

September 26, 2011

James A. Capp, Chief  
Air Protection Branch  
Environmental Protection Division  
Georgia Department of Natural Resources  
4244 International Parkway, Suite 120  
Atlanta, Georgia 30354

Dear Mr. Capp:

This correspondence is being sent to provide you with a final copy of the U.S. Environmental Protection Agency - Region 4 report, which was completed as a result of the EPA Title V program evaluation conducted on April 28, 2011, (see Enclosure). The purpose of this program review was to evaluate the status and the ability of the Georgia Environmental Protection Department (EPD) to carry out the duties and responsibilities required to effectively run the title V programs, as well as find out how EPA can best assist the EPD in meeting these commitments.

I would like to thank you and your staff for your cooperation throughout the evaluation. Your staff responded to the questionnaires and provided all requested material in a timely and professional manner. In addition, EPA believes that the EPD is operating the title V program at a high level of proficiency and looks forward to continuing to working with the EPD to maintain a high quality title V program. I commend you on the performance of your title V program.

If you have any questions regarding the report, please do not hesitate to contact me or have your staff contact Randy Terry of the EPA Region 4 staff at (404) 562-9032.

Sincerely,

Beverly H. Banister  
Director  
Air, Pesticides and Toxics  
Management Division

Enclosure

# **Georgia Environmental Protection Department Title V Program Review**

## **Executive Summary**

The Georgia Environmental Protection Department (EPD) initial program review was conducted the week of June 14 through June 17, 2004, and is kept on file at the U.S. Environmental Protection Agency - Region 4 office in Atlanta, Georgia. Based on the information gathered from the title V program evaluations and the implementation of new title V permit requirements, EPA committed to conduct a second round of title V program reviews for all state and local programs that had at least 20 title V major sources within their jurisdiction by the end of FY 2010.

The second program evaluation of the EPD title V program was conducted on August 1– 2, 2007, in Atlanta, Georgia. This evaluation consisted of five separate sections: resources and internal management (including a title V funds review); public participation; districts and locals call; permit file review; and follow up from previous program evaluation. The final report was issued on December 5, 2007 and is on file at the EPA Region 4 office in Atlanta, Georgia.

EPA conducted its third program evaluation of the GA EPD title V program on April 28, 2011. This evaluation consisted of a review of the title V budgeting and accounting process, permit file review, public participation and follow-up from previous evaluations. Highlights of this report include the reduction of the title V backlog (title V applications in-house older than 18 months) from a high of 38 applications down to two at the time of the evaluation. In addition, this report addresses the incorporation of a rollover feature to prevent the mingling of title V and non-title V funds. Overall, EPA believes that EPD is operating the title V program at a high level of proficiency. Upon finalization, this report will be kept on file at the EPA Region 4 office.

## **A. Resources and Internal Management Support**

At the time of the evaluation, EPD employed a full staff of 35 full-time equivalent (FTE) permit writers. Since the program evaluation in 2007, staff turnover has been minimal. EPD permit writers do not work 100 percent of the time on title V permits. Their additional job responsibilities include time devoted to minor and major new source review, synthetic minors, permit by rule, and emission reduction credits. Since the initial program evaluation, EPD has initiated an annual analysis of the amount of time spent by staff working on title V and non-title V activities to determine the percent of time spent working on title V and non-title V activities. Use of this information allows EPD to determine if their current staffing levels are correct or if adjustments need to be made. This analysis is also used as the basis used by EPD in determining the percentage of title V monies to be contributed to indirect costs associated to title V.

EPD's title V fee rate for fiscal year (FY) 2010 is \$34.00 per ton of pollutant up to 4000 tons with a minimum title V fee of \$3800.00 dollars. Since 2008, EPD has collected the following title V revenue:

FY2008 - \$12,128,080.15

FY2009 - \$12,728,622.38

FY2010 - \$12,805,045.49

This reflects actual revenue received, including past-due fees collected during the fiscal year in question. Fee collections that were deferred by EPD from one fiscal year to the next are included in the fiscal year in which they were actually paid.

In FY 2010, EPD collected \$12,805,045.49 dollars in total title V revenue. EPD has projected their title V revenue for FY 2011 to be \$11,064,495.00, which would be the lowest amount of title V fees collected since FY 2006 when \$11,080,190.00 dollars were collected. This will represent a decrease in revenue of 15.7 percent. The primary cause of this decrease was due to the recession and because several facilities' coal usage declined significantly. In addition, an administrative fee was added for late submitters. This may add some small amount of revenue in future years.

