizen assistance program, and has duties that include

answering questions from the public regarding permits and general complaints; following up on calls from the public; spending a great deal of time on permits where there is high citizen interest; working closely with citizens and local environmental groups; and coordinating informational meetings and public hearings for air permits. The program coordinator also responds to complaints from the public by working closely with compliance staff that receive these complaints. The program coordinator has dealt with controversial synthetic minor and minor source air permits, but has not had to deal with any controversial Title V permits yet.

PDEQ also has a compliance staffperson who takes and documents complaints received from the public, and also assists permitting staff with public complaints. PDEQ has developed a manual called the Complaint Process Manual which describes the Department's complaint process. The Complaint Process Manual appears to be a useful protocol, especially for new outreach staff.

PDEQ tries to be very cognizant of the public's concerns. PDEQ has a public participation procedure in which the public can contact the Department to make the Department aware of their concerns with a source or a permit. Many of the concerns voiced by the public have to do with nuisance and odor issues, which may not be relevant to the requirements of any particular permit.

The County does receive complaints and concerns for specific permits undergoing public notice. In these situations, PDEQ may coordinate an informational meeting or open house, in addition to any formal public hearing to discuss the permit with the public (see Finding 4.1). Although PDEQ does not distinguish between the public participation processes for Title V and non-Title V sources, at the time of EPA's onsite visit to the Department, PDEQ had not yet received any complaints regarding a Title V source.

Recommendation: PDEQ should continue to provide assistance through their Communications Division staff for any Title V permits with significant public interest.

4.3 Finding: There is a process for the public to obtain permit-related information.

Discussion: Permit-related information for proposed permits is open and available to the public during normal business hours. Arrangements can be made to view this information at PDEQ during other times if an interested citizen is unable to come to the Department's office during normal business hours. Copies of documents can be obtained by filling out an information request forms. Interested citizens are usually contacted within 1 business day in response to requests for information for permits in the public comment period.

If anyone from the public requests copies of any documents, they need to fill out an information request form. A citizen interested in obtaining permit documents can visit PDEQ to go through documents by hand and tag the documents they want. Before a citizen looks at documents, a PDEQ staffperson goes through the file and removes documents identified by the source as confidential. To prevent unauthorized loss of documents, PDEQ does not allow the public to bring bags or briefcases during their review of the permit files.

PDEQ copies the requested documents and sends an invoice or bill to the person requesting the documents. PDEQ charges the public for requests of copies of permit-related documents. The first 3 pages are free, then 20 cents for each additional page. Due to the variability of the information requests, costs could run from several dollars to several thousand dollars. However, other governmental agencies (e.g. ADEQ) are not charged. This exception does not include or cover environmental groups.

PDEQ has never received a request from the public to extend a public comment period for a Title V permit due to an informational request for permit documents.

Recommendation: EPA has no recommendations for this finding.

4.4 Finding: Title V permits and permit-related documents are available to the public through the internet.

Discussion: Class I permits and “controversial” Class II permits are available online on PDEQ’s website once the permit has been issued. Class I permits are Title V permits and Class II permits are non-Title V permits. The County’s website is updated on an as-needed basis, such as when new permits become available. Currently, these permits are available at:
<http://www.deq.co.pima.az.us/permits/>

Recommendation: PDEQ should maintain this practice. PDEQ should also attempt to make draft Title V permits available for download on their website during the public comment period.

4.5 Finding: PDEQ has successfully implemented various ways for providing public access to permit-related information for all permits.

Discussion: PDEQ has used a variety of ways to notify the public about proposed permits. Permit documents are placed in the library during the comment period. For controversial permits, newsletters describing the permitting action and source are sent to the affected community and other interested persons. Some documents are also translated in Spanish and English.

PDEQ has also utilized area mailings and press releases to get information to the community. Regardless of the approach used, interested persons who contact PDEQ are provided with the information they requested through the citizen assistance program.

Recommendation: EPA encourages PDEQ to continue implementing its public outreach strategies to ensure effective and responsive public participation, especially for situations where there are significant public concerns over Title V permits.

4.6 Finding: Permittees are allowed to review proposed Title V permits for their facilities before these permits are available for public notice.

Discussion: PDEQ works with the permittees prior to public notice by giving permittees a 30-day review of the draft permit before the permit goes to public notice. Permittees can provide comments and corrections on the permit during the public comment period. This process may allow the Department to accelerate the issuance of Title V permits.

Recommendation: PDEQ should continue this practice if the Department finds that it expedites the issuance of Title V permits.

4.7 Finding: PDEQ does not currently have a practice of making the public aware of the public petition process provided under 40 CFR 70.8(d).

Discussion: After a Title V permit is issued by PDEQ and EPA has not objected to the permit, 40 CFR 70.8(d) allows the public to petition the Administrator to object to the permit within 60 days after the expiration of the EPA 45-day review period. In order to take advantage of this recourse in the Title V process, the public must provide comments during the public comment period unless the grounds for objection arose after the public comment period. PDEQ has rarely received public comments regarding its Title V permits, nor has EPA ever received a petition to object from the public regarding a Title V permit issued by PDEQ. According to PDEQ, the majority of the comments they receive during the public comment period either relate to nuisance or odor issues or are comments from the regulated source.

When asked whether the Department had a process for notifying the public as to when the 60-day citizen petition period starts, many of the staff interviewed were not aware of the public petition process. This lack of awareness may have been due to the fact that many of the staff interviewed were new employees.

Recommendation: PDEQ should make the public aware of the recourse allowed under 40 CFR 70.8(d). EPA recommends both notifying the public during the public comment period, via the public notice or public hearing, and also developing a mechanism for notifying the public when their 60-day petition period starts (i.e., the end of EPA's 45 day review). EPA will assist Department staff in understanding the petition process requirement and in developing such a mechanism for public notification, if requested by PDEQ. [Note: As of August 2004, PDEQ has stated that the Department is taking steps to incorporate this information into their procedures manual.]

4.8 Finding: PDEQ has not received comments on Title V permits from any affected States or Tribes.

Discussion: The only affected State is Arizona, where the county is located. (See Appendix A, Air Pollution Control Agencies in Arizona.) PDEQ has stated that the Department does not typically notify ADEQ. There are two affected Tribes, Tohono O'Odham and the Pasqua Yaqui, located near the County. (See Appendix D, Indian Tribes in Arizona.) PDEQ has stated that the Department has not formally notified the Tribes of Title V permits in the past.

Recommendation: PDEQ should formally notify the affected Tribes of Title V permits as required by the Title V regulations. EPA will work with ADEQ, as well as the other permitting authorities in Arizona, to resolve the issue of whether ADEQ should be notified as an affected State.

4.9 Finding: Title V permits are not commented on frequently by the public.

Discussion: Less than 10% of Title V permits have received public comments. Over the years, PDEQ managers and staff have not noticed an increase in the number of public comments received on Title V permits. PDEQ also has not noticed any trends in the type of comments received by the Department.

Recommendation: EPA has no recommendations for this finding.

4.10 Finding: PDEQ has not had Environmental Justice (EJ) activity regarding Title V permits or sources.

Discussion: PDEQ has encountered EJ activity with minor source permits, but not Title V permits.

Recommendation: EPA has no recommendations for this finding.

4.11 Finding: PDEQ has not received many citizen complaints regarding Title V sources.

Discussion: Less than 5% of complaints received by PDEQ from the public relate to Title V sources. According to the Department, comments received by PDEQ are usually not too substantive. Title V or air quality complaints are usually responded to by PDEQ on the day the complaint is made to the Department. However, according to PDEQ, citizen complaints regarding Title V sources usually do not result in changes to the source's Title V permit simply because the complaints involve issues outside the realm of Title V (e.g., odors).

Citizen complaints may lead to an inspection by PDEQ field staff and, in some instances, a notice of violation (NOV). PDEQ works with the source that received the NOV to explain the basis for the NOV. There is a certain compliance time by which the source is supposed to resolve the matter and the Department follows up on this. PDEQ has not received any citizen complaints that have led to an NOV for any Title V sources.

PDEQ tracks complaints within the Department. A file is made for each complaint no matter how minor. According to the Department, sometimes the complaint is included in the permit file as well. Complaint files are usually kept for 5 years.

Recommendation: EPA has no recommendations for this finding.

4.12 Finding: PDEQ provides training to the public on a case-by-case basis.

Discussion: PDEQ has provided training regarding minor sources to the public whenever requested. PDEQ has provided informational meetings and open houses whenever requested or whenever the County believed it was necessary based on public interest. PDEQ has not received any requests to provide training to citizens on any PDEQ-issued Title V permits. The Department thinks such training might be useful for the public when conducted whenever the need arises. PDEQ also suggested that EPA could help to develop such training by notifying PDEQ of EPA-sponsored training that occurs within the region, such as the EPA Title V Citizen training and Environmental Justice training. However, PDEQ believes it might be difficult for interested citizens residing in Pima County to take training that requires extensive travel.

PDEQ has a small business contact that provides one-on-one training to the business community, but has not put on any formal training for sources. Outreach is given to businesses upon request. The small business contact also does advisory visits with other compliance personnel at PDEQ. According to PDEQ, it is easier for sources to participate in one-on-one meetings rather than group meetings.

Recommendation: EPA encourages PDEQ to continue providing training to businesses and the public, especially when the need arises for Title V purposes. EPA will assist in this effort wherever possible when requested by the Department.

4.13 Finding: PDEQ's practice has been to re-notice draft permits in which the Department has made substantive changes after the public comment period.

Discussion: PDEQ stated that the Department's practice has been to re-notice a Title V permit if the Department makes substantive changes to the permit consistent with ARS 41-1025. Examples of substantive changes include installation of new control equipment, new emission points, or recalculation of emissions.

Recommendation: EPA understands that PDEQ has been advised by their legal counsel to use the criteria in ARS 41-1025 to determine whether or not changes to a draft permit are considered substantive. EPA uses the criteria in 40 CFR 70.7(e)(2)(i)(A) to determine whether changes to a draft permit are significant and, therefore, require public notice. EPA recommends that the Department use the relevant criteria in Part 70 and Pima's Title V program (i.e., 70.7(e)(2)(i)(A) and Pima County Rule 17.12.250) for determining whether a change would constitute a minor or significant permit revision and thus require additional public notice. EPA will assist in giving the Department guidance whenever necessary.

5. PERMIT ISSUANCE / REVISION / RENEWAL

This section focuses on the permitting authority's progress in issuing initial Title V permits and the Department's ability to issue permit renewals and revisions. 40 CFR 70.7 describes the required Title V program procedures for permit issuance, revision, and renewal of a Title V permit. Title V of the Clean Air Act Amendments of 1990 set deadlines on permitting authorities for issuing all initial Title V permits. EPA, as an oversight agency, is charged with ensuring that these deadlines are met.

5.1 Finding: Issuance of initial Title V permits varied due to staff turnover, consistency issues with ADEQ, and a complex permitting process. Although the Department is developing plans to issue timely renewals, staffing issues may interfere with the Department's plans.

Discussion: PDEQ is currently working on the last initial Title V permit to be issued. PDEQ staff have been coordinating with EPA Region IX staff to facilitate the permitting process by addressing EPA concerns prior to going to public notice.

PDEQ identified three obstacles that held up permit issuance of initial Title V permits: (1) getting staff trained and dealing with staff turnover; (2) making the Department's Title V permits consistent with ADEQ's permits; and (3) encountering a Title V process which was more complicated than anticipated.

First, regarding the staffing issue, PDEQ believes there is a lack of permitting staff, and, thus, a lack of experience and "manpower" to process and issue permits. The Department lost a number of experienced permitting staff and, thus, lost institutional knowledge. As a result, the Department began to lag in acting on permit applications. At the time of EPA's onsite visit in January 2004, PDEQ had two full-time permit engineers and one part-time experienced permit engineer. PDEQ had lost 2 permit writers within the last two months prior to the time of EPA's onsite visit in January 2004. Currently, as of August 2004, PDEQ has gained 2 new full-time permit engineers but has lost one full-time engineer and the experienced part-time engineer.

Second, PDEQ interprets Arizona law to require the Department not to issue permits that include more stringent requirements than ADEQ. PDEQ believes that Title V permits, including substantial requirements in permits, issued by the Department must be consistent with Title V permits issued by ADEQ.¹³ PDEQ withheld issuance of Title V permits waiting for ADEQ to issue permits for certain categories so that the Department's permits could be substantially identical to ADEQ's permits. Once ADEQ started issuing permits, PDEQ followed ADEQ's lead.

Third, according to PDEQ, there was a misconception that drafting the Title V permits would be simple and routine, putting all the requirements in one document. PDEQ believes the Title V

¹³ See ARS 49-480(B).

permitting process is a complex permitting process. The Clean Air Act required that all Title V permits be issued within three years once a permitting authority's Title V program was approved by EPA, which for PDEQ would have been in 1999. According to the Department, the process actually resulted in a re-evaluation of the sources. PDEQ found that drafting a Title V permit was just like permitting a new source. This acted as a roadblock, the Department believes, because it was not prepared to take on such a huge task. When PDEQ waited for ADEQ to issue their permits before issuing its own permits, it held up permit issuance but the Department believes it also made the process fairly simple for PDEQ. PDEQ believes that, in the end, they had a more streamlined process, even though the Department did not collaborate with ADEQ on issuing permits.

The issuance of initial Title V permits, from receipt of a complete application to final permit issuance, varied from source to source. PDEQ didn't start working on Title V permits until several years after ADEQ because the Department's permits needed to be substantially identical to ADEQ's. When PDEQ started working on the applications it took about 12 months to work on, and one to two years to issue the permit, depending on complexity of the source and number of emission points. The process of talking to sources and EPA took a while. Thus, some permits took seven to eight years to be issued.

According to PDEQ, Title V permit revisions have been easier to issue than the initial Title V permits. PDEQ has had a number of significant, minor, and administrative changes to permits. They've also seen some off-permit changes. The Department has processed mostly minor revisions, and has had only a few requests for administrative and off-permit changes. Processing minor revisions, from application receipt to final permit amendment, can take about 30 days. Administrative amendments can also take up to a 30 days. A significant revision could take four to six months. Besides having available staff and dealing with other competing priorities, PDEQ believes there are usually no roadblocks for processing these revisions.

PDEQ has made issuing all remaining initial Title V permits a priority and plans to prevent a backlog of permits for renewals. The initial Title V permits are almost all issued. PDEQ believes there are no roadblocks for issuing renewals, except for resources (which include staff turnover) and competing priorities. PDEQ is implementing the permit renewal process by working one-on-one with each applicant regarding renewal applications. The Department believes the permitting process will be simpler since renewal permits are essentially identical to initial permits. The Department sends out call letters six months prior to permit expiration. Thus far, PDEQ has received two renewal applications for two separate compressor stations, and, as of August 2004, has already issued these permits.

Recommendation: EPA is aware that PDEQ is planning to ensure that all permits are issued in a reasonable timeframe. EPA supports PDEQ's efforts in looking at its past practices and identifying any roadblocks to issuing Title V permits. PDEQ should proceed with meeting its goals to issue timely initial and renewal Title V permits. However, EPA encourages the Department to avoid delaying the issuance of any renewal Title V permits because the Department is waiting for ADEQ to issue permits. EPA recommends that PDEQ communicate

with EPA if such situations arise.

5.2 Finding: PDEQ has a process for tracking emissions information and fee data for Title V sources.

Discussion: PDEQ has developed an internal database that tracks permit- and compliance-related information about Title V sources. PDEQ currently uses a computer-based system called Paradox to track this information. The database is used by permitting, compliance, and field services staff. It contains information regarding the emissions units located at facilities, information used to calculate the fees the apply to sources, the identification number for each source, and compliance information. This information may be used to determine whether a source is in compliance. PDEQ plans to upgrade this database by transferring all the information in Paradox to a Microsoft Access database.

PDEQ does not have a computer-based system that is used specifically to track Title V permits. When permits are drafted, they are stored in a local area network (LAN) directory, that appears to be accessible only to PDEQ staff, with other permits. The permits are identified in this directory by a source identification number, which is assigned by PDEQ, which serves as the file name for the permit. PDEQ also has an electronic system for tracking Title V permit applications called APPTraks, which is used to prioritize permits. Initial permit applications, as well as renewals and revisions, are tracked internally in AppTrack, which is a Microsoft Access database.

