

**SMALL BUSINESS COMPLIANCE ADVISORY COMMITTEE
MEETING MINUTES
October 28, 2020**

Members Present: Dale Kaplan, Walter Schroth, Jeremy Hancher, Ed Boito, Rebecca Oyler, Terrell Martin, Richard Burrell, Laura Griffin

Others Present: Susan Foster, Nancy Herb, Lucas Hershey, Sean Nolan, Chris Trostle, Hitesh Suri, Randy Bordner, Jennie Demjanick, Susan Hoyle, Mark Hammond, Glendon King, Lee Ann Briggs, Sarah Pinter, Josephine Martin, Kirit Dalal

Call to Order and Introductions

The Small Business Compliance Advisory Committee's (SBCAC or Committee) October 28, 2020, meeting began at 10:00 a.m. via Webex conference call.

The Committee welcomed two new members. Laura Griffin, DEP's new regulatory coordinator, replaces Laura Edinger as the Department of Environmental Protection (DEP) Secretary Patrick McDonnell's designee on the Committee. Richard Burrell, a civil engineer at KS Engineers P.C. in Philadelphia, was recently appointed by Governor Wolf to serve on the Committee.

Members of the SBCAC and others participating in the meeting introduced themselves. Mark Hammond introduced himself as the new Director of the Bureau of Air Quality (BAQ) and briefly described his background and perspective to the Committee. He noted the real need for assistance to small businesses given the complexity of the Pennsylvania Air Pollution Control Act (APCA) and the federal Clean Air Act (CAA) and expressed his support and appreciation for the work of the SBCAC. Mr. Hammond explained that the BAQ will not ask the SBCAC or the Air Quality Technical Advisory Committee (AQTAC) to complete concurrence letters going forward. Instead, Committee feedback, discussion, and votes, if taken, will be documented in the meeting minutes. He emphasized that the focus of the SBCAC should be direct impacts on small business.

Chair Kaplan expressed his support for the change to discontinue the Committee concurrence letters, noting that his focus is offering his small business experience, perspective and networking skills to DEP and the Committee.

Rebecca Oyler asked how DEP will determine what items have a small business impact and whether the Committee will see items that are not considered to impact small business. Mr. Hammond explained that DEP will continue to present items that may not necessarily impact small businesses and intends to err on the side of caution. In those cases, DEP may ask for the Committee's input to help determine whether items have a small business impact. He explained that the Department values these insights.

Administrative Items

Approval of Minutes from Previous Meeting

The July 22, 2020, draft SBCAC meeting minutes were approved as written.

Informational Items

Environmental Management Assistance Program (EMAP)

Jeremy Hancher, EMAP Program Manager, provided an update on EMAP activities. Mr. Hancher reported that in the third quarter of 2020, EMAP received 31 requests for technical assistance; eight of them were received through the EMAP hotline and 23 were received through other means, such as directly through the EMAP website.

Mr. Hancher discussed some of the interesting requests for assistance EMAP received this quarter. There were three requests for waste tire processing operations, which was more than expected for the quarter. He said that two of them may have been startup operations, and that there may be some sort of market opportunity spurring the activity. Also, there were six requests related to property or business acquisition, which included issues of potential property contamination, brownfields remediation, and Phase I/II assessments. There were two air quality related requests from businesses involved in the oil and gas supply chain.

Seven requests were from small businesses referred by DEP staff, five were air quality-related, and two were waste-related. There were six requests for permit-related assistance, three air-related and two waste-related. There were three Environmental Protection Agency (EPA) referrals, with one relating to a recent compliance deadline (10/12/2020) for dental offices regarding the dental amalgam rule. There were eight new EMAP clients during the quarter. EMAP assisted or provided information to 85 small businesses. Major work output included: 11 Requests for Determination (RFD); seven Plan Approval applications; 16 State-Only Operating Permit applications; three General Permit applications; and one Allegheny County Health Department (ACHD) installation/operating permit applications.

