

# SMALL BUSINESS COMPLIANCE ADVISORY COMMITTEE MEETING MINUTES

August 24, 2022

Members Present: Walter Schroth (Virtual), Samantha Harmon, Richard Burrell (Virtual), Laura Griffin, Rebecca Oyler, Jeremy Hancher (Virtual), Adam Walters (Virtual)

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## Call to Order and Introductions

The Small Business Compliance Advisory Committee's (SBCAC or Committee) August 24, 2022, meeting was called to order by Vice Chair, Walter Schroth, at 10:12 a.m. in the Rachel Carson State Office Building, Room 105, Harrisburg. Several in attendance also joined via WebEx conference call.

Committee Chair, Dale Kaplan, was unable to attend the meeting. In his place, Vice Chair Walter Schroth lead the meeting.

## **Administrative Items**

### Approval of Minutes from Previous Meeting

The Committee requested minor changes to the April 27, 2022, draft SBCAC meeting minutes. The minutes were approved with the discussed changes. Adam Walters abstained from this vote as he was not in attendance for the April 27 meeting.

## **Informational Items**

### Environmental Management Assistance Program (EMAP)

Jeremy Hancher, EMAP Program Manager, provided an update on EMAP activities. Mr. Hancher reported that in the second quarter of 2022 (April 1 through June 30), EMAP received a significant uptick in requests for technical assistance with a total of 43. Of these, 28 were received through the EMAP hotline, and 15 were received through other means, such as through the EMAP website or direct referrals. Mr. Hancher explained the uptick of requests was likely from the "busy season" for inspections, life beginning to come back to normal from the emergence from COVID, and from EMAP's concentrated outreach efforts from the start of the calendar year.

DEP referred 22 of the technical assistance requests; 17 of these were air quality-related, one was waste-related, one was water-related, and three were for property or land contamination issues. Fifteen of these technical requests were for assistance with air quality permits. Eighteen new EMAP clients entered into new SBDC/EMAP client engagement during the quarter. EMAP assisted or provided information to 75 small businesses and conducted ten onsite assessments.

There were 39 major work outputs. Of these, there were five Requests for Determination (RFD), six Plan Approval applications; 14 State-Only Operating Permit applications, four General Permit applications, and ten Allegheny County Health Department (ACHD) installation/operating permit applications.

Mr. Hancher said there were a variety of air quality-related assistance requests along with general permit application assistance with: VOC compliance issues, response to neighbor complaints, 6H & 6X NESHAPs, and semiannual reporting. There were several requests for information and assistance with residual and hazardous waste compliance issues (waste characterizations, disposal issues, and generator status). Plastic packaging companies requested assistance for understanding air quality regulations and permitting assistance; at least one existing plastics business was looking to setup operations at a facility in Pennsylvania.

He pointed out that the new EMAP website is up and running. The web address remains the same at [www.askemap.org](http://www.askemap.org). The new site was launched (soft launch) on July 6th. A lot of the content remains the same, but it is a fresh rebrand of the EMAP website. He said that EMAP is always looking for content or tools to share with the small business community and that he is open to any suggestions, recommendations, or information to improve the website. Emailed suggestions can be sent to: [questions@askemap.org](mailto:questions@askemap.org) or [jwhancher@widener.edu](mailto:jwhancher@widener.edu).

#### Small Business Ombudsman (SBO) Report

DEP Small Business Ombudsman, Samantha Harmon, provided an update on the status of the Small Business Advantage Grant (SBAG) program. All projects for last year's (2020-2021) grant had to be completed by June 30 to be eligible for reimbursement. There were initially 215 applications, but after sorting out ineligible and withdrawn applications, the total project count came to 174. Of those, 147 have been paid or approved for payment, with 27 remaining pending for payment. The total amount awarded for 2020-2021 is \$713,800 of the \$1,000,000 in available funding, of which, a total of \$593,726 reimbursed so far.

Since the development and use of the award calculator tool, a new metric has become available estimating total savings for projects. The total estimated annual savings for grantees for 2020-2021 is \$1,115,137.36, which is significantly greater than the total amount awarded.

There have been some changes to the award structure from last year's grant (2020-2021) to this year's grant (2021-2022). The maximum award has been increased from the previous 50% or \$5,000. While the base award moving forward is still 50% or \$5,000, that maximum can be bumped up to 65% or \$6,500 depending on whether the project meets one of the following criteria: doing business in an environmental justice area, or it provides a significant positive environmental impact. If both of these criteria are true, the project is eligible for 80% or \$8,000. It is expected that this bump up in the max funding amount will lead to the award of more of the available grant funds.