The Paradox database, directory where permit documents are stored, and AppTracks database are maintained by a staff person in PDEQ's Technical Services Division who acts as a gatekeeper for the information.

Recommendation: PDEQ should consider developing a central database system that includes one set of databases which would contain permits, permit application information, and the information that is stored in the Paradox database.

5.3 Finding: In situations where PDEQ lacked guidance for making Title V permit revisions, the Department relied on its local rules and EPA guidance.

Discussion: PDEQ uses its local rules to assist permit writers and sources in evaluating whether a proposed revision qualifies as an administrative amendment, off-permit change, significant or minor revision, or requires that the permit be reopened. However, PDEQ has not written guidance on this issue. Staff at the Department believe that the local rules have been sufficient, but they also stated that written guidance might be helpful. Any questions are discussed internally within PDEQ and directed to EPA if unanswerable within the Department. PDEQ also uses other EPA guidance, for example, the June 13, 1989, policy called "Guidance on Limiting Potential to Emit in New Source Permitting" to determine if a change is a minor or significant revision.

There has been at least one situation where a source submitted an application for a permit revision in which EPA made a determination that the revision would be a significant modification and not a minor modification. Tucson Electric Power submitted a permit revision to PDEQ for a minor modification to the company's Title V permit. PDEQ consulted with EPA and determined that the permit modification was significant (permit was North Loop). Therefore, PDEQ issued the permit revision as a significant revision.

Recommendation: EPA will continue to work with PDEQ on a case-by-case basis to assist the Department in making determinations regarding Title V permit revisions.

5.4 Finding: PDEQ has revised a Title V permit at least once without notifying EPA.

Discussion: PDEQ processed a minor permit modification for a Title V permit. The permit modification was not sent to EPA in accordance with the Title V regulations and PDEQ's Title V program.

Recommendation: EPA recommends that PDEQ notify EPA whenever the Department processes any permit modifications and is required to notify the Agency of the permit action . [Note: PDEQ will work with EPA to follow the correct procedures for the particular permit issuance mentioned in this finding.]

6. COMPLIANCE

This section focuses on the permitting authority's procedures for meeting the Title V permitting requirements for compliance. These requirements occur throughout the Title V regulations. In accordance with 40 CFR 70.5, sources are required to certify that they are in compliance at the time when they submit their Title V applications. As provided under 40 CFR 70.6 and 70.7, permitting authorities must issue permits that contain emission limitations and standards that assure compliance with all applicable requirements at the time of permit issuance.

6.1 Finding: Deviations from permit conditions are required to be reported to PDEQ promptly.

Discussion: In interviewing PDEQ personnel, EPA found that deviations that result in excess emissions are required to be reported by phone or fax within 24 hours and to provide a written report within 72 hours. All other deviations must be reported to Pima in writing within 2 working days. A deviation is defined by PDEQ as any departure from permit requirements (e.g., emission limits or monitoring, recordkeeping, and reporting requirements). PDEQ uses a standard permit condition (standard condition XI. B. of Title V permits issued by the Department) to define the amount of time it considers prompt when reporting deviations.

Recommendation: PDEQ should maintain its current practice.

6.2 Finding: PDEQ does not identify all deviations as violations.

Discussion: All deviations are not necessarily violations. Although permit deviations must be reported, there is some enforcement discretion in calling a permit deviation a violation. For instance, if a given deviation from a permit is allowed under an applicable requirement found in the Title V permit, this situation would not be treated as a violation by PDEQ. This is consistent with EPA's Title V regulations, policy and guidance.

Recommendation: PDEQ should maintain its current practice.

6.3 Finding: PDEQ uses circumstances to define when deviations should be reported.

Discussion: PDEQ indicated that excess emissions due to emergencies and excess emissions due to SIP provisions are reportable deviations. Excess emissions allowed under NSPS or MACT startup, shutdown, and malfunction provisions, excursions from specified parameter ranges where such excursions are not a monitoring violation, and failure to collect data/conduct monitoring where such failure is excused are not reportable deviations. This is consistent with EPA's Title V regulations, policy and guidance.

Recommendation: PDEQ should maintain its current practice.

6.4 Finding: Deviation reports are followed up by PDEQ's inspectors typically during the permittee's next routine compliance inspection.

Discussion: Although no formal process is in place to follow up on deviation reports, PDEQ typically follows up with reporting permittees at the next routine inspection.

Recommendation: PDEQ should maintain its current practice.

6.5 Finding: Semiannual monitoring reports are included in permittee files and reviewed prior to compliance inspections.

Discussion: PDEQ has hired a person whose duties include the review of semiannual monitoring reports and filing them in the permit files. These reports are reviewed by inspectors prior to compliance inspections.

Recommendation: PDEQ should maintain its current practice.

6.6 Finding: Annual compliance certifications have not been useful for enforcement purposes in the past, but PDEQ recently revised their policies, forms, and procedures to improve the likelihood that these will be more useful in compliance determinations.

Discussion: In the past compliance certifications have not resulted in enforcement actions. These reports highlight things to look for during an inspection but haven't resulted in enforcement action (e.g. ASARCO). Most enforcement actions come after a physical inspection. PDEQ has developed a suggested form with EPA's assistance for sources to use that is used by about 40% of the Title V sources. This form is based on the underlying permitting rules and requirements. PDEQ is hopeful that this will improve their utility.

Recommendation: EPA supports the development and use of this standard form and encourages Pima County to require that all of their Title V sources use it to further improve its utility for field inspection staff.

6.7 Finding: PDEQ reviews 80 to 100% of deviation reports, semi-annual monitoring reports, and annual compliance certifications; they also use a computer database to track the annual compliance certifications.

Discussion: PDEQ employs a staffperson whose duties include the review of the above reports in order to ensure that they receive accurate, timely information. The Department developed a computer database as a formal way of tracking compliance certifications. Their policy says these certifications have to be sent to PDEQ by mail. An administrative staffperson date-stamps these reports when received. PDEQ inputs the received date, and these reports are logged in a directory called stationary source tracking.

Recommendation: PDEQ should maintain its current practice.

6.8 Finding: PDEQ has no standard forms for deviation reports and semi-annual monitoring reports.

Discussion: When PDEQ receives these reports, their Field Services Division usually has to followup with the permittee as these reports do not provide enough information. Either they need to go out (for an inspection) or seek more info or clarification. Sometimes reports are ambiguous. Currently, there is a general statement in the permit for all reports, and sources are required to follow the requirement.

Recommendation: PDEQ should consider developing standard forms for deviation reports and semi-annual monitoring reports to increase their utility for field services staff.

6.9 Finding: PDEQ's annual compliance certification rule is based on whether compliance is continuous or intermittent.

Discussion: Consistent with the 1997 revisions to 40 CFR Part 70, PDEQ's compliance certification rule and associated form are based on whether compliance is continuous or intermittent.

Recommendation: EPA has no recommendations.

6.10 Finding: PDEQ's Title V permits include both an emergency defense provision from 40 CFR 70.6(g) and an affirmative defense provision during start-up, shutdown and malfunction that has not been approved into PDEQ's SIP.

Discussion: PDEQ includes both an affirmative defense provision during startup, shutdown and malfunction and an affirmative defense condition during emergencies which parallels the 40 CFR 70.6(g) requirement. In discussions with PDEQ, only one source was identified as having used the emergency defense provision. This occurred in the mid-1990s when a facility was unable to detect its emissions. In this particular instance, PDEQ looked at why it happened, the source installed particle detectors after the emergency, and there was informal follow up by the Department.

The affirmative defense provision during startup, shutdown and malfunction, has not, however, been approved into Pima's SIP nor was it included as part of PDEQ's approved Title V program. EPA believes that by including the condition in Title V permits, PDEQ limits their ability to enforce their own SIP because the condition provides an affirmative defense for all emissions limits, including any federal and SIP requirements, even though the rule has not been approved into PDEQ's SIP. This issue has been specifically addressed in EPA's order responding to a Title V petition regarding the Harquahala Generating Station in Maricopa County.¹⁴

¹⁴ See EPA's order responding to a Title V petition regarding the Harquahala Generating Station in Maricopa County, Arizona. In The Matter of the Harquahala Generating Station, (Order of the Administrator, July 2, 2003) This order is available on the internet at: <http://www.epa.gov/region07/programs/artd/air/title5/petitiondb/petitiondb2001.htm>

Recommendation: EPA recommends that PDEQ not include the affirmative defense provision in their Title V permits until such time as the rule is approved into Pima County's SIP. If PDEQ wishes to include such an affirmative defense provision during startup, shutdown and malfunction in their Title V permits, EPA recommends that the Department submit the rule to EPA for approval into the County's SIP.

7. RESOURCES AND INTERNAL MANAGEMENT

The purpose of this section is to evaluate how the permitting authority is administering its Title V program. With respect to Title V administration, EPA's program evaluation (1) focused on the permitting authority's progress toward issuing all initial Title V permits and the permitting authority's goals for issuing timely Title V permit revisions and renewals; (2) examined the permitting authority's fee structure, how fees are tracked, and how fee revenue is used; and (3) looked at the permitting authority's capability of having sufficient staff and resources to implement the Title V program.

An important part of the each permitting authority's Title V program is to ensure that the permit program have the resources necessary to develop and administer the program effectively. In particular, a key requirement of the permit program is that the permitting authority establish an adequate fee program. Regulations concerning fee program and the appropriate criteria for determining the adequacy of such programs are set forth under 40 CFR 70.9 of the Title V regulations.

7.1 Finding: Initial Title V permits are a top priority for permit engineers in PDEQ.

Discussion: PDEQ permit engineers and management identified initial Title V permits as a top priority in terms of issuing operating permits to subject sources.

Recommendation: PDEQ should maintain its focus on the priority of Title V permits especially as the first wave of permit renewals is imminent.

7.2 Finding: PDEQ permit engineers use timesheets to identify the amount of time spent on Title V activities.

Discussion: PDEQ's permit engineers identify their Title V and non-Title V activities clearly on timesheets so that it is clear what percentage of their time can be attributed to each of these activities. EPA found that others not in the permitting group who spend some percentage of their time were not as diligent about recording these activities.

Recommendation: EPA encourages PDEQ to continue using this approach to identify how much time is spent working on Title V issues and to encourage others outside of the permitting group who may work on Title V issues to be more diligent about recording these activities (if not presently doing so) so that a more accurate accounting of the program's cost can be made.

7.3. Finding: While training on Title V issues is adequate, there is no standard set of courses to ensure that permit engineers are prepared to address issues as they arise.

Discussion: Permit engineers have taken EPA/APTI courses including AFS training, source testing training, and NSR/PSD training. Some permit engineers identified needs for training in practical enforceability; how to develop periodic monitoring; CAM; QA/QC procedures for

CEMS; and general permit writing (including writing Statements of Basis). A need for EPA to provide EJ training was identified although PDEQ has trained some of their permittees on the topic. One concern expressed was the amount of time (6 to 9 months) it takes to train new permit engineers. PDEQ has been resourceful in working with a variety of training providers including EPA, APTI, and CARB. With respect to those who provide legal advice regarding permitting issues, there is no formal training program on Title V.

Recommendation: EPA supports PDEQ's attempts to develop or identify a standard set of courses that employees working with Title V issues should take in order to better prepare their staff to address issues as they arise. EPA is willing to assist in informing PDEQ of permit-related training that is sponsored by the Agency.

7.4 Finding: Though morale is high among those who work on Title V permits within PDEQ, there is little focus on career development.

Discussion: In interviewing employees of PDEQ, EPA found that performance reviews are rare. There is no career ladder (no one moves into a senior level position unless a senior level employee leaves the Department - this results in a perception that lateral movement within the Department is encouraged). There is a realization among those interviewed that PDEQ may not have the flexibility to budget for competitive salaries in this area. Most of the interviewees believe that PDEQ is understaffed.

Recommendation: PDEQ should consider instituting more frequent performance reviews of permittees and should consider conducting a job classification review to ensure that the classifications attract qualified applicants with the technical skills necessary to perform Title V permit reviews. A Department-specific classification may be necessary to reflect the unique requirements of air permit engineers. EPA is willing to assist in this effort if necessary.

7.5 Finding: PDEQ's management of the permit review process is adequate. However, there have been a few times when the review process has been slow and inefficient.

Discussion: Draft permits are reviewed before they are sent out to subject facilities. Permittees meet weekly with management to discuss major issues. There is good communication among divisions so that when a permittee needs assistance preparing a permit, they know where to get it. Staff of the Pima County Attorney's Office are resourceful in seeking assistance from the Attorney General's office if necessary to address a Title V issue.

However, EPA has found during the review of a small number of permits that permits were not issued in a timely manner. We believe that this is the result of a lack of clarity regarding the role of the interim technical services manager, who manages several media programs, including air permitting, in the review process which may have resulted in coordination and review issues. We believe that the duties of the position responsible for managing the permits process should be clearly defined and should be unique to the position as opposed to being in addition to other duties as assigned.

Recommendation: PDEQ should improve its present process for managing the permit review process by clarifying the duties of the position responsible for managing the permits process and making these duties unique to the position. [Note: Since the time of EPA's January 2004 onsite visit to PDEQ, the Department is in the process of reorganizing such that permitting and compliance staff report to the same manager who is familiar with the Title V permitting process. PDEQ believes this reorganization will make the permitting process more efficient.]

7.6 Finding: PDEQ's current Title V fee schedule appears to satisfy the minimum fee schedule requirements under the Title V regulations.

Discussion: According to the Title V regulations, Title V permitting programs must require that the owners or operators of Title V sources to pay annual fees that are sufficient to cover the permit program costs.¹⁵ The permitting program must have a fee schedule that results in the collection and retention of revenues sufficient to cover the permit program costs. EPA may presume that the fee schedule satisfies the fee requirements if it would result in the collection and retention of an amount not less than \$25 per year, as adjusted each year in accordance with the Consumer Price Index pursuant to the Title V regulation, times the total tons of the actual emissions of each regulated pollutant emitted from Title V sources.¹⁶ According to PDEQ's fee provisions, PDEQ's fee schedule is \$28.15 per year per ton of actual emissions of all regulated pollutants. The Department's fee schedule is adjusted each year on January 1 to reflect the increase, if any, by which the Consumer Price Index for the most recent year exceeds the Consumer Price Index (CPI) for the year 1989.¹⁷ PDEQ's current Title V emission fee for 2004, based on the increase in the CPI, is \$42.12. Since PDEQ's fee schedule exceeds the fee recommended fee schedule in the Title V regulations, the County's current fee schedule appears to satisfy the Title V regulations.

Recommendation: EPA has no recommendations for this finding.

7.7 Finding: PDEQ uses a combination of emissions fees and fees for the issuance and revision of Title V permits to cover program costs.

Discussion: PDEQ's fee provisions require that applicants for permits to construct and operate that are subject to Title V must pay the total actual cost of reviewing and acting upon applications for permits and permit revisions.¹⁸ (See Appendix F, Title V Fee Chart) These fees are used to cover the cost of issuing permits to new sources and for processing revisions to permits. For the issuance of a combined construction and Title V operation permit, a fixed sum

¹⁵ See 40 CFR 70.9(a)(1).

¹⁶ See 40 CFR 70.9(b).

¹⁷ See PCC 17.12.510.

¹⁸ See PCC 17.12.510.G. and 17.12.510.I.

applies for Class I or major sources. The fees for revisions to any Title V permits vary depending on the type of revision made (e.g., significant or minor). These fees are also a fixed amount. PDEQ also charges sources an hourly rate for all direct hours spent processing a permit.¹⁹

The cost of issuing initial permits to existing sources is covered by revenue from emissions fees. Emission fees are used by PDEQ to cover the direct and indirect costs of the Title V-related activities not covered by the fees charged for permit issuance to new sources and revisions to all sources. These activities are: (1) Title V program development and implementation; (2) issuance of Title V permits to existing sources; (3) Title V source compliance, including inspection services; and (4) Title V business assistance.

According to PDEQ, there have been no changes to the Department's approved fee regulations or implementation, nor to the cost accounting and financial system used to track Title V expenditures and revenues. The most recent revision to the Department's fee provisions was approved by EPA on October 23, 1998.²⁰

Recommendation: EPA has no recommendations for this finding.