EPD projects to have their budget increase to slightly more than \$12,000,000.00 dollars in FY 2012 in part due to a fee increase in dollars per ton for coal-fired power plants which will pay \$35.84/ton and a slight increase in coal usage at several facilities. In addition, the minimum fee for title V sources will be increased to \$4100.

EPD's title V expenses are tracked using a separate budget code for title V and non-title V expenses. EPD's title V revenue from each source is mailed into a lockbox and separated out from the other revenue. During the second program evaluation, in 2007, EPA discussed with EPD concerns about the co-mingling of title V funds and other non-title V funds including general treasury funds. Specifically, EPD had no ability to rollover title V funds. Each year the title V program was either losing a surplus of title V funds to the general treasury or a shortfall in title V revenue was being covered by obtaining funds from the general treasury; both of which are in direct conflict with the requirements of 40 CFR part 70. EPA recommended that EPD establish a method of accounting which allows for a rollover of title V funds. Since that evaluation, the EPD has established the ability to rollover title V funds from one year to another. This provision gives EPD the ability to ensure that all title V funds remain separate and used only for title V purposes.

## **B. Public Participation**

EPD does not publish any notices of draft title V permits. In Georgia, it is the permittee's responsibility to publish the public notice at their expense. Permittees are required to publish the public notice in the "legal organ for the affected area." EPD does utilize both the internet and a list server as means for notifying the public of permits, but does not consider these as official methods of notifying the public. In addition, EPD maintains a mailing list to notify any persons interested in title V permits. Anyone interested in being on this mailing list can submit a request to be included by phone, email, or mail to the Air Protection Branch, There is no fee charged for inclusion. Persons on the mailing list receive notification of EPD's intent to issue a permit. Anyone wishing to make copies of a specific permit can come to the EPD Air Protection offices and have copies made.

Title V public participation requirements mandate that public notices be published in a newspaper of general circulation and that the permit applications, draft permits, statement of basis, and all relevant supporting materials be made available for review by interested parties. EPD is exceeding public participation requirements by providing access to all public notices via their website at [http://www.gaepd.org/pls/enfo/notice\\_search.q\\_field](http://www.gaepd.org/pls/enfo/notice_search.q_field) as well in a local newspaper. In addition, during the public comment period, the public can obtain permit related information such as the public notice, permit applications, draft permits, and statement of basis, either from the EPD website or visit the air branch office to review the files. In the event that the application is not submitted electronically, a hard copy of the application is made available at the county courthouse or the EPD district office nearest to the source. The EPD currently has no statutory requirements to reach out to any specific communities beyond the standard public notification process and does not provide notices in any language other than English.

On the occasions that EPD has been asked by the public to extend the public comment period they generally have not granted extensions because Georgia regulations do not include provisions for extending the public comment period. However, although they do not extend the comment period, EPD does respond to comments received after the comment period has expired. In addition, EPD utilizes an Outreach and Public Marketing section to assist them in all public relations on the permits.

## **C. Renewal Permits and File Review**

EPD has issued 100 percent of their initial title V permits and is in the process of issuing renewal title V permits. At the time of the program evaluation, EPD had 98 initial and renewal title V applications in-house with 92 having been received within the past 12 months. EPD had issued 75 renewal permits over the past 12 months and had only two title V renewal applications in-house for longer than 18 months. This represents a substantial reduction in their title V backlog (applications older than 18 months) of title renewal permits. EPD has consistently been working to eliminate their backlog of title V renewal permits. At one point EPD's backlog had grown to a high of 38 permits. Since that time, EPD made eliminating the backlog a priority and has been able to reduce the backlog of title V renewal applications down to two with plans on completely eliminating the backlog within the next 12 months.

As part of the program evaluation, EPA conducted an administrative review of five title V permit files. The administrative review was to determine if all the appropriate content was available in the files should a person request to see the file. Information located in the file should consist of any comments submitted during the public comment period, any responses by EPD to comments, copies of the draft, and proposed permits, proof of publications, statement of basis and public notices. All the necessary

information was found in the files. EPA recommends EPD document for the file instances when public comments are not received and the draft/proposed title V permit is issued as the final permit without change.

## **Conclusion**

Overall, EPA believes that EPD is operating the title V program at a high level of proficiency and commends EPD for reducing their title V renewal backlog and addressing the budget issue regarding mingling title V funds. EPA looks forward to continuing to work with the EPD in the future.