



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF  
INSPECTOR GENERAL

August 13, 2018

**MEMORANDUM**

**SUBJECT:** Project Notification:  
EPA's Indian Country New Source Review Program  
Project No. OA&E-FY18-0267

**FROM:** James L. Hatfield, Director, Air Directorate  
Office of Audit and Evaluation *James L. Hatfield*

**TO:** William Wehrum, Assistant Administrator  
Office of Air and Radiation

The Office of Inspector General (OIG) for the U.S. Environmental Protection Agency (EPA) plans to begin preliminary research on the EPA's implementation of the New Source Review permitting program in Indian country. This project is based on the OIG's internal planning process.

The OIG's objective is to determine the EPA's progress in implementing a Clean Air Act preconstruction permitting program (New Source Review) for new sources and modifications in Indian country. Specifically, we plan to address the following questions:

- How many permit applications have been received and processed?
- How many applications are pending approval and reasons for any delays?
- What procedures or systems are in place for identifying sources that are potentially subject to permit requirements but have not submitted a permit application?

The OIG plans to conduct work in the Office of Air and Radiation at EPA headquarters and in the agency's regional offices. Applicable generally accepted government auditing standards will be used in conducting our project. The anticipated benefits of this project are to improve any identified weaknesses in the New Source Review permitting program so that the EPA can most effectively assure the protection of public health and the environment as new facilities are built and existing facilities expand in Indian country.

We will contact the Office of Air and Radiation's audit liaison to arrange a mutually agreeable time to discuss our objectives and the purpose of the preliminary research phase of our project. We would also be particularly interested in any areas of concern that you may have. We will answer any of your questions about the project process, reporting procedures, methods used to gather and analyze data, and what we should expect of each other during the project. Throughout the project, we will provide updates on a regular basis as agreed upon at this meeting.

To expedite our review, we request that you please provide us with the following before or at the kickoff meeting:

- List of all facilities, including major and minor sources, that are currently permitted through the EPA's New Source Review program in Indian country, and those that still need to be permitted. Please include information about where the facility is located (region and tribe) and information about the permit (type of permit, date the application was received, date application was considered complete, date of the draft permit, date of final permit).
- List of all areas in Indian country that are currently designated as nonattainment for any of the National Ambient Air Quality Standards, and for which standard(s) they are in nonattainment.
- Draft or final policies, procedures and guidance documents concerning New Source Review permitting on tribal lands.
- List of federally-recognized tribes that have delegated authority to implement any part of the New Source Review program.

We respectfully note that the OIG is authorized by the Inspector General Act of 1978, as amended, to have timely access to personnel and all materials necessary to complete its objectives. We will request that you resolve the situation if an agency employee or contractor refuses to provide requested records to the OIG or otherwise fails to cooperate with the OIG. We may report unresolved access matters to the Administrator and include the incident in the *Semiannual Report to Congress*.

I will supervise the project and the Project Manager will be Erica Hauck. Any information related to the project should be addressed to James L. Hatfield at (919) 541-1030 or [hatfield.jim@epa.gov](mailto:hatfield.jim@epa.gov), or Erica Hauck at (303) 312-6629 or [hauck.eric@epa.gov](mailto:hauck.eric@epa.gov).

cc: Ryan Jackson, Chief of Staff

Henry Darwin, Acting Deputy Administrator

Elizabeth Shaw, Career Deputy Assistant Administrator, Office of Air and Radiation

Peter Tsigotis, Director, Office of Air Quality Planning and Standards, Office of Air and Radiation

Jane Nishida, Principal Deputy Assistant Administrator, Office of International and Tribal Affairs

Felicia Wright, Acting Director, American Indian Environmental Office, Office of International and Tribal Affairs

Bob Trent, Agency Follow-Up Coordinator

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