7.8 Finding: Title V funds generated from fees are used to support the Title V program.

Discussion: The Title V regulations require that permit programs ensure that Title V fees that are collected are used solely for Title V permit program costs.²¹ According to PDEQ, no revenues generated from Title V fee were used for any purpose other than to support the Title V program. Any excess revenues generated from Title V funds were segregated within the Restricted Fund Balance of the Department for use in future fiscal years to offset excess expenditures over collected revenues for the program.

Recommendation: PDEQ should continue to ensure Title V fees are used solely to support the Department's Title V program.

7.9 Finding: PDEQ plans to change the Department's fee structure for Title V sources.

Discussion: PDEQ intends to revise the fee structure for both Title V and minor sources by decreasing the fees that apply to Title V sources and increasing the fees that apply to non-Title V sources. The Department believes that it spends more time processing applications and permits for non-Title V sources than for Title V sources. Also, the Department has determined that it has

¹⁹ See PCC 17.12.510.M.

²⁰ See 63 FR 50769, dated September 23, 1998.

²¹ See 40 CFR 70.9(a).

a revenue surplus generated from Title V fees. Excess revenues over expenditures collected by the Title V program from inception through the end of FY 2002/03 equaled \$508,939 and are reported as part of the Restricted Fund Balance of the Department.

Given other issues that seem to be affecting the administration of the PDEQ Title V program (discussed elsewhere in this report, but including: the potential need to review the job classification schedule in order to increase staff retention; the desire to upgrade or integrate databases; and the desire to generally standardize policies, procedures and forms with respect to Title V permits in PDEQ), EPA believes that PDEQ should carefully consider such a fee structure revision and its potential effects on the successful administration of the Title V program. Furthermore, EPA is concerned that, as there seems to be a linkage between the fee structure that PDEQ has and the structure ADEQ uses, there may be a similar fee structure adequacy issues elsewhere in Arizona.

Recommendation: PDEQ should present EPA with an analysis (if not already performed) that shows the effects of any change in fee structure. PDEQ should also work with EPA to demonstrate that any changes in the Department's fee structure satisfies the fee demonstration requirements in the Title V regulations²². EPA will carefully study this fee structure issue in Arizona as we continue to perform our Title V evaluations at other permitting agencies within the State.

7.10 Finding: Although PDEQ has no formal EJ policy, they are addressing community issues effectively.

Discussion: Most of the permit writers we interviewed were unfamiliar with EJ. PDEQ presently has one person, who is the program coordinator within the Communications Division, who works on EJ issues in addition to other duties. This individual seeks guidance from EPA when necessary, has access to demographic tools to assist in analyzing EJ areas, and uses their knowledge of the communities in the county to focus their EJ efforts.

Recommendation: EPA has provided EJ training to PDEQ staff in the past and will continue to support the Department's EJ efforts in the future. PDEQ should consider increasing its capacity on EJ to provide for backup in case of an unexpected absence or departure. [Note: Since the onsite visit in January 2004, PDEQ has made EJ an official duty of the Citizen's Assistance Coordinator (refer to Finding 4.2)]

²² See 40 CFR 70.9(c).

8. TITLE V BENEFITS

The purpose of this section is to evaluate how the permitting authority's existing air permitting and compliance programs have benefitted from the administration of the permitting authority's Title V program. The Title V permit program is intended to generally clarify which requirements apply to a source and enhance compliance with any Clean Air Act requirements, such as NSPS or SIP requirements. The program evaluation for this section is focused on reviewing how the permitting authority's air permitting program changed as a result of Title V, resulted in improved records management and compliance, and encouraged sources to pursue pollution prevention efforts.

8.1 Finding: Title V has resulted in more comprehensive permits issued by PDEQ, and permitting engineers have a better understanding of federal air pollution regulations.

Discussion: Although the Department's workload has increased as a result of Title V, PDEQ believes permits issued by the Department are more comprehensive and the air permitting engineers generally have a better understanding of federal air pollution regulations in comparison to the period before PDEQ began implementing the Title V program. Title V has compelled PDEQ to assess how sources are complying with requirements. Prior to the Title V program, permits were not substantive and did not provide enough information, consisting of only emission limitations. Title V required emission limitations, as well as standards, monitoring, recordkeeping and reporting to be included in permits, making permits more comprehensive and enforceable.

Permitting staff are more knowledgeable about federal air pollution standards and regulations. Prior to Title V, permitting staff were not very familiar with federal standards and how they are applied. Now, permitting staff must read and understand the federal standards that apply to sources since these requirements must be included in Title V permits. Hence, PDEQ permitting staff have become more knowledgeable about these standards through the implementation of Title V.

According to permitting engineers, permits issued by the Department, in general, are clearer and more thorough. There may have been inconsistencies in how sources had been permitted in the past. PDEQ has developed better peer review and management oversight for all permits, since all of the air quality permits are structured the same, to ensure that all permits are consistent. According to PDEQ, the Department has found it easier to assure regulatory consistency within the Title V format (e.g, writing applicable requirements and specific permit conditions). The Department is more focused on writing clearer and more comprehensive permits, and there is a better focus on sources with greater PTEs and a greater impact on air quality. The Department has found the Title V format to be useful and has adopted the same format for non-Title V permits to ensure that these permits are practically enforceable. Many permitting staff have learned to write permits through writing permits for non-Title V sources.

Recommendation: PDEQ should continue writing comprehensive Title V permits.

8.2 Finding: Title V permits have been useful for compliance and enforcement staff to ensure conditions in permits are practically enforceable.

Discussion: Title V assists enforcement and compliance engineers to determine the compliance status of sources and is useful during inspections. Title V permits must contain operational requirements and limitations that assure compliance with all applicable requirements at the time of permit issuance.²³ Prior to Title V, since permits did not include enough information to determine whether a source was out of compliance, the Department had little information to determine the compliance status of many permitted sources. Some older permits were only two sentences, whereas Title V permits, as well as non-Title V permits that have the same format as Title V permits, contain more information and specific requirements, which makes them more comprehensive. PDEQ enforcement and compliance engineers also interact more often with permitting engineers to determine the compliance status of sources prior to the permits being issued.

Enforcement and compliance engineers believe that permits are more meaningful because they are more comprehensive, and they address all emission standards that apply to sources, including monitoring, record keeping, and reporting that previous permits did not include. According to PDEQ field staff, Title V permits have made work easier for performing inspections, especially since most permits are practically enforceable and field staff know what to expect in permits. From the inspector's standpoint, Title V permits give an overall view of that applies to a source. Hence, enforcement and compliance engineers use Title V permits to prepare for and perform inspections. The permits also help the engineers and other compliance staff to understand federal standards since the permits give an overall view of the requirements that apply to sources.

Recommendation: PDEQ should continue coordinating with enforcement and compliance staff to determine the compliance status of sources. PDEQ should also continue writing permits that are comprehensive and practically enforceable.

8.3 Finding: Title V improved permitting engineers' understanding of sources' operations and emissions.

Discussion: Title V allowed PDEQ engineers to gain a better understanding of sources' operations and improved the Department's stationary source emissions inventory.

PDEQ believes that the Department has better technical understanding of source operations and more complete information about emission units and/or control devices due to the implementation of Title V. Through the Title V evaluation process, permitting engineers were compelled to learn about each Title V source's operations so that these operations could be included in permits. Permitting engineers were deeply involved in this process, since each

²³ See 40 CFR 70.6(a)(1).

permit consisted of a re-evaluation of each source subject to Title V. This effort was achieved through greater contact with sources and site visits.

The Department maintains a better stationary source emissions inventory as a result of Title V. According to PDEQ, since sources were required to pay fees related to emissions, these sources were motivated to keep accurate accounts of their emissions and emissions factors. Prior to Title V many sources did not track their emissions. The Department only uses the emissions inventory for Title V and some non-Title V sources.

Recommendation: EPA acknowledges and supports the improvements PDEQ has achieved as a result of implementing Title V. EPA has no recommendations for this finding.

8.4 Finding: PDEQ has found that some sources have avoided Title V permitting by reducing their emissions from existing equipment by voluntarily accepting limits.

Discussion: PDEQ has found that some sources reduce their emissions to avoid Title V by voluntarily accepting limits to remain under the major source applicability threshold. The Department has found this to occur mostly with VOC sources. Reductions are made through pollution prevention approaches to avoid the paperwork of Title V permitting. This practice is consistent with EPA's policy as long as the permits that are issued contain conditions that are practically enforceable and ensures compliance with the permit limits. This approach may increase the amount of synthetic minor permits issued by the Department. PDEQ has not quantified the emissions reductions due to these sources avoiding Title V, thus, the overall reduction in emissions as a result of these permits is unknown.

Recommendation: EPA recommends that if this approach is taken, then permits written to avoid Title V should be practically enforceable and consistent with EPA's June 13, 1989, policy called "Guidance on Limiting Potential to Emit in New Source Permitting".

8.5 Finding: Title V has resulted in better records management for permits at PDEQ.

Discussion: PDEQ believes that file management has improved as a result to Title V. Prior to Title V, some permits were not easy to locate. After Title V, the Department hired staff to organize the permit files so that permits were more readily accessible and easy to track. Compliance information about a source was organized in the permit files. PDEQ also developed a database called AppTrack for tracking Title V applications and uses a database called Paradox that tracks permit- and compliance-related information about Title V sources. Both databases are separate and do not communicate with one another.

Recommendation: PDEQ should upgrade the Department's computer-based tracking systems by integrating the AppTrack and Paradox databases so that both programs interact with each other.

8.6 Finding: The Title V fees have been helpful in supporting some aspects of the Department's

Title V program.

Discussion: The Department uses Title V revenues from the Title V fees for training staff, providing staff with resources (e.g., CFRs), and supporting travel to sources. Although Title V revenues may be used to hire more PDEQ staff, the current salary structure is set by the County and not PDEQ. The County has a general pay scale for employees, which PDEQ has little or no control over. Thus, PDEQ has not used Title V revenues to increase salaries.

PDEQ plans to change the Department's fee rules by reducing Title V fees and increasing the fees charged to minor sources. The Department is working with ADEQ to determine how the fees should be changed.

Recommendation: PDEQ is allowed to use its Title V revenues for any expenses that will support its Title V program, which can include hiring new staff to draft Title V permits. EPA recommends that PDEQ also work with EPA regarding any proposed changes to the Department's Title V fee schedule to demonstrate that any newly proposed fee structure is adequate to cover the costs of the Department's Title V program.

PDEQ should consider conducting a job classification review to ensure that the classifications attract qualified applicants with the technical skills necessary to perform Title V permit reviews. A Department-specific classification might be necessary to reflect the unique requirements of air permit engineers. If a new salary structure is indicated, EPA encourages the Department to consider investigating the use of Title V fees to support any increase. EPA is willing to assist in this effort if necessary.

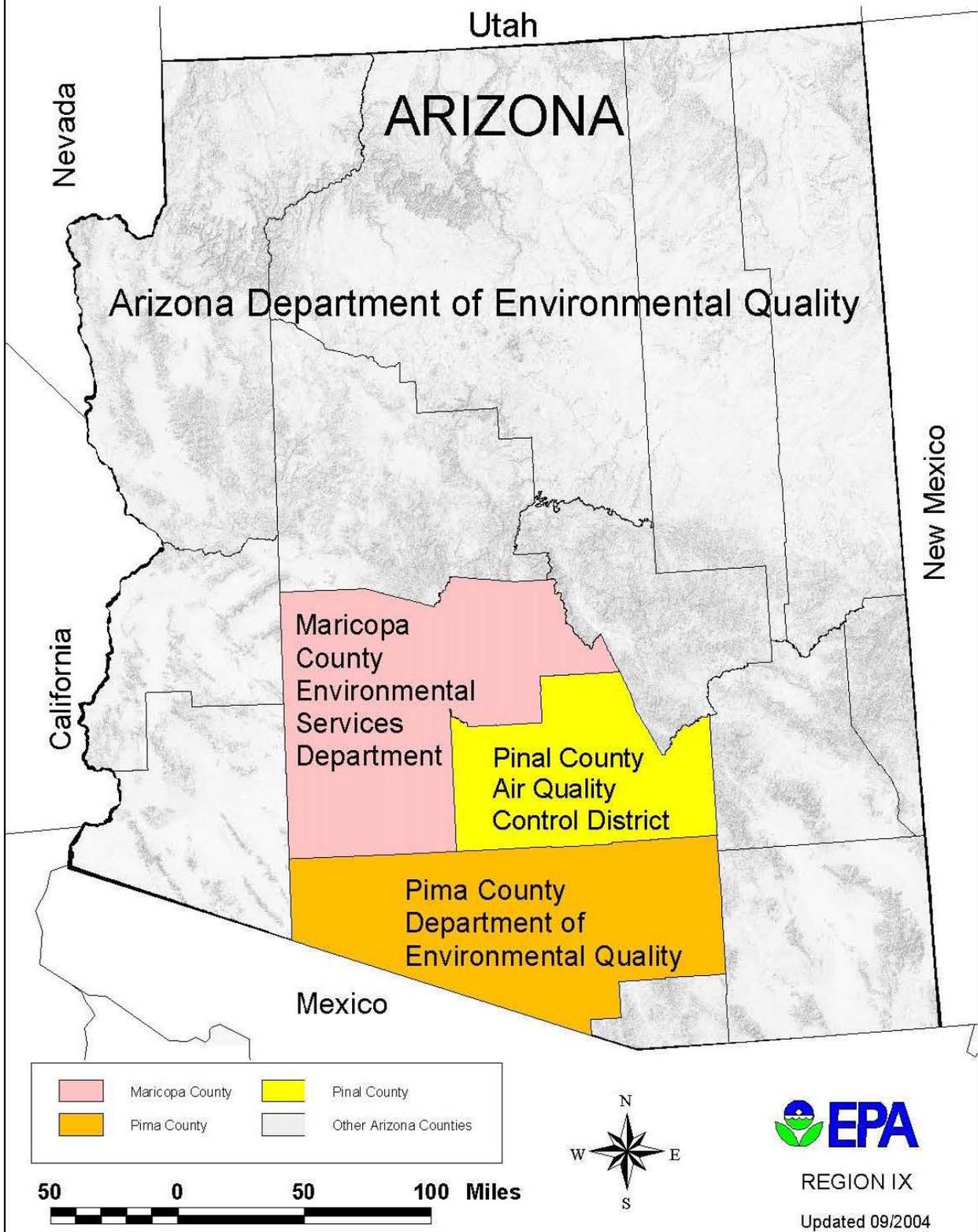
GLOSSARY OF ACRONYMS & ABBREVIATIONS

Act	Clean Air Act [42 U.S.C. Section 7401 et seq.]
ADEQ	Arizona Department of Environmental Quality
AFS	AIRS Facility Subsystem
Agency	United States Environmental Protection Agency
AIRS	Aerometric Information Retrieval System
APTI	Air Pollution Training Institute
AR	Acid Rain
ARP	Acid Rain Program
CAA	Clean Air Act [42 U.S.C. Section 7401 et seq.]
CAM	Compliance Assurance Monitoring
CARB	California Air Resources Board
CFR	Code of Federal Regulations
Department	Pima County Department of Environmental Quality
EIP	Economic Incentives Program
EJ	Environmental Justice
EPA	United States Environmental Protection Agency
HAP	Hazardous Air Pollutant
MACT	Maximum Achievable Control Technology
NESHAP	National Emission Standards for Hazardous Air Pollutants
NO _x	Nitrogen Oxides
NSPS	New Source Performance Standards
NSR	New Source Review
PM	Particulate Matter
PM-10	Particulate matter less than 10 microns in diameter
PDEQ	Pima County Department of Environmental Quality
PSD	Prevention of Significant Deterioration
PTE	Potential to Emit
QA/QC	Quality Assurance/Quality Control
SIP	State Implementation Plan
SO ₂	Sulfur Dioxide
VOC	Volatile Organic Compounds

APPENDICES

Appendix A - AIR POLLUTION AGENCIES IN ARIZONA

Air Pollution Control Agencies in Arizona



Appendix B - TITLE V QUESTIONNAIRE FOR PIMA COUNTY

EPA Region 9

Title V Program Evaluation

Questionnaire

Pima County
Department of Environmental Quality

November 10, 2003

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A. Title V Permit Preparation and Content

1. What % of your initial applications contained sufficient information so the permit could be drafted without seeking additional information? What efforts were taken to improve quality of applications if this % was low?

