

RULE SUMMARY

Subject: **Streamlining of Permit Exemptions Rule (525)**

Rule Citation	What is Changed	Purpose of Change (Why)	Who is Affected and How	Impacts
<p>15A NCAC 02Q .0102, <i>Activities Exempted From Permit Requirements</i></p> <p>15A NCAC 02Q .0302, <i>Facilities Not Likely To Contravene Demonstration</i></p> <p>15A NCAC 02Q .0318, <i>Changes Not Requiring Permit Revisions</i></p> <p>15A NCAC 02Q .0903, <i>Emergency Generators And Stationary Reciprocating Internal Combustion Engines</i></p>	<p>Rule 15A NCAC 02Q.0102 is proposed for amendment to simplify the rule to make it easier to understand. New exemption requirements are also added. Facilities with actual emissions less than five tons per year of each specified pollutant and total aggregate actual emissions of 10 tons per year would be exempt from permitting. Facilities that are not exempt and have total aggregate actual emissions less than 25 tons per year would be eligible for registration instead of obtaining a permit.</p> <p>Rule 15A NCAC 02Q .0302 is proposed for repeal since the rule is</p>	<p>Rule 15A NCAC 02Q .0102 had been amended a number of times since it was adopted in 1994. Each amendment added complexity to the rule that made it difficult to understand and implement. DAQ formed an internal workgroup to simplify the rule. Simultaneously, DAQ looked to new ways to reduce regulatory burden while not impacting air quality.</p> <p>The rule changes provide regulatory relief to a large number of small facilities that have very low emissions.</p> <p>The rule changes also provide some regulatory relief to permitted facilities by allowing them to make some changes to their sources without requiring a</p>	<p>Facilities with actual emissions less than five tons per year of each specified pollutant and total aggregate actual emissions of 10 tons per year would be exempt from permitting.</p> <p>Facilities that are not exempt from permitting under the new proposed exemption levels and have total aggregate actual emissions less than 25 tons per year would be eligible for registration instead of obtaining a permit.</p> <p>Small and synthetic minor permitted facilities could make some modifications to their facilities without having to revise their permit.</p> <p>Stationary reciprocating internal combustion engines</p>	<p>Regulatory relief comes from a partial reduction in fees from consulting firms to prepare permit applications for facilities that the rules would no longer require to be permitted. There is also cost savings to affected private and local facilities in the elimination of permit application fees and annual permit fees.</p> <p>The local government impacts are the direct fiscal impacts to local government facilities. The impact to the three local air permitting programs is not included because the DAQ cannot determine how the local programs would change their regulatory structure as a result of the changes to the DAQ permitting program.</p> <p>The fiscal impact to State government is the revenue loss from permit application and annual permit fees and the opportunity cost represents the value of the staff time that was used for permitting</p>

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	<p>duplicative of the requirements contained in the revised Rule 15A NCAC 02Q .0102.</p> <p>15A NCAC 02Q .0318 is proposed for adoption to allow facilities to make minor changes without first modifying their permit.</p> <p>Rule 15A NCAC 02Q .0903 is proposed for amendment to add an exemption from permitting for stationary reciprocating internal combustion engines if the engine is the only source of emissions at the facility.</p>	<p>revision to their permit.</p>	<p>would be exempt from permitting if they meet and comply with the requirements in Rule 15A NCAC 02Q .0903.</p>	<p>activities that can now be used for other activities.</p> <p>Of the 1601 small permitted facilities in the DAQ database, 1,227 facilities will become exempt and 243 facilities may register as a result of the rule amendments.</p> <p>Annually, there is a net savings of \$768,225 to the public sector and a loss in permit fees to the DAQ of \$280,425 which is offset some by opportunity savings of \$162,500.</p>