

**AIR RESOURCES COUNCIL  
MINUTES OF MEETING #253  
06/11/18**

**MEMBERS PRESENT:** Chairman Robert Duval, J. Ryan Bielagus, Elizabeth Tillotson, Deborah Chabot, Georgia Murray,

**MEMBERS NOT PRESENT:** Vice-Chairman David Collins, Kris Blomback, Mark Lambert

**NHDES – ARD PERSONNEL:** Craig Wright, Mike Fitzgerald, Evan Mulholland, Catherine Beahm, Karla McManus, Gary Milbury, Kelsey Sullivan

**OTHERS PRESENT:** Shelley Marshall, and Appeals Clerk, Paula Scott

**MEMBERS OF  
THE PUBLIC PRESENT:** David Cribbie, James Monahan

**Call to Order:**

Chairman Robert Duval called Meeting #253 of the Air Resources Council (ARC) to order at 9:08 a.m. on Monday, June 11, 2018 and announced that a quorum of the ARC was present.

Chairman Duval asked all members to help identify suitable candidates for filling the vacant Council seats.

**Approval of Minutes:**

J. Ryan Bielagus entered a motion to accept the minutes of meeting #252. Deborah Chabot seconded the motion and the motion was approved.

**Division Activities and Legislative Update:**

Chairman Robert Duval introduced Craig Wright, Director of the Air Resources Division (ARD). Director Wright briefly updated members of the ARC regarding issues relative to the ARD, including:

**Permitting:**

Director Wright reported on the following:

1. Wheelabrator Claremont Facility: At the request of the permittee, the Air Resource Division (ARD) has terminated the Title V Operating Permit for the Wheelabrator Claremont facility. The Department of Environmental Services Solid Waste Management Bureau is reviewing a related request. ARD has not heard about potential plans from the new owner of this property.
2. Hitchiner Manufacturing Expansion Project: On June 19, 2018 ARD will be holding a public hearing on the draft Temporary Permit for the proposed expansion of the investment casting operations at Hitchiner Manufacturing in Milford. The hearing will start at 6:00 p.m. in the Board of Selectman's meeting room located at 1 Union Square in Milford, New Hampshire.
3. Saint Gobain Stack Testing: In late April, 2018 ARD staff observed the testing of pilot air pollution controls at the Saint Gobain facility in Merrimack.

## **Status of Appeals**

Paula Scott, Appeals Clerk briefly updated members of the two recent appeals to ARD, including:

### **Docket No. 18-01 ARC – Jane Marie Ingram Appeal**

- On April 10, 2018 issued Appeal Accepted letter. April 18, 2018 issued Notice of Pre-hearing Conference scheduled for May 21, 2018 at 11:30 a.m. May 18, 2018 received Appearance of Mary Maloney. May 21, 2018 Pre-hearing Order was issued scheduling hearing for August 13, 2018 at 9:00 a.m.

### **Docket No. 18-02 ARC- Anthony Caplan, et al Appeal**

- May 4, 2018 issued Pre-hearing Order and received Permittee's Pre-hearing Conference Memorandum. June 1, 2018 received Appellant's Response to Permittee's PHC Memorandum. June 4, 2018 received Permittee's Motion to Dismiss and/or for Summary Disposition, Motion to Dismiss for Lack of Standing and the State's Motion to Dismiss.

## **Rules:**

*Karla McManus, Planning and Rules Manager*

*Cathy Beahm, Air Permits Program Manager*

## **Re: Env-A 1600 Fuel Specifications**

Env-A 1600, *Fuel Specifications*, was first adopted in May 1997 with the purpose of preventing, abating and controlling pollutants emitted into the ambient air by controlling the use of fuels containing specific pollutant elements and compounds, pursuant to RSA 125-C:6, II. ARD is proposing to readopt Env-A 1600 with amendments in order to bring it into agreement with the most recent amendment to RSA 125-C:10-d (formerly SB 577).

DES is proposing to change the maximum sulfur content of imported liquid fuels and the maximum sulfur content of distributed liquid fuels in accordance with RSA 125-C:10-d. The maximum sulfur content of imported liquid fuels are proposed as follows:

- The sulfur content of No. 2 oil shall not exceed 0.0015 percent sulfur by weight.
- The sulfur content of No. 4 oil shall not exceed 0.25 percent sulfur by weight.
- The sulfur content of No. 5 oil, No. 6 oil, and crude oil shall not exceed 0.5 percent sulfur by weight.

In response to a rulemaking petition from Eversource on November 15, 2017, DES is deleting the requirements in Env-A 1604.01(a) (2).