To date, initial Title V application have been administratively complete. All initial Title applications required follow up with the source to clarify and obtain additional information. To facilitate the quality of the applications, permit engineers have been spending time with sources prior to the application submittal to ensure relevant information of sufficient detail is provided.

Y N

2. For those title V sources with an application on file, do you require the sources to update their applications in a timely fashion if a significant amount of time has passed between application submittal and the time you draft the permit?

PDEQ requires the source to update their application for changes or modifications to the facility.

Y N

a. Do you require a new compliance certification? Yes

Y N

3. Do you verify that the source is in compliance before a permit is issued and if so, how?

PDEQ staff review the inspection and compliance history of the facility prior to drafting the permit.

Y N

a. In cases where the facility is out of compliance, are specific milestones and dates for returning to compliance included in the permit, or do you delay issuance until compliance is attained?

Depending on the nature of the compliance issue, PDEQ utilizes both approaches.

Y N

4. What have you done over the years to improve your permit writing and processing time?

PDEQ has developed an application tracking database and prioritization scheme to address permit applications. Permit engineers meet with management frequently to evaluate process improvements. Training is provided to permit engineers through formal EPA courses as well as conferences and the Arizona Permit Managers meetings.

Y N

5. Do you have a process for quality assuring your permits before issuance? Please explain.

PDEQ utilizes an internal review process where by permits are reviewed by peers and management prior to being sent to the source for an informal review.

6. Do you utilize any streamlining strategies in preparing the permit such as:

Y N

a. Incorporating test methods, major and minor New Source Review permits, MACT's, other Federal requirements into the Title V permit by referencing the permit number, FR citation, or rule? Explain.

PDEQ references federal test methods and citations.

Y N

b. Streamlining multiple applicable requirements on the same emission unit(s) (i.e., grouping similar units, listing the requirements of the most stringent applicable requirements)? Describe.

PDEQ will streamline multiple requirements at the same unit where practicable.

c. Describe any other streamlining efforts. *None*

7. What do you believe are the strengths and weaknesses of the format of the permits (i.e. length, readability, facilitates compliance certifications, etc.)? Why?

Strengths: facilitate compliance by clearly identifying all applicable requirements the source is subject too.

Weakness: Cumbersome to find specific equipment/processes due to size of document plus, cross references make the document difficult to follow.

8. How do you fulfill the requirement for a statement of basis? Please provide examples.

PDEQ has a standard "Technical Support Document" format for each permit which serves as the statement of basis.

9. Does the statement of basis¹ explain:

- Y N a. the rationale for monitoring (whether based on the underlying standard or monitoring added in the permit)?
- Y N b. applicability and exemptions, if any?
- Y N c. streamlining (if applicable)?

Y N 10. Do you provide training and/or guidance to your permit writers on the content of the statement of basis?

11. Do any of the following affect your ability to issue timely initial title V permits:

- Y N a. SIP backlog (i.e., EPA approval still awaited for proposed SIP revisions)
- Y N b. Pending revisions to underlying NSR permits
- Y N c. Compliance/enforcement issues
- Y N d. EPA rule promulgation awaited (MACT, NSPS, etc.)
- Y N e. Issues with EPA on interpretation of underlying applicable requirements
- Y N f. Permit renewals and permit modification (i.e., competing priorities)
- Y N g. Awaiting EPA guidance

i. If yes, what type of guidance?

Generally, PDEQ is looking for interpretations to federal regulation; most often the issue is regarding "affected source" definitions and monitoring frequency.

Y N ii. If yes, have you communicated this to EPA?

A. If yes, how did you request the guidance?

¹ The Statement of Basis sets forth the legal and factual basis for the permit as required by 70.7(a)(5). The permitting authority might use another name for this document such as Technical Support Document, Determination of Compliance, Fact Sheet.

PDEQ requests the guidance verbally then in email or formal written correspondence depending on the nature of the issue.

12. Any additional comments on permit preparation or content?

None

B. General Permits (GP)

Y N

1. Do you issue general permits?

a. If no, go to next section

b. If yes, list the source categories and/or emission units covered by general permits.

Y N

2. In your agency, can a title V source be subject to multiple general permits and/or a general permit and a standard "site-specific" Title V permit?

a. What percentage of your title V sources have one or more general permits have more than one general permit? _____%

Y N

3. Do the general permits receive public notice in accordance with 70.7(h)?

a. How does the public or regulated community know what general permits have been written? (E.g., are the general permits posted on a website, available upon request, published somewhere?)

4. Is the 5 year permit expiration date based :

Y N

a. on the date the general permit is issued?

Y N

b. on the date you issue the authorization for the source to operate under the general permit?

5. Any additional comments on general permits?

C. Monitoring

1. How do you ensure that your operating permits contain adequate monitoring (i.e., the monitoring required in §§ 70.6(a)(3) and 70.6(c)(1)) if monitoring is not specified in the underlying standard or CAM?

PDEQ staff review EPA guidance, other permits approved by EPA, and discuss draft permits with EPA for the frequency and detail needed for monitoring.

Y N

a. Have you developed criteria or guidance regarding how monitoring is selected for permits? If yes, please provide the guidance.

Y N

2. Do you provide training to your permit writers on monitoring? (e.g., periodic and/or sufficiency monitoring; CAM; monitoring QA/QC procedures including for CEMS; test methods; establishing parameter ranges)

PDEQ sends permit engineers to training provided by EPA and STAPPA/ALAPCO when it is available.

Y N

3. How often do you “add” monitoring not required by underlying requirements? Have you seen any effects of the monitoring in your permits such as better source compliance?

This question is unclear. PDEQ incorporates monitoring as required under federal and local regulations.

Y N

4. Are you incorporating CAM monitoring into your permits?

D. Public Participation and Affected State Review

Public Notification Process

Y N 1. Do you publish notices on proposed title V permits in a newspaper of general circulation?

Y N 2. Do you use a state publication designed to give general public notice?

3. On average, how much does it cost to publish a public notice in the newspaper (or state publication)?

\$ 250 (per publication)

Y N 4. Have you published a notice for one permit in more than one paper?

a. If so, how many times have you used multiple notices for a permit?

PDEQ utilizes two to five publications

b. How do you determine which publications to use?

Based upon the location of the source and need for bilingual notices

c. What cost-effective approaches have you utilized for public publication?

N/A

Y N 5. Have you developed a mailing list of people you think might be interested in title V permits you propose? [e.g., public officials, concerned environmentalists, citizens]

a. How does a person get on the list?

Lists are prepared on a source by source basis

b. How does the list get updated?

Upon request from an interested party

c. How long is the list maintained for a particular source?

Indefinitely

d. What do you send to those on the mailing list?

Notices of permit actions

Y N 6. Aside from publications described above, do you use other means of public notification?

If yes, what are they (e.g., post notices on your webpage, e-mail)?

PDEQ utilizes webpages and mailings for certain sources

Y N 7. Do you reach out to specific communities (e.g., environmental justice communities) beyond the standard public notification processes?

Y N 8. Do your public notices clearly state when the public comment period begins and ends?

9. What is your opinion on the most effective avenues for public notice?

Regardless of the approach use, interested parties who contact the Department are provided with the information they request through our citizen assistance program. The one on one approach with the public is the most effective.

Y N a. Are the approaches you use for public notice effective?

Y N 10. Do you provide notices in languages besides English? Please list.

Spanish

Public Comments

Y N 11. Have you ever been asked by the public to extend a public comment

period?

Y N

a. If yes, did you normally grant them?

b. If not, what would be the reason(s)?

Y N

12. Has the public ever suggested improvements to the contents of your public notice, improvements to your public participation process, or other ways to notify them of draft permits? Describe.

Y N

13. Do you provide the public a copy of the statement of basis if they request it? If no, explain.

14. What percentage of your permits have received public comments?

Less than 10%

Y N

15. Over the years, has there been an increase in the number of public comments you receive on title V permits? Is there any pattern to types of sources getting comments?

Y N

16. Have you noticed any trends in the type of comments you have received? Please explain.

a. What percentage of your permits change due to public comments?

N/A

Y N

17. Have specific communities (e.g., environmental justice communities) been active in commenting on permits?

PDEQ has had EJ activity with minor sources permits not Title V permits.

Y N

18. Do your rules require that any change to the draft permit be re-proposed for public comment?

a. If not, what type of changes would require you to re-propose (and re-notice) a permit for comment?

Substantial changes as defined in ARS 41-1025

Y N 19. Do you have an arrangement with the EPA region for its 45-day review to start at the same time the 30-day public review starts? What could cause the EPA 45-day review period to restart (i.e., if public comments received, etc)?

a. How does the public know if EPA's review is concurrent?

Y N 20. Is this concurrent review process memorialized in your rules, a MOA or some other arrangement?

Permittee Comments

Y N 21. Do you work with the permittees prior to public notice?

Y N 22. Do permittees provide comments/corrections on the permit during the public comment period? Any trends in the type of comments? How do these types of comments or other permittee requests, such as changes to underlying NSR permits, affect your ability to issue a timely permit?

Public Hearings

23. What triggers a public hearing on a title V permit?

Either a request from the public or the Department may initiate one

Y N c. Do you ever plan the public hearing yourself, in anticipation of public interest?

Availability of Public Information

Y N 24. Do you charge the public for copies of permit-related documents?

If yes, what is the cost per page?

The first 3 pages are free, then 20 cents for each additional page.

Y N a. Are there exceptions to this cost (e.g., the draft permit requested during the public comment period, or for non-profit organizations)?

Y N b. Do your title V permit fees cover this cost? If not, why not?

Due to the variability of the information requests, cost could run from several dollars to several thousand dollars. Permit fees cover direct and indirect program costs with some monies available for information requests.

25. What is your process for the public to obtain permit-related information (such as permit applications, draft permits, deviation reports, 6-month monitoring reports, compliance certifications, statement of basis) especially during the public comment period?

All information is open and available to public during normal business hours. Arrangements can be made to view information during other times if the individual is unable to come in during normal hours. Copies of documents can be obtain by filling out our information request forms.

Y N

a. Are any of the documents available locally (e.g., public libraries, field offices) during the public comment period? Explain.

For facilities in Ajo, some 100 miles from Tucson, documents (draft permit and Technical Support Document) are placed at the Library there.

26. How long does it take to respond to requests for information for permits in the public comment period?

Individuals are contacted within 1 business day.

Y N

27. Have you ever extended your public comment period as a result of information requests?

a. Where is this information stored?

Y N

b. Do information requests, either during or outside of the public comment period, affect your ability to issue timely permits?

Y N

c. Have you ever extended the public comment period because of a request for a public hearing?

Y N

28. Do you have a website for the public to get permit-related documents?

a. What is available online?

All Title V permits issued and specific high profile draft permits

b. How often is the website updated? Is there information on how the public can be involved?

The website is updated as needed.

Y N 29. Have other ideas for improved public notification, process, and/or access to information been considered? If yes, please describe.

The Department has utilized area mailings and press releases to get information to the community.

Y N 30. Do you have a process for notifying the public as to when the 60-day citizen petition period starts? If yes, please describe.

Yes, we issue a final permit notice to individuals who comment.

Y N 31. Do you have any resources available to the public on public participation (booklets, pamphlets, webpages) ?

Y N 32. Do you provide training to citizens on public participation or on title V?

Y N 33. Do you have staff dedicated to public participation, relations, or liaison?

a. Where are they in the organization?

Our Citizen Assistance Coordinator is located in our Education and Outreach Division

b. What is their primary function?

Assisting the public with Departmental matters.

Affected State Review and Review by Indian Tribes

34. How do you notify affected States of draft permits?

PDEQ will send a copy of the public notice

a. How do you determine what States qualify as “affected States” for your draft permits?

PDEQ only deals with the State of Arizona; the county does not border any other state

35. How do you notify tribes of draft permits?

PDEQ will send a copy of the public notice

36. What percentage of your permits get comments from affected States? from Tribes?

0%

37. Is there any pattern to the type of draft permit that gets affected State / Tribal comment? Are there common themes in comments from affected States or Tribes?

N/A

38. Suggestions to improve your notification process?

None

Any additional comments and public notification?

As a local agency, PDEQ has developed relationships with the community, Indian nation, and elected officials. As issues arise with a source, informal meetings and communications assist in distilling issues down to the correct authority and jurisdiction. Many times issues other than air quality (such as water quality, hazardous waste, zoning) are the concern of the community. By working with the concerned parties, PDEQ is able to have the proper agency address the issue without bogging down the air quality permit process. Where issues are air quality related, PDEQ is able to work effectively to resolve the problem.

E. Permit Issuance / Revision / Renewal

Initial Permit Issuance

Y N 1. If not all initial permits have been issued, do you have a plan to ensure your permits are issued in a reasonable timeframe? If not, what can EPA do to help?

PDEQ is currently working on the last Title V permit to be issued. PDEQ staff have been coordinating with EPA Region 9 staff to facilitate the permitting process by addressing EPA concerns prior to going to public notice.

Permit Revisions

2. Did you follow your regulations on how to process permit modifications based on a list or description of what changes can qualify for:

Y N a. Administrative amendment? (See § 70.7(d)(vi))

Y N b. §502(b)(10) changes? (See §70.4(b)(12))

Y N c. Significant and/or minor permit modification? (See §70.7(e))

Y N d. Group processing of minor modifications?

Y N 3. If the EPA Regional office has formally asked you to re-open a permit, were you able to provide EPA with a proposed determination within 90 days? (40 CFR 70.7(g)(2))

N/A

If not, why not?

N/A

4. For those permits that have been issued, and where the permitted facility has undergone a change, how many changes to the title V permit have you processed?

a. What percentage of changes at the facilities are processed as:

i. Significant - 12%

ii. Minor - 33%

iii. Administrative - 1%

b. Of all changes that you have, how many (or what percentages) were:

i. Off-permit - 0%

ii. 502(b)(10) - 1%

5. How many days, on average, does it take to process (from application receipt to final permit amendment):

a. a significant permit revision? *Approx. 6 month*

b. a minor revision? *Approx. 1 month*

c. an administrative revision? *Approx 1 month*

Y N

6. Have you taken longer than the part 70 timeframes of 18 months for significant revision, 90 days for minor permit revisions and 60 days for administrative? Explain.

N/A

7. What have you done to streamline the issuance of revisions?

N/A

8. What process do you use to track permit revision applications moving through your system?

PDEQ has developed an internal database that tracks permit applications and revisions

Y N

9. Have you developed guidance to assist permit writers and sources in

evaluating whether a proposed revision qualifies as an administrative amendment, off-permit change, significant or minor revision, or requires that the permit be reopened? If so, provide a copy.

Y N 10. Do you require that source applications for minor and significant permit modifications include the source's proposed changes to the permit?

Y N a. For minor modifications, do you require sources to explain their change and how it affects their applicable requirements?

Y N 11. Do you require applications for minor permit modifications to contain a certification by a responsible official, consistent with 70.5(d), that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used?

12. When public noticing proposed permit revisions, how do you identify which portions of the permit are being revised? (e.g., narrative description of change, highlighting, different fonts).

The public notice describe the revision in general. The permit contains capitals for added language and strike-out for deleted language.

13. When public noticing proposed permit revisions, how do you clarify that only the proposed permit revisions are open to comment?

Permit Renewal Or Reopening

Y N 14. Have you begun to issue permit renewals?

15. What are your plans for timely issuance of the renewals?

PDEQ has made renewals a priority to prevent a backlog of permits.

Y N 16. Do you have a different application form for a permit renewal compared to that for an original application? (e.g., are your application renewal forms different from the forms for initial permits)

a. If yes, what are the differences? Are 1st time requirements (like CAM, off permit changes, etc.) in a renewal application being included in the renewal?

Y N 17. Has issuance of renewal permits been “easier” than the original permits? Explain.

Y N 18. How are you implementing the permit renewal process (ie., guidance, checklist to provide to permit applicants)?

PDEQ works one on one with applicants regarding renewals

19. What % of renewal applications have you found to be timely and complete?

As with the intial permitting, all have been found to be administratively complete.

20. How many complete applications for renewals do you presently have in-house ready to process?

2

Y N 21. Have you been able to or plan to process these renewals within the part 70 timeframe of 18 months? If not, what can EPA do to help?

