

SMALL BUSINESS COMPLIANCE ADVISORY COMMITTEE MEETING MINUTES

January 17, 2024

Members Present: Dale Kaplan (Virtual), Walter Schroth, Laura Griffin, Samantha Harmon, Jeremy Hancher (Virtual), Terrell Martin (Virtual)

Call to Order and Introductions

The Small Business Compliance Advisory Committee's (SBCAC or Committee) January 17, 2024, meeting was called to order by Chair, Dale Kaplan, at 10:01 a.m. in the Rachel Carson State Office Building, Room 105, Harrisburg. Several in attendance also joined via Teams conference call.

Members of the Committee and those in the audience in room 105 introduced themselves. After Mr. Hancher's presentation, Mr. Kaplan asked Bureau of Air Quality's Director, Nick Lazor, to introduce himself to the Committee, which he graciously did.

Administrative Items

Approval of Minutes from Previous Meeting

The October 25, 2023, draft 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 fourth quarter of 2023 (October 1 through December 31), EMAP received 22 requests for technical assistance; 13 of them were received through the EMAP hotline, and nine were received through other means, such as directly through the EMAP website or direct referrals.

There were nine technical requests that were air quality permit-related. Six requests were referred by DEP, five of which were air quality-related, and one for energy efficiency assistance. There were six new EMAP clients that entered into new SBDC/EMAP client engagement agreements during the quarter.

EMAP assisted or provided information to 68 small businesses and conducted three onsite assessments. Major work output included: seven Requests for Determination (RFD); seven Plan Approval applications; 17 State-Only Operating Permit applications; and seven Allegheny County Health Department (ACHD) installation/operating permit applications.

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Mr. Hancher noted that there were multiple requests from small businesses seeking guidance regarding paint spray booth installations. They showed interest in knowing more about exemptions for the installation and/or operation of spray booths, how to calculate emissions for volatile organic compounds (VOC), and other general compliance requirements for spray booths.

EMAP received inquiries regarding asbestos and lead paint, which are common questions from general contractors. These businesses sought information and assistance related to asbestos removal in buildings and understanding lead abatement requirements.

Various businesses reached out for help with compliance-related matters, such as obtaining permits, addressing inspection reports, and navigating regulatory requirements (air, waste, water, etc.).

EMAP noted an uptick of businesses with headquarters outside of Pennsylvania looking to establish a business location in Pennsylvania. Often, these businesses seek to understand DEP's requirements so they can determine which state regulations or permits may apply to them to better understand the impact on their operations (size, scope, length of times for approvals, etc.). EMAP provided assistance to plastics manufacturing operations and a business wanting to move a 2-megawatt emergency power generator from a location out of state to within Pennsylvania for a data center.

Small Business Ombudsman (SBO) Report

DEP SBO, Samantha Harmon, began by providing an update on the status of the Small Business Advantage Grant (SBAG) program. The 2023-2024 SBAG grant program opened on August 18, 2023. So far there have been 76 applications, with \$426,606 in total funds requested. An outreach email was sent to several hundred contacts on January 16, to spread awareness of funds availability. Ms. Harmon will present at a webinar scheduled on February 1, called Catalyst Connection, providing outreach to the manufacturing sector in Western Pennsylvania.

Ms. Harmon is looking to make some changes to the SBAG program for next year. Changes under consideration include increasing the per project funding available, as total project costs have been increasing over the years. Also, under consideration is the possibility of bifurcating the program into a rebate and a grant program. Smaller amounts could be awarded via a rebate in order to avoid the substantial amount of paperwork involved with the grant program.

The Pollution Prevention Assistance Account (PPAA) loan program has \$1,626,202 available, which is available to all small businesses for pollution prevention or energy efficiency projects at a two percent fixed interest rate. Although interest rates have increased, interest in the PPAA loan program remains low. Businesses can apply for loans up to \$100,000 for a variety of environmental project types.

Ms. Harmon shared that the SBO office has been working on a series of five new flyers in print and electronic format highlighting DEP's small business environmental assistance program and the services and programs of the SBO office. These flyers will be helpful in instances where DEP staff have interactions with small businesses to let them know what resources are available. The flyer specific to the Small Business Advantage Grant for Natural Resources Protection Projects has been approved by DEP and was made available by Ms. Harmon when she attended the Pennsylvania farm show recently. The other four flyers are currently working their way through the internal approval process for publication and should be approved in the upcoming weeks. Once approved, Ms. Harmon said she would share those flyers with the Committee, with Mr. Hershey's assistance.