Other assistance included working with small businesses to submit permit applications, RFDs, and reporting requirements through electronic means, such as the GreenPort and OnBase Upload Tools. EMAP also assisted small businesses in learning how to adapt to the constantly changing work environment during COVID-19. For example, assisting small businesses through Zoom calls/meetings, conducting virtual assessments, and helping with electronic applications.

On September 2, 2020, EMAP participated in a Clarion University SBDC workshop that was held via a Zoom webinar, and 10 small businesses were in attendance. The workshop included speakers from the Department of Labor (DOL) Wage and Hour Division, the Indiana University of Pennsylvania Occupational Safety and Health

Administration (OSHA) program, DOL Wage and Hour Division, Clarion SBDC, EMAP, and DEP's Small Business Ombudsman (SBO), Ed Boito.

EMAP published an electronic newsletter in early August. Topics included DEP's online permitting tool, the Small Business Advantage Grant, and other recent compliance items (i.e., the N-propyl Bromide petition to EPA, and sulfur limits for commercial fuel oil).

Also, noteworthy was that EMAP and Shippensburg SBDC client, Gate 7 LLC, was recognized as a recipient of the 2020 Small Business Environmental Stewardship Award by the National Small Business Environmental Assistance Providers (SBEAP).

Small Business Ombudsman Report

Mr. Boito provided an update on the status of the 2020-2021 Small Business Advantage (SBAG) grant program. So far, the program received a total of 114 applications for approximately \$437,000, leaving roughly \$560,000 left available to be awarded. He pointed out that there have been quite a few ineligible applicants. Mr. Boito referred to Mr. Hancher's earlier presentation related to the dental amalgam requirements. There have been dental offices requesting SBAG funds that have been disqualified. SBAG cannot be used to reimburse applicants for projects to meet regulatory requirements, as the grant is specifically for voluntary efforts by businesses to become more energy efficient or reduce pollution.

Mr. Boito pointed out that lighting projects have accounted for roughly half of the funds awarded. Medical equipment, HVAC, and boilers have made up the other half. He also pointed out that he referred two tire reclamation businesses, companies that are working to get tires recycled and reused to EMAP for assistance.

Mr. Boito has observed a slowdown in SBAG applications, which may indicate that small businesses are struggling. To get the word out about the remaining SBAG funds available, last week, the SBO Office issued another press release, and has also reached out to trade organizations so they can include the information in their newsletters to their membership.

Mr. Kaplan asked Ms. Oyler whether the National Federation of Independent Businesses (NFIB) could publish information on SBAG in their newsletter, to help get out the word. Ms. Oyler indicated she would check with NFIB management and would contact Mr. Boito if she needs any additional information.

Regulatory Item

Draft Proposed Rulemaking, Chapter 129: Control of VOC Emissions from Large Petroleum Dry Cleaners, Shipbuilding and Repair Coating Operations, and SOx Reactors, Distillation, and Air Oxidation Processes

Hitesh Suri presented the draft proposed rulemaking would amend Chapter 129 (relating to standards for sources) by adopting Reasonably Available Control Technology (RACT) requirements and emission limitations for Volatile Organic Compound (VOC) source categories covered by Control Technical Guidelines (CTG).

The proposed rulemaking would control VOC emissions from certain existing sources and assist DEP in certifying CTGs to meet requirements under the CAA and the EPA's 2015 Ozone Implementation Rule.

The CTGs addressed by the proposed rulemaking include: Large Petroleum Drycleaners, Shipbuilding and Ship Repair Coatings, Air Oxidation Processes for Synthetic Organic Chemical Manufacturing Industry (SOCMI), and Reactor & Distillation Processes for SOCMI.

Mr. Schroth mentioned that he did not see any information on beginning and ending inventories of petroleum from large petroleum drycleaners in the presentation and was curious how accurate the calculations for total petroleum use are (32,493 gallons annually). Randy Bordner, with DEP, responded by explaining that the purpose of calculating the amount of solvent consumed is to address how much of the solvent is emitted to the atmosphere. He explained that you can get a good estimate of emissions based on the difference of newly purchased petroleum and the amount returned for recycling or some other purpose.