Y N 22. Have you ever determined that an issued permit must be revised or revoked to assure compliance with the applicable requirements?

F. Compliance

1. Deviation reporting:

a. Which deviations do you require be reported prior to the semi-annual monitoring report? Describe.

Pursuant to PCC 17.12.180 (A)(5), all deviations must be reported

Y N

b. Do you require that some deviations be reported by telephone?

Excess emission must be reported within 24 hours by telephone

Y N

c. If yes, do you require a followup written report? If yes, within what timeframe?

Within 72 hours

Y N

d. Do you require that all deviation reports be certified by a responsible official? (If no, describe which deviation reports are not certified).

Y N

i. Do you require all certifications at the time of submittal?

Y N

ii. If not, do you allow the responsible official to “back certify” deviation reports? If you allow the responsible official to “back certify” deviation reports, what timeframe do you allow for the followup certifications (e.g., within 30 days; at the time of the semi-annual deviation reporting)?

2. How does your program define deviation?

Deviation is not specifically defined.

Y N

a. Do you require only violations of permit terms to be reported as deviations?

b. Which of the following do you require to be reported as a deviation (Check all that apply):

Y N

i. excess emissions excused due to emergencies (pursuant to 70.6(g))

Y N ?

ii. excess emissions excused due to SIP provisions (cite the

specific state rule)

Y N ?

iii. excess emissions allowed under NSPS or MACT SSM provisions?

Y N ?

iv. excursions from specified parameter ranges where such excursions are not a monitoring violation (as defined in CAM)

Y N ?

v. excursions from specified parameter ranges where such excursions are credible evidence of an emission violation

Y N ?

vi. failure to collect data/conduct monitoring where such failure is "excused":

Y N ?

A. during scheduled routine maintenance or calibration checks

Y N ?

B. where less than 100% data collection is allowed by the permit

Y N ?

C. due to an emergency

Y N ?

vii. Other? Describe.

3. Do your deviation reports include:

Y N

a. the probable cause of the deviation?

Y N

b. any corrective actions taken?

Y N

c. the magnitude and duration of the deviation?

Y N

4. Do you define "prompt" reporting of deviations as more frequent than semi-annual?

Y N

5. Do you require a written report for deviations?

Y N

6. Do you require that a responsible official certify all deviation reports?

7. What is your procedure for reviewing and following up on:

a. deviation reports?

Reports are reviewed by compliance staff as soon as they come into the Department. Depending on the nature of the deviation, staff may do a source inspection.

b. semi-annual monitoring reports?

They are reviewed by compliance staff upon receipt.

c. annual compliance certifications?

They are reviewed by compliance staff upon receipt.

8. What percentage of the following reports do you review?

a. deviation reports

100%

b. semi-annual monitoring reports

100%

c. annual compliance certification

100%

9. Compliance certifications

Y N

a. Have you developed a compliance certification form? If no, go to question 7.

Y N

i. Is the certification form consistent with your rules?

ii. Is compliance based on whether compliance is continuous or intermittent or whether the compliance monitoring method is continuous or intermittent?

The source indicates the method used.

Y N

iii. Do you require sources to use the form? What percentage do?

PDEQ has just developed the form so it is unknown

Y N

iv. Does the form account for the use of credible evidence?

Y N

v. Does the form require the source to specify the monitoring method used to determine compliance where there are options for monitoring, including which method was used where more than one method exists?

10. Excess emissions provisions:

Y N

a. Does your program include an emergency defense provision as provided in 70.6(g)? If yes, does it:

Y N

i. Provide relief from penalties?

Y N

ii. Provide injunctive relief?

Y N

iii. Excuse noncompliance?

Y N

b. Does your program include a SIP excess emissions provision? If no, go to 6.c. If yes does it:

Y N

i. Provide relief from penalties?

Y N

ii. Provide injunctive relief?

Y N

iii. Excuse noncompliance?

c. Do you require the source to obtain a written concurrence from the PA before the source can qualify for:

Y N

i. the emergency defense provision?

Y N

ii. the SIP excess emissions provision?

Y N

iii. NSPS/NESHAP SSM excess emissions provisions?

11. Is your compliance certification rule based on:

Y N

a. the '97 revisions to part 70 - i.e., is the compliance certification rule based on whether the compliance monitoring method is continuous or intermittent; or:

Y N

b. the '92 part 70 rule - i.e., is the compliance certification rule based on whether compliance was continuous or intermittent?

12. Any additional comments on compliance?

G. Resources & Internal Management Support

Y N 1. Are there any competing resource priorities for your "title V" staff in issuing Title V permits?

a. If so, what are they?

New source permits and significant revisions have the Departments highest priority with Title V permits coming next

2. Are there any initiatives instituted by your management that recognize/reward your permit staff for getting past barriers in implementing the title V program that you would care to share?

N/A

3. How is management kept up to date on permit issuance?

Staff provide Management with a monthly summary of permit status and coordinate informally regarding permitting issues

Y N 4. Do you meet on a regular basis to address issues and problems related to permit writing?

Y N 5. Do you charge Title V fees based on emission volume?

a. If not, what is the basis for your fees?

b. What is your Title V fee?

See Attachment 1, Pima County Permit Fees

6. How do you track title V expenses?

PDEQ uses a cost accounting time sheet to record time spent on Title V activities

7. How do you track title V fee revenue?

PDEQ has created a separate account (cost center) to account for revenue and expenses.

8. How many Title V permit writers does the agency have on staff (number of FTE's)?

Currently three permit engineers.

Y N 9. Do the permit writers work full time on Title V?

a. If not, describe their main activities and percentage of time on title V permits.

Permit engineers work on priority permits including Title V. The percentage of time varies from pay period to pay period depending on priorities.

b. How do you track the time allocated to Title V activities versus other non-title V activities?

Through the cost accounting time sheets

Y N 10. Are you currently fully staffed?

11. What is the ratio of permits to permit writers?

Approximately 25 permit/revisions to each permit engineer

12. Describe staff turnover.

We had three permit engineers retire and now have three new ones with a turn over rate of 1 per 3 years.

a. How does this impact permit issuance?

The loss of three experienced permit engineers was very hard

b. How does the permitting authority minimize turnover?

We try to hire from within

Y N 13. Do you have a career ladder for permit writers?

a. If so, please describe.

Y N 14. Do you have the flexibility to offer competitive salaries?

Y N 15. Can you hire experienced people with commensurate salaries?

16. Describe the type of training given to your new and existing permit writers.

Previously we had a hands on approach to training where new permit writers worked with experienced permit writers.

17. Does your training cover:

Y N a. how to develop periodic and/or sufficiency monitoring in permits?

Y N b. how to ensure that permit terms and conditions are enforceable as a practical matter?

Y N c. how to write a Statement of Basis?

Y N 18. Is there anything that EPA can do to assist/improve your training? Please describe.

Provide examples of good training plans

19. How has the PA organized itself to address Title V permit issuance?

Permit engineers are assigned work based on knowledge and workload

20. Overall, what is the biggest internal roadblock to permit issuance from the prospective of Resources and Internal Management Support?

The learning curve for permit engineer is extremely steep. It takes several

years to develop and effective permit engineer.

Environmental Justice Resources

- Y N
21. Do you have Environmental Justice (EJ) legislation, policy or general guidance which helps to direct permitting efforts?
- If so, may EPA obtain copies of appropriate documentation?
- Y N
22. Do you have an in-house EJ office or coordinator, charged with oversight of EJ related activities?
- Y N
23. Have you provided EJ training / guidance to your permit writers?
- Y N
24. Do the permit writers have access to demographic information necessary for EJ assessments? (e.g., soci-economic status, minority populations, etc.)
- Y N
25. When reviewing an initial or renewal application, is any screening for potential EJ issues performed? If so, please describe the process and/or attach guidance.

H. Title V Benefits

1. Compared to the period before you began implementing the Title V program, does the Title V staff generally have a better understanding of:

- Y N a. NSPS requirements?
- Y N b. The stationary source requirements in the SIP?
- Y N c. The minor NSR program?
- Y N d. The major NSR/PSD program?
- Y N e. How to design monitoring terms to assure compliance?
- Y N f. How to write enforceable permit terms?

2. Compared to the period before you began implementing the Title V program, do you have better/more complete information about:

- Y N a. Your source universe including additional sources previously unknown to you?
- Y N b. Your source operations (e.g., better technical understanding of source operations; more complete information about emission units and/or control devices; etc.)?
- Y N c. Your stationary source emissions inventory?
- Y N d. Applicability and more enforceable (clearer) permits?

3. In issuing the Title V permits:

- Y N a. Have you noted inconsistencies in how sources had previously been regulated (e.g., different emission limits or frequency of testing for similar units)? If yes, describe.
- Y N b. Have you taken (or are you taking) steps to assure better regulatory consistency within source categories and/or between sources? If yes, describe.

We require an explanation for deviation from similar permit conditions

4. Based on your experience, estimate the frequency with which potential compliance problems were identified through the permit issuance process:

Never Occasionally Frequently Often

- a. prior to submitting an application
- b. prior to issuing a draft permit
- c. after issuing a final permit

5. Based on your experience with sources addressing compliance problems identified through the Title V permitting process, estimate the general rate of compliance with the following requirements prior to implementing Title V:

- a. NSPS requirements (including failure to identify an NSPS as applicable)
- b. SIP requirements
- c. Minor NSR requirements (including the requirement to obtain a permit)
- d. Major NSR/PSD requirements (including the requirement to obtain a permit)

6. What changes in compliance behavior on the part of sources have you seen in response to Title V? (Check all that apply.)

- Y N a. increased use of self-audits?
- Y N b. increased use of environmental management systems?
- Y N c. increased staff devoted to environmental management?
- Y N d. increased resources devoted to environmental control systems (e.g., maintenance of control equipment; installation of improved control devices; etc.)?
- Y N e. increased resources devoted to compliance monitoring?
- Y N f. better awareness of compliance obligations?

- Y N h. other? Describe.

A better understanding of the source classification by pollutant and how the regulations apply to their source specifically.

- Y N
7. Have you noted a reduction in emissions due to the Title V program?
- Y N
- a. Did that lead to a change in the total fees collected either due to sources getting out of title V or improving their compliance?
- Y N
- b. Did that lead to a change in the fee rate (dollars/ton rate)?
8. Has title V resulted in improved implementation of your air program in any of the following areas due to Title V:
- Y N
- a. netting actions
- Y N
- b. emission inventories
- Y N
- c. past records management (e.g., lost permits)
- Y N
- d. enforceability of PTE limits (e.g., consistent with guidance on enforceability of PTE limits such as the June 13, 1989 guidance)
- Y N
- e. identifying source categories or types of emission units with pervasive or persistent compliance problems; etc.
- Y N
- f. clarity and enforceability of NSR permit terms
- Y N
- g. better documentation of the basis for applicable requirements (e.g., emission limit in NSR permit taken to avoid PSD; throughput limit taken to stay under MACT threshold)
- Y N
- h. emissions trading programs
- Y N
- i. emission caps
- Y N
- j. other (describe)
- Y N
9. If yes to any of the above, would you care to share how this improvement came about? (E.g., increased training; outreach; targeted enforcement)?
- Y N
10. Has Title V changed the way you conduct business?
- Y N
- a. Are there aspects of the Title V program that you have extended to other program areas (e.g., require certification of accuracy and completeness for pre-construction permit applications and reports; increased records retention; inspection entry requirement language in NSR permits). If yes, describe.

In Pima County, both minor source and major source permit contents

are the same.

Y N

b. Have you made changes in how NSR permits are written and documented as a result of lessons learned in Title V (e.g., permit terms more clearly written; use of a statement of basis to document decision making)? If yes, describe.

Y N

c. Do you work more closely with the sources? If yes, describe.

Staff work closely with sources to identify all applicable requirements and how the source will comply with the standard, how they will monitor their compliance and finally, how they will record the monitoring. This has assisted the sources and Department staff better assure compliance.

Y N

d. Do you devote more resources to public involvement? If yes, describe.

We devote the resources necessary commensurate with the interest in the source

Y N

e. Do you use information from Title V to target inspections and/or enforcement?

Y N

f. Other ways? If yes, describe.

Y N

11. Has the Title V fee money been helpful in running the program? Have you been able to provide:

Y N

a. better training?

Y N

b. more resources for your staff such as CFRs and computers?

Y N

c. better funding for travel to sources?

Y N

d. stable funding despite fluctuations in funding for other state programs?

Y N

e. incentives to hire and retain good staff?

Y N

f. are there other benefits of the fee program? Describe.

- Y N
12. Have you received positive feedback from citizens?
- Y N
13. Has industry expressed a benefit of Title V? If so, describe.
- Y N
14. Do you perceive other benefits as a result of the Title V program? If so, describe.
- Y N
15. Other comments on benefits of title V?

Good Practices not addressed elsewhere in this questionnaire

Are any of the practices employed that improve the quality of the permits, or other aspects of title V program that are not addressed elsewhere in this questionnaire?

None

EPA assistance not addressed elsewhere in this questionnaire

Is there anything else EPA can do to help your title V program?

None

Attachment 1

Pima County Permit Fees

17.12.510 Fees Related to Individual Permits

- A. The fees in this section related to Individual Source Permits are based on estimated costs for the Pima County Department of Environmental Quality Air Pollution Stationary Source Permitting Program.
- B. For the purposes of this section and section 17.12.400, the following apply:
1. The following sources shall be considered to be required to obtain a permit pursuant to Title V of the Act:
 - a. Any source required to have a Class I permit.
 - b. Any source allowed to operate under a Class II permit pursuant to being listed in 17.12.140(B)(2)(b)(i) or (ii).
 - c. Any source that qualifies for a Class II permit pursuant to being listed in 17.12.140(B)(2), but that elects to apply for a Class I permit.
 2. The following sources shall be considered complex:
 - a. Agricultural chemical manufacturers and processors.
 - b. Commercial ethylene oxide sterilizers.
 - c. Foundries.
 - d. Glass bead manufacturers.
 - e. Lumber mills.
 - f. Mining and mineral processing facilities, except facilities engaged solely in the extraction and beneficiation of ores and minerals. For the purposes of this paragraph, "beneficiation" is limited to the activities specified in 40 CFR 261.4(b)(7).
 - g. Paper mills.
 - h. Refineries.
 - i. Plastics extrusion facilities.
 - j. Printers with actual emissions of VOC in excess of 25 tons per year.
 - k. Textile manufacturers.
 - l. Manufacturers of tires and related products.
 3. For purposes of this section, "existing source" means a source that has commenced construction and for which one of the following is true:
 - a. Held a valid installation or operating permit as of September 1, 1993; or
 - b. Has been issued a permit pursuant to A.R.S. § 49-426(A) after September 1, 1993.
 4. For purposes of this section, "direct hours spent processing the permit" means the time spent by Office of Air Quality technical staff or consultants on tasks specifically related to the processing, issuance, or denial of a particular permit or permit revision, including pre-application activities and time at a public hearing. Direct hours shall not include time inspecting a facility, travel to or from any facility or permit hearing,

or training.

