



October 4, 2019

Mr. Andrew R. Wheeler
Administrator
U.S. Environmental Protection Agency
Air and Radiation Docket
1200 Pennsylvania Avenue,
N.W. Washington, DC 20460

Attention: Docket No. EPA-HQ-OAR-2018-0048

Re: Prevention of Significant Deterioration (PSD) and Nonattainment New Source Review (NNSR): Project Emissions Accounting
84 FR 39244 (August 9, 2019)

Dear Administrator Wheeler:

The Pennsylvania Department of Environmental Protection (DEP) appreciates the opportunity to provide comments on the United States Environmental Protection Agency (EPA) proposed Prevention of Significant Deterioration (PSD) and Nonattainment New Source Review (NNSR): Project Emissions Accounting Rule.

EPA is proposing to revise the New Source Review (NSR) applicability regulations so that both emissions increases and decreases that result from a given proposed project are considered at Step 1 of the NSR major modification applicability test. These proposed rule revisions are consistent with EPA's March 13, 2018, memorandum on the same subject.

Step 1 determines whether a proposed project results in a significant emissions increase. If there is a significant emissions increase, the NSR applicability review moves to Step 2 to determine whether the project, combined with other increases and decreases, will result in a significant net emissions increase. Increases from the modified source are calculated by comparing the baseline actual emissions to the projected actual emissions (or the potential to emit). Historically, EPA has not allowed emission decreases to be included in Step 1. The 2018 memo and the proposed rule revisions would require permitting authorities to consider both increases and decreases in Step 1.

DEP opposes the proposed rule revisions and disagrees with EPA that taking account of emissions decreases at Step 1 does not present any reasonable concerns regarding NSR circumvention. The 2018 memo gives owners and operators of sources broad latitude to define the scope of a project. Unlike the Step 2 contemporaneous calculation, the proposed rule revisions do not impose any time frame in which decreases can be considered in Step 1. Owners and operators could claim that emission reductions are part of a project even if they happened years prior to the submission of an NSR permit application. Additionally, allowing emission decreases to be considered in Step 1 of the NSR applicability test results in fewer sources being

Secretary

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subject to NSR. This could jeopardize the maintenance and attainment of the National Ambient Air Quality Standards (NAAQS). DEP recommends that the March 13, 2018, memorandum and the proposed rule be withdrawn.

EPA is requesting comment on whether they should determine that the revisions to the NSR/PSD Project Emissions Accounting federal regulations constitute minimum program elements that must be included in order for state and local agency programs implementing part C or part D, to be approvable under the State Implementation Plan (SIP). DEP is not in favor of requiring the revisions to the NSR/PSD Project Emissions Accounting federal regulations to constitute minimum program elements for NNSR regulations.

There is a significant difference between the current PSD rule for attainment areas (which DEP incorporates in its entirety) and DEP's SIP-approved NSR rules for nonattainment areas. DEP's NNSR regulation does not allow us to implement the EPA interpretation consistent with the 2018 memo for NNSR applicability purposes in Pennsylvania. Therefore, DEP recommends that EPA not require currently SIP-approved NNSR regulations to be amended.

Thank you for your consideration in this matter. Should you have questions or need additional information, please contact Krishnan Ramamurthy, Deputy Secretary for Waste, Air, Radiation and Remediation, by e-mail at kramamurth@pa.gov or by phone at 717.772.2725.

Sincerely,



Patrick McDonnell
Secretary