Mr. Bordner also pointed out that, as far as he is aware, Pennsylvania does not have any large petroleum drycleaners. Most petroleum drycleaners in Pennsylvania are very small natural minors that use general permits. This rule is primarily administrative and meant to address certification issues for the 2015 ozone standard. It provides a level of exemption for small drycleaners, so DEP does not have to submit their permits to EPA as SIP revisions. Ultimately this should help small businesses in Pennsylvania, as their permits will not have to be SIP-approved and thereby federally enforceable. Mr. Schroth was thankful for the explanation.

Being very familiar with the drycleaner industry, Mr. Kaplan responded that he would have been surprised if DEP identified a large petroleum drycleaner operating in Pennsylvania, as almost all of the larger operations have shied away from petroleum and have moved to strictly washing.

Ms. Oyler expressed concern that the recordkeeping requirements in the regulation seemed onerous for small business owners. She asked if the requirements would be new and, if so, would these businesses be required to purchase measurement devices or other equipment to comply. Mr. Bordner explained that all current petroleum drycleaners are already required to meet these recordkeeping requirements as conditions of the general permit. Ms. Foster added that there are very few petroleum drycleaners, a dozen or less, and those most likely are already using the general permit. She mentioned that there are also New Source Performance Standard (NSPS)

requirements for petroleum drycleaners that would apply to any new petroleum drycleaning operation.

Mr. Hancher pointed out that of the two shipbuilders, one is an EMAP client, and the requirements of the proposed rule are already included in their permit. Therefore, this rule would have little or no effect on them. Mr. Bordner confirmed this was true for both shipbuilders.

The Committee had a discussion about whether to hold a vote on the draft proposed rulemaking. Mr. Hammond explained that the purpose of the SBCAC meetings is for DEP to solicit the advice of the SBCAC members. Most important to DEP are the discussion and questions raised by the Committee. He explained that the Committee can choose to vote on an item. However, because the Committee does not approve or disapprove regulations, there is not a requirement to hold a vote.

Mr. Schroth offered a motion to concur with DEP's recommendation to move the draft proposed rulemaking to the Environmental Quality Board (EQB) for consideration. Mr. Boito seconded the motion. The Committee voted 8-0-0, concurring with the Department's recommendation to present the proposed rulemaking to the EQB for consideration as a proposed rulemaking for public comment.

Mr. Schroth recommended that the Committee have a discussion in a future meeting to consider having a formal vote on all action items going forward, despite this not being a requirement by DEP. Mr. Kaplan agreed, that while the concurrence letter is not needed, a formal vote documented in the meeting minutes for action items is a good idea. Mr. Kaplan requested a brief discussion be included on the agenda for the next meeting to formalize the procedure. He requested that DEP circulate the chart of typical steps in the regulatory development process to the Committee members.

Medium- and Heavy-Duty Zero Emission Vehicle Memorandum of Understanding
Chris Trostle, BAQ Mobile Sources Section Chief, presented "Medium- and Heavy-Duty Zero Emission Vehicle Memorandum of Understanding." Pennsylvania, 15 other states, and the District of Columbia signed a Memorandum of Understanding that commits states to develop and implement an Action Plan to promote and facilitate the deployment of Medium-Heavy-Duty Zero Emission Vehicles. He explained background and goals of the effort and the outreach that DEP will conduct to inform the development of the Action Plan.

Ms. Oyler asked how Pennsylvania intends to reach the proposed goal of having 30% new truck and bus sales being zero-emission by 2030. Mr. Trostle explained that he expects that the smaller internal combustion engine (ICE) trucks, like the Ford F-250, which will have Electric Vehicles (EV) versions available soon, will help in meeting this sales goal. He explained that other states have proposed a number of different strategies, some including regulatory requirements. Also, it is possible that Pennsylvania will participate in the Transportation Climate Initiative, which could provide funding to businesses to update their electric infrastructure. There is also funding

available from the Volkswagen settlement, along with other funding options that can help in the effort.

Ms. Oyler asked if this would cover the existing fleet of vehicles in the state or only new vehicles. Mr. Trostle explained that this is only for new vehicle sales.