- C. The owner or operator of each source required to obtain a permit pursuant to Title V of the Act shall pay an annual emissions fee equal to \$28.15 per year per ton of actual emissions of all regulated pollutants or the minimum specified in paragraph (5) of this subsection, whichever is greater. The rate of \$28.15 shall be adjusted for the date of payment pursuant to paragraph (4) of this subsection. Except as provided in subsection (D) of this Section, the annual emissions fee is due on January 1 of each year but may be paid in two equal parts, one half on January 1 and one half on July 1. In calculating the fee, all of the following apply:
1. For purposes of this subsection, "actual emissions" means the actual quantity of all regulated pollutants emitted during the most recent calendar year ending at least 12 months before the date the fee is due unless some other period is specified by rule, determined pursuant to section 17.12.320, or pursuant to an emissions inventory required prior to the effective date of section 17.12.320.
 2. For purposes of this section, "regulated pollutants" consist of the following:
 - a. Nitrogen oxides or any volatile organic compounds.
 - b. Conventional air pollutants, except carbon monoxide.
 - c. Any pollutant that is subject to any standard promulgated under section 111 of the Act, including fluorides, sulfuric acid mist, hydrogen sulfide, total reduced sulfur and reduced sulfur compounds.
 - d. Any federally listed hazardous air pollutant that is subject to a standard promulgated by the Administrator under Section 112 of the Act or other requirement established under Section 112 of the Act, including sections 112 (g) and (j) of the Act. Federally listed hazardous air pollutants subject to requirements established under section 112 of the Act include the following:
 - (i) Any pollutant subject to requirements under Section 112(j) of the Act. If the Administrator fails to promulgate a standard by the date established pursuant to Section 112 (e) of the Act, any pollutant for which a subject source would be considered major under Section 112(a)(1) of the Act shall be considered to be regulated on the date eighteen months after the applicable date established pursuant to Section 112(e) of the Act.
 - ii Any pollutant for which the requirements of Section 112(g)(2) of the Act have been met, but only with respect to the individual source subject to Section 112(g)(2) requirements.
 3. The following emissions of regulated pollutants shall be excluded from a source's actual emissions for purposes of this section:
 - a. Emissions of a regulated pollutant from the source in excess of 4,000 tons per year.
 - b. Emissions of any regulated pollutant that are already included in the fee calculation for the source, such as a federally listed hazardous air pollutant that is already accounted for as a VOC or as PM₁₀.
 - c. Emissions from insignificant activities excluded from the permit for the source pursuant to paragraph 17.12.160 (E)(7).
 4. Beginning in 1994, the \$28.15 per ton per year fee shall be adjusted each year on January 1 to reflect the increase, if any, by which the Consumer Price Index for the most recent year exceeds the Consumer Price Index for the year 1989. The Consumer

Price Index for any year is the average of the Consumer Price Index for all urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of that year.

5. Notwithstanding previous provisions of this subsection, the following minimum annual permit fees apply:
 - a. New major sources that have not yet been required to report emission quantities pursuant to section 17.12.320 for which an annual emissions fee is due; \$5000.
 - b. All other sources except those listed in paragraph (6) of this subsection: \$2500.
6. Notwithstanding any other provisions of this subsection, sources that have uncontrolled emissions that are less than significant and that are subject to a standard under Section 112 of the Act shall pay an annual emissions fee of \$260.

D. The following payment schedules apply to annual emission fees:

1. For sources that have commenced construction before the effective date of this Section, the initial first-half payment shall be due on January 1, 1994, or on the 60th day following the effective date of this Section, whichever is later, and shall be based on the emissions inventory for calendar year 1990 or the appropriate minimum fee in paragraph (C)(5) of this Section. The initial second-half payment shall be due 120 days after the first.
2. For sources that commence construction after the effective date of this Section, the initial first-half payment for the calendar year they commence construction shall be due on the 60th day following commencement of construction and shall be based on the appropriate minimum fee in paragraph (C)(5) of this Section. The initial second-half payment shall be due 120 days after the first. Half payments for subsequent calendar years shall be due on each January 1 or July 1 and shall be based on the appropriate minimum fee until an annual emissions fee is due based on emissions reported for the most recent calendar year ending at least 12 months before the date the fee is due.
3. For sources that become subject to a permit requirement pursuant to Title V of the Act through a promulgation of the Administrator after the effective date of this Section, the initial first-half payment for that calendar year shall be due on the 60th day after the source becomes subject to the permit requirement and shall be based on the appropriate minimum fee in paragraph (C)(5). The initial second-half payment shall be due 120 days after the first. Half payments for subsequent calendar years shall be due on each January 1 and July 1 and shall be based on the appropriate minimum fee until an annual emissions fee is due based on emissions reported for the most recent calendar year ending at least 12 months before the date the fee is due.

E. The owner or operator of an existing source that is required to obtain a permit pursuant to state law and is not required to obtain a permit pursuant to Title V of the Act shall pay the following fees:

1. For sources that are complex pursuant to paragraph (B)(2) of this Section:
 - a. An annual permit processing fee of \$1097 plus an annual inspection fee of

\$1560.

- b. A performance test fee of \$635 for any year during which such test will be performed.
2. For sources that are not complex pursuant to paragraph (B)(2) of this Section:
- a. An annual permit processing fee of \$565 plus an annual inspection fee of \$390.
 - b. A performance test fee of \$480 for any year during which such test will be performed.

Any annual fee in this subsection may be paid in two equal parts and is due at the times listed in subsection (F) of this Section. Performance test fees shall be due when the test protocol is submitted.

F. The following payment schedules apply to the annual fees specified in subsection (E) of this Section:

- 1. For sources that are existing on the effective date of this Section, the initial first-half payment shall be due on January 1, 1994, or on the 60th day following the effective date of this Section, whichever is later. The initial second-half payment shall be due 120 days after the first. Half payments for subsequent calendar years shall be due on each January 1 or July 1.
- 2. For sources that are not existing on the effective date of this Section, the initial first-half payment shall be due on the 60th day after they become existing. The initial second-half payment shall be due 120 days after the first. Half payments for subsequent calendar years shall be due on each January 1 or July 1.

G. Before the issuance of a permit to construct and operate a source that is required to obtain a permit pursuant to Title V of the Act, the applicant for the permit shall pay to the control officer a fee billed by the control officer representing the total actual cost of reviewing and acting upon the application. The minimum fee chargeable pursuant to this subsection shall be \$2,500, and the maximum fee shall be \$30,000. The sum of \$13,000 shall be due with the application in the case of a Class I permit. The sum of \$2,000 shall be due with the application in the case of any source allowed to operate under a Class II permit pursuant to being listed in 17.12.140 (B)(2)(b)(i) or (ii).

H. Before the issuance of a permit to construct and operate a source that is subject to a permit requirement pursuant only to state law, the applicant for the permit shall pay to the control officer a permit processing fee of \$6400 for a complex source and \$3000 for a source that is not complex. The source may elect to pay 1/5 of the amount before issuance and 1/5 of the amount during each of the next four years before the anniversary date of the permit. Subsequent to the issuance of the permit, the source shall be subject to the applicable inspection and performance test fees pursuant to subsection (E) of this Section.

I. Each source required to obtain a permit pursuant to Title V of the Act applying for a permit revision pursuant to section 17.12.250 or section 17.12.260 or the transfer of a permit pursuant to section 17.12.290 shall remit to the control officer, at the time the application or notice is submitted, an application fee as follows:

- 1. \$10,000 for a significant permit revision that is a result of a major modification.

2. \$1,500 for any other significant permit revision.
3. \$500 for a minor permit revision.
4. \$424 for a permit transfer.

Before the issuance of a permit revision pursuant to section 17.12.250 or section 17.12.260 under this subsection, the applicant for the permit revision shall pay to the control officer a fee billed by the control officer representing the total actual cost of reviewing and acting upon the application minus any application fee remitted. The maximum fee chargeable pursuant to this subsection shall be \$25,000 for any significant permit revision and \$10,000 for any minor permit revision. The fee for each permit transfer under this subsection shall be \$424.

- J. Each source required to obtain a permit pursuant to state law and not required to obtain one pursuant to Title V of the Act applying for a permit revision pursuant to section 17.12.250 or section 17.12.260 or the transfer of a permit pursuant to section 17.12.290 shall remit to the control officer, at the time the application or notice is submitted, an application fee as follows:

1. \$2,400 for a significant permit revision for a complex source.
2. \$700 for any other significant permit revision.
3. \$450 for a minor permit revision.
4. \$318 for a permit transfer.

Before the issuance of a permit revision pursuant to section 17.12.250 or section 17.12.260 under this subsection, the applicant for the permit revision shall pay to the control officer a fee billed by the control officer representing the total actual cost of reviewing and acting upon the application minus any application fee remitted. The maximum fee chargeable pursuant to this subsection shall be \$25,000 for any significant permit revision and \$10,000 for any minor permit revision. The fee for each permit transfer under this subsection shall be \$318.

- K. Any person who receives a final bill from the control officer for the processing of a permit under this Section may request an informal review of the hours billed and may pay the bill under protest. If the bill is paid under protest, the control officer shall issue the permit if it would be otherwise issuable after normal payment. The request shall specify the areas of dispute and be made in writing to the control officer within 30 days of the date of receipt of the final bill. Unless the control officer and applicant agree otherwise, the informal review shall take place within 30 days of the control officer's receipt of the request. Notice of the time and place of informal review shall be mailed to the requester at least ten working days prior to the informal review. The control officer shall review whether the amounts of time billed are correct and reasonable for the tasks involved. Disposition of the informal review shall be mailed to the requester within ten working days after the informal review.

- L. The control officer's decision after the informal review shall become final unless, within 30 days after receipt of the decision, the applicant requests in writing a hearing pursuant to A.R.S. § 49-482.

- M. For the purposes of subsections (G) and (I) of this section, the hourly rate applied by the control officer for all direct hours spent processing the permit shall be \$53.00 per hour. For the purposes of subsection (J) of this section, the hourly rate applied by the control officer for

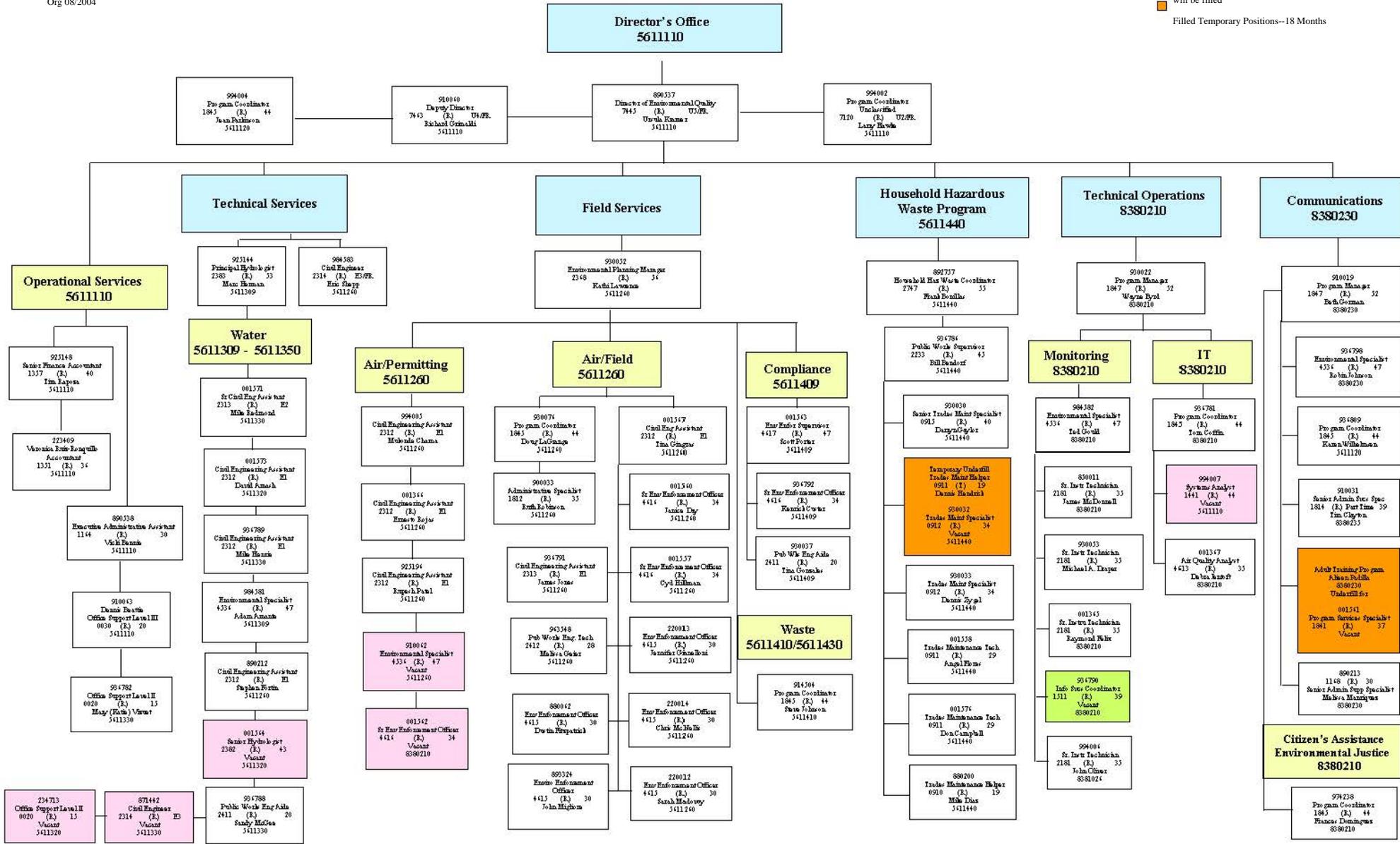
all direct hours spent processing the permit shall be \$40.00 per hour.

- N. An applicant for a Class I or II permit or any revisions to such permits may request that the control officer provide accelerated processing of the application by providing the control officer written notice 60 days in advance of filing the application. Any such request shall be accompanied by the standard application fees as described in this Section plus an additional payment of 50% of those fees. The fees shall be non-refundable to the extent of the control officer's costs in accelerating the processing if the control officer undertakes the accelerated processing as described below:
1. When the applicant has requested accelerated permit processing, the control officer may, to the extent practicable, undertake to process the permit or permit revision in accordance with the following schedule:
 - a. For applications for initial Class I and II permits governed by section 17.12.140 or significant permit revisions governed by section 17.12.260, the proposed permit or permit revision shall be issued within 120 days after the control officer determines that the application is complete.
 - b. For minor permit revisions governed by section 17.12.250, the permit revision shall be issued within 60 days after receiving an application.
 2. At any time after an applicant has requested accelerated permit processing, the control officer may request an additional advance payment fee based on the most recent estimated cost of accelerating the processing of the application.
 3. Before issuing a permit or permit revision pursuant to this subsection, the applicant shall pay to the control officer all regular permit processing and other fees due and, in addition, the difference between the actual cost of accelerating the permit application, including any costs incurred by the control officer in contracting for, hiring, or supervising the work of outside consultants, and all advance payment fees submitted. In the event all payments made exceed actual accelerated permit costs, excess advance payments shall be refunded. Nothing in this Section shall affect the public participation requirements of section 17.12.340 or EPA and affected state review as required under section 17.12.190 or section 17.12.250.
 4. Any additional charges incurred as a result of the accelerated permit processing shall not be applied toward the maximum fees established in subsections (G) and (I) of this section for a source that is required to obtain a permit pursuant to Title V of the Act. (Ord. 1995-87 § 23, 1995; Ord. 1994-83 § 42, 1994; Ord. 1993-128 § 3 (part), 1993; Ord. 1979-93 (part), 1979)

Appendix C - PDEQ ORGANIZATION CHART

Pima County Department of Environmental Quality

- No Activity--Vacant Positions
- Cert List has been requested--Position will be filled
- Filled Temporary Positions--18 Months



Appendix D - PDEQ STANDARD APPLICATION FORMS

STANDARD PERMIT APPLICATION FORM

(As required by A.R.S. § 49-480, and Title 17 of the Pima County Code)

Permit to be issued to (Business License Name of Organization): _____

Mailing Address: _____
City: _____ State: _____ ZIP: _____

Plant Name (if different than item #1): _____

Name (or names) of Owner or Operator: _____
FAX #: _____ Phone: _____

Name of Owner's Agent: _____
FAX #: _____ Phone: _____

Plant/Site Manager/Contact Person: _____
FAX #: _____ Phone: _____

Proposed Equipment/Plant Location Address: _____
City: _____ State: _____ ZIP: _____

Indian Reservation (if applicable): _____
Township/Range/Section, Latitude/Longitude, Elevation: _____

General Nature of Business: _____
Standard Industrial Classification Code: _____ State Permit Class: _____

Type of Organization: Corporation Individual Owner Partnership
 Government Entity Other _____

Permit Application Basis (*Check all that apply*): New Source Revision
 Renewal of Existing Permit Portable Source General Permit

For renewal or revision, include existing permit number: _____

Date of Commencement of Construction or Modification: _____

Is any of the equipment to be leased to another individual or entity?