Georgia Murray motioned to approve a 15 day review of Env-1600 and Elizabeth Tillotson seconded the motion. All were in favor and the motion passed.

## **Re: Env-A 700 amendments to the Permit Fee System**

*Karla McManus, Planning and Rules Manager*

*Evan Mulholland, Administrator IV ARD Compliance Bureau*

ARD is proposing to amend Env-A 700, *Permit Fee System*. The purpose of this chapter is to establish a fee system requiring the payment of fees to cover the reasonable direct and indirect costs of permitting, administration, and compliance for the stationary source program. Due to changes in the regional electricity markets, emissions of regulated air pollutants have decreased significantly, which has resulted in a higher per ton emission-based fee in recent years. A detailed explanation of this effect was presented at a previous ARC meeting.

After months of meetings with stakeholders, ARD has proposed amending the rule to ensure a more equitable and sustainable basis for funding the stationary source program. Specifically, the proposed rule would reset the emission based fee and shift some of the necessary revenue to a new annual administrative fee. The annual administrative fee would be set at \$500 for each source, but the following sources would be assessed a higher annual administrative fee, as follows:

- RTAP / VOC sources would pay a fee for each non-combustion RTAP / VOC emission unit (EU) consisting of \$500 per EU (with the first EU assessed a charge of \$750), up to a maximum of 10 units.
- Title V Landfills would be assessed an annual fee of \$25,000.
- Small (10-25MW) Electric Generating Units (EGUs) would be assessed an annual fee of \$25,000. Stand-alone single-cycle gas-fired generators would be excluded.
- Large (25-plus MW) Electric Generating Units (EGUs) would be assessed an annual fee of \$100,000. Nuclear EGUs would be excluded.

Additionally, the proposed rule would provide that sources with zero emission and zero operations would be assessed only the across the board \$500 annual fee. Although these administrative fees are new, they do not increase the total revenue to be received by the Department. ARD projects that the 2018 emission fee will be approximately \$263 per ton of emissions, which is a 30% reduction from the \$377 per ton assessed in 2016. For many sources, especially less complex sources, this new proposal will result in a lower payment.

In response to industry comments regarding the pace of fee increases in recent years, the proposed rule includes a three-year rolling average to temper the effect of a changing emission inventory.

Finally, the timeframe for payment has been altered from the existing rule to give sources adequate time to budget for and submit the required fee. The payment will be due by May 15 of the year, with the emission report due by April 15. More importantly, the rule mandates that ARD calculate and disseminate the dollar per ton fee rate by the previous September 15<sup>th</sup>, giving the sources a full two and a half quarters to budget for the fee. This proposed change was universally requested by the sources.

As part of the proposed rule, the fee for the general state permit (GSP emergency generators) has been changed to \$300 per year. Since payment is due every 5 years, the total will be \$1500.

Under the currently existing rule, the GSP fee was tied to the per ton emission fee which was set for that year. The proposed flat fee of \$300/year allows sources to plan ahead and not be tied to the \$/ton rate.

Elizabeth Tillotson expressed concern about the impact of the flat fee for large sources on low tonnage generators such as the Newington Station, which amounts to a \$100,000 increase.

J. Ryan Bielagus motioned to approve a 15 day review of Env-A 700 and Deborah Chabot second the motion. All were in favor and the motion passed for starting the 15 day review.

### **Compliance Update:**

*Evan Mulholland, Administrator IV ARD Compliance Bureau.*

#### **Late or missing emission fees:**

(Fees and reports due April 15):

9 Letters of Deficiency for missing fees or reports

8 NPVs for late fees or reports

#### **Asbestos :**

Remi's Block, LLC – Administrative Fine by Consent. \$8,000 with \$4,000 suspended on no asbestos violations for one year.

- Failed to inspect for asbestos prior to full interior demolition
- Mixing asbestos and non-asbestos waste

Ended up hiring an abatement contractor to complete clean-up

Also, several facilities were cited for installing large emergency engines without first getting coverage under the general permit. This includes 4 BJ's locations. NPVs were issued.

DCI, Inc. in Lisbon was ordered by the Compliance Bureau to comply with 6J (NESHAP for area source boilers (40 CFR part 63, subpart JJJJJ)) and conduct tune-ups on its two wood-fired boilers. The tune-ups were successful and resulted in the boilers achieving more complete combustion.

### **New Business**

None

### **Other Business**

None

### **Public Commentary**

None

### **Adjourn**

Having no further business to discuss, Chairman Robert Duval suggested a motion to adjourn, moved by Deborah Chabot and, seconded by J. Ryan Bielagus. All were in favor. Meeting #253 of the Air Resources Council adjourned at 10:26 a.m. on Monday, June 11, 2018.