Ms. Harmon said there was a recent overhaul of the grant calculator tool. In the past there weren't many specific calculators available and most people would use the general calculator. Now, there are a variety of sector specific calculators available, including calculators for: HVAC, boilers, refrigeration, trucks, medical x-rays and scanners, lighting (tool updated), natural resource protection (tool updated), other projects (tool updated). Also, each calculator now includes a summary page within the calculator which includes important information for using the calculator. Each calculator now generates a carbon dioxide equivalent (CO<sub>2e</sub>) estimate.

Next, she discussed the Small Business Pollution Prevention Assistance Account (PPAA) Loan Program, which is available for all small businesses for pollution prevention or energy efficiency projects. There is one active loan application under review, which is the first in recent years. The applicant is working on a dry cleaner conversion project, to convert to a more environmentally friendly system. PPAA currently has \$1,470,945 available. Loans are a fixed rate and businesses can apply for up to \$100,000 for a variety of environmental project types.

Ms. Harmon mentioned that the SBO office, like EMAP, has noticed an uptick in calls recently for compliance assistance. The SBO office is an advocate for small business and does provide this assistance for small businesses who need help with their environmental issues. These calls seem to be getting resolved rather quickly.

Mr. Schroth asked what criteria is used to evaluate "significant environmental impact" to receive the increased grant award amount. Ms. Harmon explained that each project will have a CO<sub>2e</sub> benefit from the calculator, and the amount of CO<sub>2e</sub> savings needed to get the increased grant award is 20 tons or greater. She estimates that 1/3 of all projects will receive an increased grant award.

Mr. Hancher asked what the interest rate on the PPAA loans is and whether it is now competitive with loans from private lenders and banks now that interest rates as a whole are rising. Ms. Harmon said that the fixed rate on these loans is 2%, which does make it more attractive than it has been recently. Mr. Hancher agreed that 2% is an attractive rate and that he may look for more opportunities to promote the PPAA loan program to small businesses that could benefit. She explained that PPAA is the better program for larger, longer term, and/or more complicated projects. The SBAG program is better for smaller and more simple projects.

Draft Final-Form 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 final-form rulemaking amending 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 rulemaking would control VOC emissions from certain existing sources and assist DEP in certifying CTGs to meet requirements under the Clean Air Act (CAA) and the EPA's 2015 Ozone Implementation Rule. The CTGs addressed by the final-form 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 asked for a short explanation of the impact of the rulemaking. Mr. Suri explained that most facilities are already complying through permitting, so there will be minimal impact.

Ms. Oyler asked for confirmation that this rulemaking simply acts to bring Pennsylvania's regulations in compliance with the CAA and EPA requirements. Mr. Suri and Mr. Bordner confirmed her statement to be correct.

### **Other Business & Discussion**

DEP Director of Air Quality, Mark Hammond, mentioned an article by the Pittsburgh Post-Gazette. The article details potential EPA sanctions on Pennsylvania for failing to submit a final regulation to implement the RACT CTG requirements for the oil and gas industry sector. The regulation must be published and submitted to EPA by December 16, 2022, to avoid further sanctions. Publication of the regulation is currently delayed pending PA House and Senate consideration of a Concurrent Resolution to disapprove the regulation passed by the House Environmental Resources and Energy Committee of the Pennsylvania Legislature.

Mr. Hammond asked the Committee what the impact of withholding transportation funding would be on Pennsylvania small business. Ms. Harmon explained that this might be something that we want to consult with PennDOT on since it is unknown where the funds are going, and which projects are impacted.

Ms. Griffin, DEP regulatory coordinator, provided more details on the steps needed to promulgate the rulemaking before December 16 and explained that there is uncertainty as to whether the rulemaking will be promulgated in time to avoid the EPA highway funding sanctions.

Adam Walters, DCED Senior Energy Advisor, explained that determining the impact on small business would rely on PennDOT being able to provide information on individual projects that are impacted by the loss in funding. He said that small businesses that are subcontracting for large companies on these projects would be the small businesses most likely impacted. Mr. Schroth pointed out that local material suppliers for many of these construction projects would also likely see impacts.

In other discussion, Ms. Harmon brought up news that Pennsylvania is in the running to potentially host the Small Business Environmental Assistance Program (SBEAP) annual

training in 2024. There are discussions taking place soon to determine which of four states the training will be held.

Adjournment

The SBCAC meeting was adjourned at 11:11 a.m.