Yes No

Signature of Responsible Official of Organization: _____
Official Title of Signer: _____

Typed or Printed Name of Signer: _____
Date: _____ Telephone Number: _____

**PIMA COUNTY DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY PERMIT APPLICATION
COMPLETENESS CHECKLIST**

PERMITTEE: _____ PERMIT# _____

NEW SOURCE ___ RENEWAL ___ REVISION ___ TITLE V ___ PORTABLE ___

APP RECEIVED DATE: _____ PERMIT CLASS: _____

PERMIT ENGINEER: _____

INCOMPLETE LETTER DATE: _____

ADDITIONAL INFORMATION REQUIRED BY DATE: _____

ADDITIONAL INFORMATION RECEIVED DATE: _____

Reference	Requirement	Meets Requirement?			Remark	Reviewer
		Y	N	NA		
Title 17 17.12.510	Have the appropriate application fees been included with the application, if required?					
App Form	Has the Standard Application Form been completed?					
App Form	Has the responsible official signed the application form?					
Filing 17.a.v	Has a Certification of Truth, Accuracy and Completeness been included?					
Filing 1.	Has a description of each process unit been included?					
Filing 2.	Has a product and raw material description been included?					
Filing 3.	Has a complete description of Alternate Operating Scenarios been included? (Optional)					
Filing 5.	Has a Flow Diagram for all processes been provided?					
Filing 6.	Has a Material Balance been included (if applicable).					
Filing 7.	Has the Emission Sources form been completed and does it include potential emissions of regulated air pollutants (including fugitives)?					
Filing 8.	Have all applicable SIP requirements been identified?					
Filing 8.	Have all applicable NSPS requirements been identified?					
Filing 8.	Have all applicable NESHAP requirements been identified?					
Filing 8.	Have all applicable Installation Permit requirements been identified?					

**PIMA COUNTY DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY PERMIT APPLICATION
COMPLETENESS CHECKLIST**

Reference	Requirement	Meets Requirement?			Remark	Reviewer
		Y	N	NA		
Filing 9. Filing 10.a,10.c	Have any proposed exemptions and insignificant activities been included (if applicable)? If so, has the applicant provided sufficient evidence? Have the maximum annual and hourly process rates for each piece of equipment which generates air emissions been included?					
Filing 10.b,10.d	Have the maximum annual and hourly process rates for the whole plant been included?					
Filing 10.e	Has the fuel type and maximum usage (hourly and annual) information been included?					
Filing 10.f	Has the raw material maximum hourly, monthly or quarterly and annual usage information been included?					
Filing 10.g	Have the Operating Schedules (hour/day, days/year, days/week, % annual production by season) been included?					
Filing 10.h	Have any limitations on operations and work practice standards affecting emissions been included (if applicable)?					
Filing 11	Does the application include an equipment list with the type, name make, model, serial number, and date of manufacture?					
Filing 12	Does the application include the necessary stack information including: stack identification, description, exit height, inside dimensions, exit gas temperature and velocity, and building dimensions?					
Filing 13	Does the application include a site diagram which includes: property boundaries, adjacent streets/roads, directional arrow, elevation, equipment layout, location of emission points, emission areas and air pollution control equipment and the closest distance between emissions and property boundary?					

**PIMA COUNTY DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY PERMIT APPLICATION
COMPLETENESS CHECKLIST**

Reference	Requirement	Meets Requirement?			Remark	Reviewer
		Y	N	NA		
Filing 14.a	Have the applicable test methods for determining compliance been included?					
Filing 14.b	Does the application include an identification, location and description of Pollution Controls?					
Filing 14.c	Has the rated and operating efficiency of pollution controls been included?					
Filing 14.d	Has the data used to establish efficiency been provided?					
Filing 14.e	Has evidence that the new or modified source will not violate any Ambient Air Quality Standards or PSD increments been provided?					
Filing 16.a-d	Has a Compliance Plan been included? (The compliance plan must address acid rain provisions, if applicable)					
Filing 16.a	Does the application include a description of the Compliance Status of the source with respect to all applicable requirements (for constructed/operating sources)?					
Filing 16.a 16.b	Has a description of how the new source or alteration will comply with applicable requirements been included (for new sources or modifications to existing sources)?					
Filing 16.b.i	Does the application include a statement that the source will continue to comply with the applicable requirements with which they currently comply? (for constructed/operating sources)					
Filing 16.b.ii	Has a statement that the source will meet requirements which become effective before or after permit issuance been included?					
Filing 16.b.iii	Has a compliance schedule with remedial measures, and an enforceable sequence of actions with milestones leading to compliance been included for applicable requirements with which the source does not currently comply?					

**PIMA COUNTY DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY PERMIT APPLICATION
COMPLETENESS CHECKLIST**

Reference	Requirement	Meets Requirement?			Remark	Reviewer
		Y	N	NA		
Filing 16.c	Has a Schedule for Submission of Progress Reports (at least every 6 months) been included? (for sources required to have a compliance schedule)					
Filing 17.a	Has a Compliance Certification by a responsible official been included?					
Filing 17.a.i	Does the application include an identification of the applicable requirements which are the basis of the certification?					
Filing 17.a.ii	Has a Statement of Methods Used to Determine Compliance been included?					
Filing 17.a.iii	Has a Schedule for Submission of Compliance Certifications (at least annually) been provided?					
Filing 17.a.iv	Does the application include a statement indicating the compliance status with respect to any applicable enhanced monitoring and compliance certification requirements? (if applicable)					
Filing 17.b	Does the application include an acid rain compliance plan? (if applicable)					
Filing 19	Have the calculations on which all information is based been included in the application?					

**SUPPLEMENTAL CHECKLIST
FOR NEW MAJOR SOURCES OR MAJOR MODIFICATIONS
TO SOURCES LOCATED IN ATTAINMENT AREAS**

Reference	Requirement	Meets Requirement?			Remark	Reviewer
		Y	N	NA		
Filing 18.a.i	Does the application include a LAER determination and the data and information used to determine LAER?					
Filing 18.a.ii	Has a certification pursuant to 17.16.560.A.2 been included? Such certification should list and describe all existing major sources owned and operated by the applicant and a statement of compliance.					
Filing 18.a.iii	For sources subject to the offset requirements of 17.16.560.A.3, does the application include a demonstration of the manner in which the source or modification meets the requirements of 17.16.570?					
Filing 18.a.iv	Does the application include the analysis described in 17.16.560.B, if required (only for VOC or CO sources in photochemical oxidant or CO Non-attainment areas)?					
Filing 18.b.i	Does the application include a demonstration of the manner in which the new source or modification will meet the requirements of 17.16.590?					
Filing 18.b.ii	Does the application include a BACT determination and the data and information used to determine BACT?					
Filing 18.b.iii	Does the application include an air impact analysis as per 17.16.590 and 17.16.600?					
Filing 18.b.iv	If the applicant seeks an exemption from any of the requirements of 17.16.590, does the application include sufficient information to demonstrate compliance with the requirements of the subsections under which an exemption is sought?					

**SUPPLEMENTAL CHECKLIST
FOR APPLICATIONS WHICH INCLUDE A NOTICE OF CONFIDENTIALITY**

Reference	Requirement	Meets Requirement?			Remark	Reviewer
		Y	N	NA		
17.12.170	Does the notification precisely identify information in the application which is to be considered confidential?					
17.12.170	Does the notification contain sufficient supporting information to allow the Control Officer to evaluate whether the information satisfies the requirements related to trade secrets or, if applicable, how the information, if disclosed, is likely to cause substantial harm to the person's competitive position?					
17.12.170	Has the county attorney concurred in the confidentiality determination?					

STANDARD PERMIT APPLICATION FORM FILING INSTRUCTIONS

FILING INSTRUCTIONS (all references are to Title 17 of the Pima County Code unless otherwise noted): No application shall be considered properly filed until the Control Officer has determined that all information required by this application form and the applicable statutes and regulations has been submitted. The Control Officer may waive certain application requirements for specific source types. For permit revisions, the applicant need only supply information that directly pertains to the revision. The Control Officer shall develop special guidance documents and forms to assist certain sources requiring Class II permits in completing the application form and filing instructions. Guidance documents and assistance in completing the application form(s) are available by calling the Pima County Department of Environmental Quality's Business Assistance representative at (520) 740-3340.

In addition to the information required on the application form, the applicant shall supply the following:

1. Description of the process to be carried out in each unit (include Source Classification Code).
2. Description of product(s).
3. Description of alternate operating scenario, if desired by applicant (include Source Classification Code).
4. Description of alternate operating scenario product(s), if applicable.
5. A flow diagram for all processes.
6. A material balance for all processes (optional, only if emission calculations are based on a material balance)
7. Emissions Related Information:
 - a. The source shall be required to submit the potential emissions of regulated air pollutants as defined in 17.04.340.A.182 for all emission sources. Emissions shall be expressed in pounds per hour, tons per year, and such other terms as may be requested. Emissions shall be submitted using the standard "Emission Sources" portion of the "Standard Permit Application Form". Emissions information shall include fugitive emissions in the same manner as stack emissions, regardless of whether the source category in question is included in the list of sources contained in the definition of major source in 17.04.340.A.122.
 - b. The source shall be required to identify and describe all points of emissions and to submit additional information related to the emissions of regulated air pollutants sufficient to verify which requirements are applicable to the source and sufficient to collect any permit fees owed under the fee schedule.
8. Citation and description of all applicable requirements as defined in 17.04.340.A.25.
9. An explanation of any proposed exemptions from otherwise applicable requirements.
10. The following information to the extent it is needed to determine or regulate emissions:
 - a. Maximum annual process rate for each piece of equipment that generates air emissions.
 - b. Maximum annual process rate for the whole plant.
 - c. Maximum rated hourly process rate for each piece of equipment that generates air emissions.
 - d. Maximum rated hourly process rate for the whole plant.
 - e. For all fuel burning equipment including generators, a description of fuel use, including the type used, the quantity used per year, the maximum and average quantity used per hour, the percent used for process heat, and higher heating value of the fuel. For solid fuels and fuel oils, state the potential sulfur and ash content.
 - f. A description of all raw materials used and the maximum annual and hourly, monthly, or quarterly quantities of each material used.
 - g. Anticipated Operating Schedules
 - i. Percent of annual production by season.
 - ii. Days of the week normally in operation.
 - iii. Shifts or hours of the day normally in operation.
 - iv. Number of days per year in operation.
 - h. Limitations on source operations and any work practice standards affecting emissions.

11. A description of all process and control equipment for which permits are required including:
 - a. Name.
 - b. Make (if available).
 - c. Model (if available).
 - d. Serial number (if available).
 - e. Date of manufacture (must provide best estimate if date unknown).
 - f. Size/production capacity.
 - g. Type.
12. Stack Information:
 - a. Identification.
 - b. Description.
 - c. Building Dimensions.
 - d. Exit Gas Temperature.
 - e. Exit Gas Velocity.
 - f. Height.
 - g. Inside Dimensions.
13. Site diagram that includes:
 - a. Property boundaries.
 - b. Adjacent streets or roads.
 - c. Directional arrow.
 - d. Elevation.
 - e. Closest distance between equipment and property boundary.
 - f. Equipment layout.
 - g. Relative location of emission sources/points.
 - h. Location of emission points and non-point emission areas.
 - i. Location of air pollution control equipment.
14. Air Pollution Control Information:
 - a. Description of or reference to any applicable test method for determining compliance with each applicable requirement.
 - b. Identification, description and location of air pollution control equipment, including spray nozzles and hoods, and compliance monitoring devices or activities.
 - c. The rated and operating efficiency of air pollution control equipment.
 - d. Data necessary to establish required efficiency for air pollution control equipment (e.g. air to cloth ratio for baghouses, pressure drop for scrubbers, and warranty information).
 - e. Evidence that operation of the new or modified pollution control equipment will not violate any ambient air quality standards, or PSD increments.
15. Equipment manufacturer's bulletins and shop drawings may be acceptable where appropriate.
16. Compliance:
 - a. A description of the compliance status of the source with respect to all applicable requirements including, but not limited to:
 - i. A demonstration that the source or modification will comply with the applicable requirements contained in Chapter 17.04.
 - ii. A demonstration that the source or modification will comply with the applicable requirements contained in Chapter 17.08.
 - iii. A demonstration that the source or modification will comply with the applicable requirements contained in Chapter 17.12.
 - iv. A demonstration that the source or modification will comply with the applicable requirements contained in Chapter 17.16.

- v. A demonstration that the source or modification will comply with the applicable requirements contained in Chapter 17.20.
 - vi. A demonstration that the source or modification will comply with the applicable requirements contained in Chapter 17.24.
 - vii. A demonstration that the source or modification will comply with the applicable requirements contained in Chapter 17.28.
- b. A compliance schedule as follows:
- i. For applicable requirements with which the source is in compliance, a statement that the source will continue to comply with such requirements.
 - ii. For applicable requirements that will become effective during the permit term, a statement that the source will meet such requirements on a timely basis. A statement that the source will meet in a timely manner applicable requirements that become effective during the permit term shall satisfy this provision, unless a more detailed schedule is expressly required by the applicable requirement.
 - iii. A schedule of compliance for sources that are not in compliance with all applicable requirements at the time of permit issuance. Such a schedule shall include a schedule of remedial measures, including an enforceable sequence of actions with milestones, leading to compliance with any applicable requirements for which the source will be in noncompliance at the time of permit issuance. This compliance schedule shall resemble and be at least as stringent as that contained in any judicial consent decree or administrative order to which the source is subject. Any such schedule of compliance shall be supplemental to, and shall not sanction noncompliance with, the applicable requirements on which it is based.
- c. A schedule for submission of certified progress reports no less frequently than every 6 months for sources required to have a schedule of compliance to remedy a violation.
- d. The compliance plan content requirements specified in this paragraph shall apply and be included in the acid rain portion of a compliance plan for an affected source, except as specifically superseded by regulations promulgated under Title IV of the Act with regard to the schedule and method(s) the source will use to achieve compliance with the acid rain emissions limitations.
17. Compliance Certification:
- a. A certification of compliance with all applicable requirements by a responsible official. The certification should include:
 - i. Identification of the applicable requirements that are the basis of the certification;
 - ii. A statement of methods used for determining compliance, including a description of monitoring, recordkeeping, and reporting requirements and test methods;
 - iii. A schedule for submission of compliance certifications during the permit term to be submitted no less frequently than annually, or more frequently if specified by the underlying applicable requirement or by the permitting authority; and
 - iv. A statement indicating the source's compliance status with any applicable enhanced monitoring and compliance certification requirements.
 - v. A certification of truth, accuracy, and completeness pursuant to 17.12.160.H.
 - b. Acid Rain Program Compliance Plan: Sources subject to the Federal acid rain regulations shall use nationally-standardized forms for acid rain portions of permit applications and compliance plans, as required by regulations promulgated under Title IV of the Act.
18. A new major source as defined in 17.12.340.A.122 or a major modification shall submit all information required in these filing instructions and information necessary to show compliance with Chapter 17.16, Article VIII including, but not limited to:
- a. For sources located in a Non-Attainment Area:

- i. In the case of a new major source as defined in 17.04.340.A.122 or a major modification subject to an emission limitation which is LAER (Lowest Achievable Emission Rate) for that source or facility, the application shall contain a determination of LAER that is consistent with the requirements of the definition of LAER contained in 17.04.340.A.120. The demonstration shall contain the data and information relied upon by the applicant in determining the emission limitation that is LAER for the source or facility for which a permit is sought.
 - ii. In the case of a new major source as defined in 17.04.340.A.122 or a major modification subject to the certification requirement of 17.16.560.A.2, the applicant shall submit such certification in a form that lists and describes all existing major sources owned or operated by the applicant and a statement of compliance with all conditions contained in the permits or conditional orders of each of the sources.
 - iii. In the case of a new major source as defined in 17.04.340.A.122 or a major modification subject to the offset requirements described in 17.16.560.A.3, the applicant shall demonstrate the manner in which the new major source or major modification meets the requirements of 17.16.570.
 - iv. An applicant for a new major source as defined in 17.04.340.A.122 or a major modification for volatile organic compounds or carbon monoxide (or both) which will be located in a nonattainment area for photochemical oxidants or carbon monoxide (or both) shall submit the analysis described in 17.16.560.B.
- b. For sources located in an Attainment Area:
- i. A demonstration of the manner in which a new major source or major modification which will be located in an attainment area for a pollutant for which the source is classified as a major source as defined in 17.04.340.A.122 or the modification is classified as a major modification will meet the requirements of 17.16.590.
 - ii. In the case of a new major source as defined in 17.04.340.A.122 or major modification subject to an emission limitation which is BACT (Best Available Control Technology) for that source or facility, the application shall contain a determination of BACT that is consistent with the requirements of the definition of BACT contained in 17.04.340.A.35. The demonstration shall contain the data and information relied upon by the applicant in determining the emission limitation that is BACT for the source or facility for which a permit is sought.
 - iii. In the case of a new major source as defined in 17.04.340.A.122 or major modification required to perform and submit an air impact analysis in the form prescribed in 17.16.600, such an analysis shall meet the requirements of 17.16.590. Unless otherwise exempted in writing by the Director, the air impact analysis shall include all of the information and data specified in 17.16.600.
 - iv. If an applicant seeks an exemption from any or all of the requirements of 17.16.590, the applicant shall provide sufficient information and data in the application to demonstrate compliance with the requirements of the subsection(s) under which an exemption is sought.
19. Calculations on which all information requested in this application are based.

