

**AIR RESOURCES COUNCIL
MINUTES OF MEETING #176
03/09/09**

MEMBERS PRESENT: Chairman Robert Duval, Vice-Chairman David Collins, William Smagula, Ryan Bielagus, Robert Hickey, Linda Thomas, Debra Hale, Steven Walker, Georgia Murray, Terry Callum

MEMBERS NOT PRESENT: Raymond Donald

NHDES – ARD PERSONNEL: Robert Scott, Anne Keach, Joanne Morin, Jeffrey Underhill, Muriel Lajoie, Barbara Hoffman, Amy Samson

OTHER INTERESTED PARTIES: Atty. Arthur Cunningham, Atty. Anthony Blenkinsop

Call to Order:

Vice-Chairman Collins called Meeting #176 of the Air Resources Council (ARC) to order at 9:35 a.m. on Monday, March 9, 2009. Vice-Chairman Collins reported that Chairman Duval and several other members will arrive late for the meeting due to weather conditions.

Approval of Minutes:

Vice-Chairman Collins asked members to delay a motion to accept the minutes of meeting #175 until a quorum was present.

A quorum of the ARC was present at 9:55 a.m. Linda Thomas noted that the minutes of meeting #175 be revised to reflect that she was not present. Terry Callum entered a motion to accept the minutes with Ms. Thomas' revision. William Smagula seconded the motion. Linda Thomas abstained. All others present were in favor. The minutes of meeting #175 were accepted by the ARC.

Division Activities & Legislative Update:

Vice-Chairman Collins introduced Robert Scott, Director of the Air Resources Division. Director Scott provided members of the Air Resources Division with an overview of the following legislative items related to the Air Resources Division:

Legislative Issues

HB 2 – Relative to state fees, funds, revenues, and expenditures. Establishes a new motor vehicle air pollution abatement fund and increases the motor vehicle inspection sticker fee from \$2.50 to \$3.00. Half of the fee increase (\$0.25), would be directed to the new fund to support NHDES programs and staff dedicated to reducing emissions of air pollutants from motor vehicles as well as greenhouse gas reductions. The remainder of the increase is allocated to the Department of Safety.

HB 55 – relative to energy facility siting, construction, and operation. Passed with amendment, 3/4/09.

SB 152 – relative to an investigation by the Public Utilities Commission to determine whether the scrubber installation at Merrimack Station is in the public interest of retail customers. Hearing scheduled on 3/13/09.

HB 496 – establishing a limit on the amount of cost recovery for the emissions reduction equipment installed at Merrimack Station. Hearing scheduled for 3/19/09.

HB 125-FN – increasing the rate of the gas tax and declining the increased revenues to development and improvement of highway-related transit systems serving New Hampshire residents. Inexpedient to legislate, 3/4/09.

Director Scott informed members of the ARC that the stimulus package includes funding for the following NHDES programs:

- \$39 million – Wastewater Treatment Facility Grants
- \$19 million – Drinking Water Programs
- \$200 thousand – Diesel Retrofit Program Grants
- \$1.73 million – Diesel Emissions Reduction Act (DERA) Program

Director Scott provided members of the ARC with an overview of the following permitting and compliance activities:

PSNH – Installation of Scrubber, Merrimack Station

Director Scott reported that the Air Resources Division has completed the issuance of a final Temporary Permit for PSNH Merrimack Station wet Flue Gas Desulphurization System (FGD) and delivered a copy of the permit to William Smagula of the ARC. Director Scott stated that PSNH requested the Temporary Permit to install the FGD system to control mercury emissions at Merrimack Station in compliance with state law. The FGD system will also provide a co-benefit by removing sulfur dioxide emissions. Director Scott added that the Temporary permit also contains applicable monitoring, performance testing, recordkeeping and reporting requirements.

Director Scott introduced Pamela Monroe, Administrator of the Air Resources Division Compliance Bureau. Ms. Monroe provided members of the ARC with an update of the following compliance activities:

Air Pollution Violations

Ms. Monroe announced the execution of Administrative Fine by Consent agreements with three companies:

- Torromeo Industries of Kingston
- Pottery by Andy, Inc. of Dover
- Bacon Felt Company, Inc. of Rochester.

Under the terms of the agreements, each of the three companies has paid an administrative fine for failing to renew their air permits in a timely manner. The fines totaled \$3,500.

Pinetree Power Inc. – Bethlehem Power Station

Ms. Monroe announced the execution of an Administrative Fine by Consent with Pinetree Power, Inc. of Houston, Texas, for its wood-fired electric generating facility in Bethlehem, New Hampshire. The settlement resolves alleged violations of the New Hampshire Air Pollution Control Act and the Federal Clean Air Act that occurred at the Bethlehem facility during the installation of pollution control equipment in 2008.

Director Scott added that under the terms of the settlement, Pinetree Power agreed to pay administrative fines totaling \$92,700 for violations of its air permit of which \$23,175 will be paid in cash to the State. The remaining penalty of \$69,525 will be paid in the form of supplemental environmental projects to fund local energy efficiency related projects, renewable energy projects, clean fleet programs, or other environmentally related programs to benefit the Town of Bethlehem.

Overview of the Small Business Technical Assistance Program

Vice-Chairman Collins introduced Sara Johnson, Small Business Ombudswoman/Administrator of the Small Business Technical Assistance Program. Ms. Johnson provided members of the ARC with an overview of services provided by the Small Business Technical Assistance Program. Ms. Johnson explained that the Small Business Technical Assistance Program has three major components:

1. The SBTAP provides services in partnership with other assistance programs to:
 - Inform businesses of all applicable environmental requirements.
 - Assist small businesses deal with specific technical, administrative, and compliance issues.
 - Disseminates up-to-date information about environmental rules to the small business community.
 - Provide pollution prevention information and assistance to reduce the amount of air emissions and other wastes created by small businesses.
 - Provide on-site evaluations of business work practices, monitoring, procedures and record-keeping to determine effectiveness in complying with applicable clean air requirements.
2. The Small Business Ombudswoman acts as the small business community's representative in matters that affect it under the Clean Air Act Amendments (CAAA). Other responsibilities include evaluating the effects of the CAAA on state and local economies and on small business in general. The Ombudswoman also provides comments and recommendations to the United States Environmental Protection Agency and the New Hampshire Department of Environmental Services regarding the development and implementation of regulations that impact small businesses.
3. The Compliance Advisory Panel (CAP) oversees the small business assistance program and the ombudswoman, making recommendations for improvements and determining the overall effectiveness of the SBTAP.

Ms. Johnson explained that in order for companies to be eligible for services provided by the SBTAP, they must meet the following requirements:

- Have less than 100 employees
- Are independently owned
- Are not a major source of air pollution
- Emit less than 50 tons of any one air pollutant
- Emit less than 75 tons of air pollutants
- Are not dominant in their field

Docket No. 09-03 & 09-04 ARC, Appeal of Anthony Caplan, Mink Hills Center for Sustainable Development and Katherine Lajoie:

Vice-Chairman Collins reported that a pre-hearing conference has been scheduled to be held on April 13, 2009 at 10:30 a.m. at 29 Hazen Drive, conference rooms 112 & 113.

Other Business

Vice-Chairman Collins set the next date of the ARC to be held on April 13, 2009.

Adjourn

Having no further business to discuss, Terry Callum entered a motion to adjourn. William Smagula seconded the motion. Motion carried. Meeting # 176 of the ARC adjourned at 10:10 a.m. on Monday, March 9, 2009.