Mr. Boito asked what other states have done in terms of outreach to small business. Mr. Trostle explained that Colorado and California are ahead of other states in adopting ZEV strategies and have made significant efforts on outreach – noting that this could be because there is more urgency in those states due to climate change effects taking place, like severe wildfires. Some states are reaching out to small businesses through flyers and webinars, and these are things that Pennsylvania can do as well.

Mr. Kaplan noted, as a small business owner, he would definitely consider purchase of a hybrid or EV; however, these were not available when he recently purchased a delivery van.

Mr. Schroth expressed concern related to the heavier weight of larger EV trucks that when fully loaded will weigh too much for many Pennsylvania roads and bridges. Truckers would sometimes need to reduce their payload. Mr. Schroth expressed concern with the current infrastructure in Pennsylvania, specifically smaller bridges that are rated for lower weight capacities. Mr. Trostle explained this is being considered. Mr. Trostle was recently on a call with the Transportation Air Quality workgroup, which included the Pennsylvania Department of Transportation and the Federal Highway Administration. They are working on a resiliency effort to improve transportation infrastructure, and part of that effort is to better accommodate EVs.

Mr. Schroth explained that as a business owner, member of the NFIB, and an operator of trucks, he has no problem with the concept of a rule like this, assuming some of the technical problems are solved and market forces drive us in the direction where EV use is cost competitive. Mr. Schroth would object to any rule that would require him to replace his existing vehicle fleet, which he understands is not the current plan. Mr. Hammond confirmed that the MOU goal only addresses new sales, adding that we believe this will increase the availability of these EVs in Pennsylvania.

Mr. Hancher asked what the best way is to forward feedback on this initiative to DEP. Mr. Trostle asked that Mr. Hancher forward feedback by email to him and Colton Brown in the DEP Energy Programs Office, who is also working on this project. Mr. Kaplan suggested that Ms. Oyler and Mr. Hancher work together to obtain small business feedback and asked if NFIB could help make people aware of this initiative. Ms. Oyler agreed, although they may need to wait until more information becomes available in the action plan and better understand how it will be implemented.

Mr. Kaplan mentioned that he owns a hybrid vehicle and is interested in installing a charging station at his small business. Mr. Trostle pointed out that grant funds are available for charging stations from the Volkswagen settlement. Mr. Kaplan asked Mr.

Trostle for more information on the grant applications for charging stations, and Mr. Trostle agreed to provide contact information.

Ambient Air Quality in PA During Covid-19 Pandemic

Sean Nolan, BAQ Environmental Group Manager, presented “Ambient Air Quality in PA During the Covid-19 Pandemic.” His presentation described the trends in emissions of air pollutants and their effects on air quality in Pennsylvania during the Covid-19 pandemic.

Mr. Schroth asked about why ozone and oxides of nitrogen (NO_x) were acting in a way that seemed counterintuitive between 2019 and 2020. Mr. Nolan explained the relationship between NO_x and ozone and how NO_x interacts with sunlight to form ozone. Even though NO_x concentrations were higher in 2019 than 2020 as would be expected in some areas of Pennsylvania (due to Covid19 stay-at-home order), an interesting phenomenon occurred where ozone concentrations in certain areas on certain days were higher in 2020 than in 2019, which seems counterintuitive. This phenomenon was likely because the higher concentrations of NO_x are very effective at depleting ozone. In 2020, on sunny days after ozone formed, there was little NO_x left to deplete the ozone later in the day, resulting in higher ozone concentrations.

Mr. Nolan also pointed out that there are case studies and papers being written that examine local emissions as they relate to ozone formation across the region during the period of Pennsylvania’s stay-at-home order. He specifically pointed out how 2020 has shown very few ozone exceedances in general in the region.

Approval of 2021 Meeting Schedule

The Committee unanimously voted to approve the 2021 meeting schedule as follows:

- Wednesday, January 27
- Wednesday, April 28
- Wednesday, July 28
- Wednesday, October 27

Adjournment

The SBCAC meeting was adjourned at 12:49 p.m.