SUBMITTING A COMPLETE PERMIT APPLICATION

These directions are to be used in conjunction with the "Standard Permit Application Form" and the "Standard Permit Application Form Filing Instructions" contained in this application package. These directions may be used for new source permits, renewal permits for existing sources, and permit revisions. You may obtain help in completing these forms by contacting the Pima County Department of Environmental Quality's (PDEQ) Business Assistance Program representative at (520) 740-3342.

The application form and filing instructions are designed to assist the applicant in providing the information which will allow PDEQ to determine the applicable regulations, determine if standards will be met, and determine which fees apply.

Reference the Standard Permit Application Form

PDEQ requires all applicants to submit the Standard Permit Application Form. Items #1 through #5 of the application are self-explanatory.

Item #6 asks for the Plant/Site Manager or Contact Person. This should be the person who is responsible for implementing the permit at the facility and the person PDEQ may contact for additional information.

Item #7 requests the current or proposed location of the facility. If the application is for a portable plant, a Move Notice Form must be completed and returned to PDEQ each time the plant is moved. This form is available by contacting PDEQ.

Item #8 asks for the general nature of the business. Your response should be in terms of what is produced at the plant. The Standard Industrial Classification Code is a number which describes the type of facility and may be obtained by calling PDEQ. The State Permit Class is the class of permit which was issued to the facility previously and may be obtained by calling PDEQ.

Under Item #9, if the "Other" box is checked, please be specific as to what the organization is.

Item #10, Permit Application Basis, indicates what type of permit is necessary. If the facility is already permitted and is applying for a permit revision or renewal, then the current permit number must be included. The Date of Commencement of Construction or Modification is the expected date that construction will begin. If there is any chance that the equipment will be leased out, answer "yes" to the last part of Item #10. If you check "no", the permit may contain a condition which prohibits leasing of the equipment; changing that condition will require a permit revision.

The "Responsible Official" referred to in Item #11 is the owner or a partner of the company in most cases. It may also be the person responsible for environmental compliance. If there is a question as to who the responsible official is, contact PDEQ.

Citation and Description of all Applicable Requirements

Applicants must list all federal and state requirements which may apply to the source. These may include:

- Federal New Source Performance Standards (NSPS)
- PSD/NSR permit requirements
- Testing requirements (including test methods; a previous permit should specify the testing requirements)
- Monitoring requirements (usually for larger sources)
- Hazardous Air Pollutant (HAP) requirements
- Acid Rain Program requirements
- State statutes and regulations
- County code

Description of Proposed Exemptions for Otherwise Applicable Requirements

Proposed exemptions may include, but are not limited to:

- Generators with an aggregated rating of less than 244KW (325 HP) may be exempt from permitting
- Fuel burning equipment with an aggregated rating under 500,000 BTU per hour may be exempt from permitting

"Insignificant Activities" are exempt from permitting. These may include:

- Laboratory activities
- Building maintenance
- Some small petroleum liquid storage tanks

Note: Insignificant activities must be listed in the application but the associated emissions or equipment details need not be included.

Process Description

This description should help PDEQ staff understand the manufacturing process used at your facility. The description should include:

- Description of the process to be carried out in each unit
- Description of products
- Description of raw materials, intermediates, and products (including fuels, solvents, etc.)
- Process flow diagram (should track the process description)

Description of Alternate Operating Scenarios

PDEQ allows applicants to submit alternate operating scenarios to allow for operational flexibility.

- Incorporated into the permit and allows operational changes to be made without a permit revision
- Source need not contact PDEQ to switch to an alternate operating scenario, but must keep a record
- Examples include:
 - Changes in fuels

- Changes in solvents
- Equipment configurations
- Products
- Raw Materials
- Application must include for each scenario:
 - Additional regulations which apply to the scenario
 - Process description
 - Process flow diagram

Site Diagram

- Equipment and building layout
- Building heights
- Location of emission points
- Property boundaries
- Adjacent streets
- Directional arrow
- Elevation
- Scale (PDEQ will accept diagrams which are not scaled, but all dimensions must be shown)

Air Pollution Control Information

- Identification, location, and description of air pollution control equipment and techniques, for example:
 - Fabric filters (baghouses)
 - Scrubbers
 - Cyclones
 - Afterburners
 - Spray nozzles
 - Water trucks
 - Compliance monitoring activities
- Rated and operating efficiency of control equipment (rated efficiency should be available from the manufacturer)
- Data used to establish efficiency for example:
 - Air-to-cloth ratio for baghouses
 - Pressure drop across scrubbers
 - Minimum operating temperature for thermal oxidizers
 - May include warranty or manufacturer guarantee
- Evidence that the new or modified equipment will not violate any ambient air quality standards or PSD increments
 - Typically for a change of equipment at larger sources
- Description of, or reference to, any applicable test method for determining compliance with all requirements

Description of all Process and Control Equipment Requiring a Permit Including

- Type of equipment
- Make
- Model

- Serial number
- Date of manufacture
- Rated capacity or control efficiency

Note: Not all of the above information will be available to the applicant upon submitting an application. In such a case, the application should include at least the type and the anticipated capacity of the equipment and an estimate of the date of manufacture.

Emissions

Applicants must submit the potential emissions of the facility. Emission estimates allow PDEQ to determine the applicable requirements, the ambient air impacts, and whether or not ambient air quality standards can be met.

Potential Emissions

- Maximum capacity of a source to emit a pollutant under its physical and operational design
- Physical and operational design includes:
 - Limitations on hours of operation
 - Operational limitations on process rate
 - Pollution controls

Note: These limitations may be included in the final permit as conditions of permit.

- Regulated air pollutants
 - Conventional (PM₁₀, NO_x, SO_x, CO, Lead, Ozone)
 - Volatile organic compounds (VOC)
 - Federal Hazardous Air Pollutants (189 compounds)
 - Others (any pollutant subject to a standard, and certain CFCs and HCFCs)
 - Include fugitive emissions

Emissions for Alternate Operating Scenarios

- Emissions for each scenario are preferred
- PDEQ may accept emissions from the scenario with the highest emission rate
- All possible compounds which may be emitted must be listed
- For example, if the applicant wants to be permitted to use two different equipment configurations which cause the same type pollutants to be emitted but at different rates, only the higher emissions need to be submitted. However, if the applicant wants to be permitted to use two different types of solvents, emissions from both solvents must be included.

Emissions Sources Form

The emission sources form is to be used to submit the emissions in a concise manner. The form is found on the back of the Standard Permit Application Form.

The emission point name and number should correspond to the site diagram. The potential emissions must be reported in terms of pounds per hour and tons per year. When reporting emissions that enter the ambient air through a stack, the exit height of the stack above the ground and above the building must be shown. In addition, the inside dimensions or diameter of the exit as well as the exit gas velocity and exit gas temperature must be included. Finally, the length and width of the area which encompasses the fugitive emissions are required.

Calculating Emissions

- EPA's "Compilation of Air Pollutant Emission Factors", also known as AP-42
 - most commonly used and always accepted
 - generally does not include HAPs emissions
 - generally does not speciate VOCs
- Emission tests from the actual plant (emission tests from a similar plant may be acceptable in some cases)
- Other published studies provided conditions are similar (will most often be used to estimate HAPs)
- Engineering calculations such as a material balance
- Include all information and references used to estimate emissions (PDEQ prefers copies of the references used)

Information Used to Estimate Emissions

- Maximum annual and hourly process rates for each piece of equipment
- Maximum annual and hourly process rates for the whole plant
- Type and composition of fuels used (e.g., sulfur content)
- Annual and hourly quantity of fuel used
- Heating value of fuel
- Annual and hourly quantity of raw materials used
- Operating schedule
 - Hours per day
 - Days per year
 - Percent of annual production by season
- Material balance (if used)
- All calculations

Additional Requirements for New Major Sources or Modifications in Nonattainment Areas

- Lowest achievable emission rate (LAER) determination
- Demonstration that existing sources owned by the applicant are in compliance
- Offset determination
- Site and environmental analysis

Additional Requirements for New Major Sources or Modifications in Attainment Areas

- Demonstration of how the plant will meet requirements
- Best available control technology (BACT) determination

- Ambient air impact analysis

Compliance Plan

- Description of compliance status of the source with respect to each requirement including any existing permit conditions (for existing sources)
- Description of how a new source or modification to an existing source will comply with all applicable requirements (e.g., control schemes, recordkeeping, report submissions, etc.)
- A compliance schedule is required for requirements with which the source is not in compliance

Compliance Schedule

- A statement that the source will continue to comply with requirements with which the plant currently complies
- A statement that the source will meet requirements which become effective during the permit term
- Sequence of actions for remedial measures
- Milestones leading to compliance
- Schedule of submission of progress reports (reports must be submitted at least every six months)

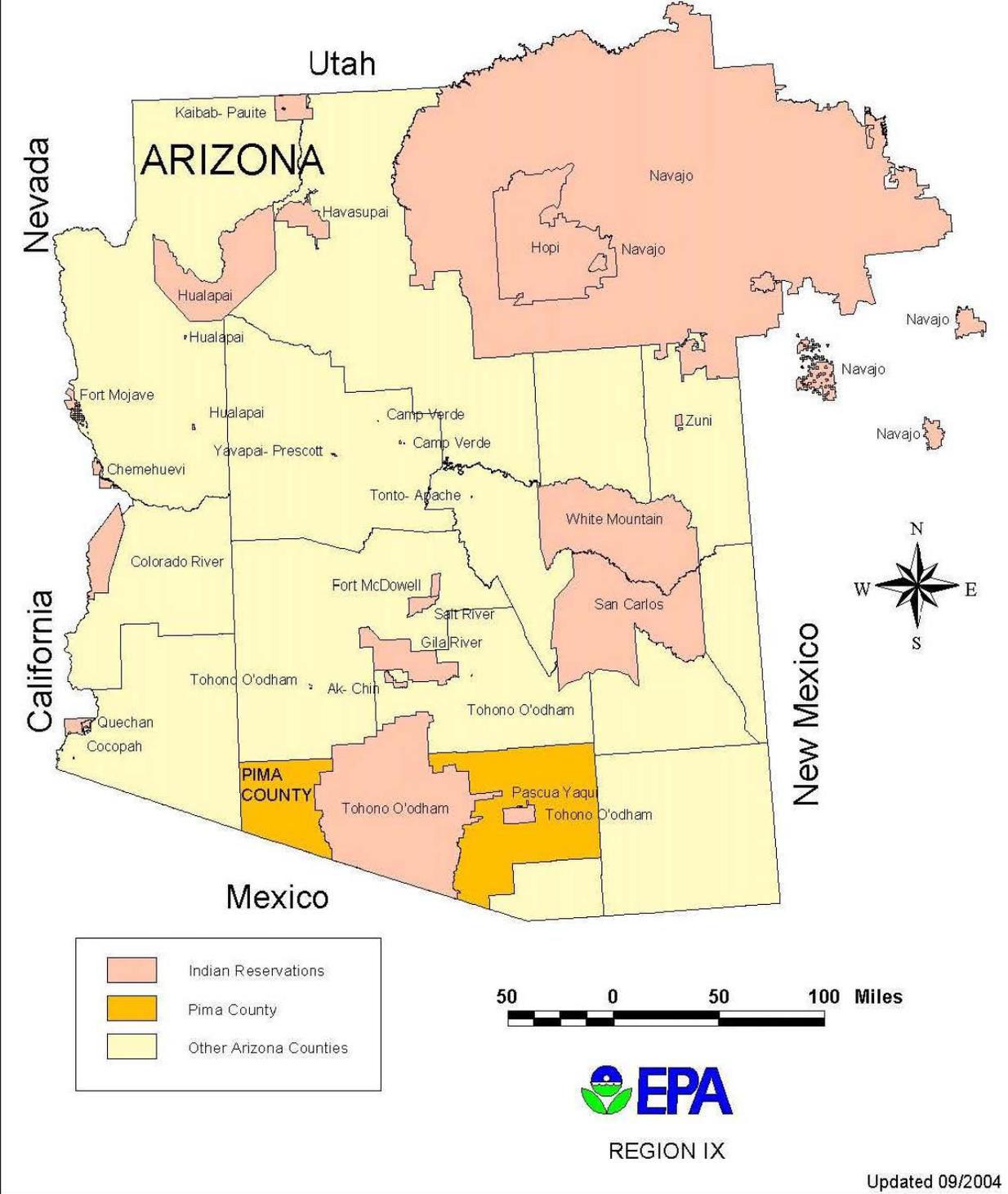
Compliance Certification

- Certification of compliance with applicable requirements (for items with which the source is in compliance)
- Statement of the methods used to determine compliance
 - Emission testing
 - Records
 - Monitoring
 - Inspection reports by PDEQ staff
- Schedule for submission of compliance certification at least annually
- Certification of truth, accuracy, and completeness (applies to the entire application, signed by the responsible official)

Note: Applicants are legally required to correct any incomplete or incorrect information submitted in the application as soon as discovered.

Appendix E - INDIAN TRIBES IN ARIZONA

Indian Tribes in Arizona



Appendix F - PDEQ FEE CHART

SOURCE

TITLE V

NON-TITLE V

Annual Emission Fee

\$42.12/ton/regulated pollutant (2004)
\$5,000 min. for new major sources
\$260 for sources subject to
PCC 17.12.510(C)(6)

\$2,500 minimum
\$1,500 min. for
General Permit
Sources

Non-Complex

Complex

NEW

EXISTING

NEW

EXISTING

GENERAL PERMIT COVER-AGE
\$540 app. fee

SIGNIFI-CANT REVISION
\$40 hr. Proc. Fee
\$700 App. Fee
\$25,000 Maximum

ANNUAL PERMIT PROCESS-ING
\$565
(fee applies to renewal permits)

PERMIT PROCESS-ING
\$3,000 or \$600/year

MINOR REVISION
\$40 hr. Proc. Fee
\$450 App. Fee
\$10,000 Maximum

ANNUAL INSPEC-TION FEE
\$390

TESTING FEE
\$480

TRANSFER
\$318

GENERAL PERMIT COVER-AGE
\$540 app. fee

PERMIT PROCESS-ING
\$6,400 or \$1,280/year

SIGNIFI-CANT REVISION
\$40 hr. Proc. Fee
\$2,400 App. Fee
\$25,000 Maximum

MINOR REVISION
\$40 hr. Proc. Fee
\$450 App. Fee
\$10,000 Maximum

TRANSFER
\$318

ANNUAL PERMIT PROCESS-ING
\$1,097
(fee applies to renewal permits)

ANNUAL INSPEC-TION FEE
\$1,560

TESTING FEE
\$635 per test

NEW

EXISTING

CLASS I SOURCES

\$53/hr. proc. fee
\$13,000 app. fee
\$2,500 minimum
\$30,000 maximum

CLASS II SOURCES

\$53/hr. proc. fee
\$2,000 app. fee
\$2,500 minimum
\$30,000 maximum

GENERAL PERMIT COVERAGE

\$540 app. fee

SIGNIFICANT REVISION

MAJOR MODIFICATION
\$53/hr. proc. fee
\$10,000 app. fee
\$25,000 maximum

OTHER SIGNIFICANT REVISIONS

\$53/hr. proc. fee
\$1,500 app. fee
\$25,000 maximum

MINOR REVISION

MINOR MODIFICATION
\$53/hr. proc. fee
\$500 app. fee
\$10,000 maximum

TRANSFER

\$424