Last, Ms. Harmon provided an update on the revisions to the website pages for DEP's small business assistance program. The DEP website is going through a system migration right now, which is slowing progress on Ms. Harmon's website revisions. When the new website pages go live, Ms. Harmon will share the website link with the Committee and would appreciate their feedback.

New Potential PM2.5 NAAQS Revision

Hallie Weiss, Air Quality Program Specialist, discussed the new potential National Ambient Air Quality Standards (NAAQS) for fine particulate matter (PM2.5). Signature and publication of the final rule is anticipated in early 2024. Available information suggests the Environmental Protection Agency (EPA) favors a primary annual standard reduced to 9.0 $\mu\text{g}/\text{m}^3$ from 12.0 $\mu\text{g}/\text{m}^3$ and an unchanged primary 24-hour standard of 35 $\mu\text{g}/\text{m}^3$.

Mr. Kaplan referenced a slide from the presentation regarding the 2022 PM2.5 speciation quarterly data trends. He asked if farm activity could be the reason for some of the elevated concentrations of different chemicals, such as ammonium and nitrate, in areas like Lebanon and Lancaster. Ms. Weiss agreed that farming activities could be contributing to elevated concentrations in those areas.

Mr. Schroth asked if the monitoring site in Allegheny County that exceeded the design value threshold of 10.0 $\mu\text{g}/\text{m}^3$ (showing a value of 10.9 $\mu\text{g}/\text{m}^3$) was near the coke plant. Mr. Nolan responded that the monitor is directly downwind of the Clairton Coke Works facility. He mentioned that the monitor is located at the high school located on a hill along the valley.

Mr. Hancher mentioned that he had briefly reviewed EPA's 467-page regulatory impact analysis relating to the proposed PM2.5 NAAQS revision. He said he did not find much information on impacts to small business and the information related to cost and effectiveness for control measures for small area sources in the document was rather vague. He asked if Ms. Weiss had more information related to potential small business impacts. Ms. Weiss and Mr. Nolan were not aware of the availability of any additional information on small business impacts from the change to the PM2.5 NAAQS.

Mr. Schroth noted the impact on Pennsylvania's air quality and ability to meet the NAAQS, asking what can be done to deal with impacts by events outside Pennsylvania's control, such as a wildfire in Canada or the State of Washington or traffic in the I-95 corridor. Mr. Nolan explained that DEP can develop a demonstration that the impact of wildfires qualifies as an exceptional event under the EPA policy. He also mentioned the Good Neighbor State Implementation Plans (SIP) as one mechanism to deal with impacts from emissions from other states.

2023 Ozone Year in Review

Sean Nolan, Chief, Air Quality Monitoring Division, provided a review of weather and ozone concentrations in 2023. He detailed the evolution of two specific ozone episodes during the summer of 2023 and areas impacted.

Mr. Hancher asked what led to so many (169) ozone exceedances in 2016. Mr. Nolan explained that the weather was likely more favorable to ozone production. He also pointed to the Clean Air Markets Division (CAMD) monthly nitrogen oxides (NOx) emissions line chart from his presentation that shows the total amount of reported emissions in 2016 from the electricity generation sector was dramatically higher than the reported emissions in 2023. Higher NOx emissions likely led to the greater number of exceedances in 2016. Whereas, wildfires appear to have led to the exceedances in 2023.

Ms. Harmon asked for the definition of "exceptional event," how this instance of Canadian wildfires compares to what we normally see, and how classifying something as an exceptional event affects averaging of the monitoring data for determining attainment status. Mr. Nolan explained that the exceptional event analysis is intended for pollution events that are out of our control, such as Canadian wildfires impacting air quality in Pennsylvania. When these events occur, we can analyze the data, detail it day-by-day and then flag data that shows evidence of an exceptional event. DEP then asks EPA for their concurrence on our analysis. The process includes a 30-day public comment period. DEP then reviews the public comments and includes a summary of the comments and DEP responses with the analysis. If EPA concurs with the analysis, the data is excluded for the purpose of determining attainment status.

Mr. Schroth asked whether particulate matter (PM) from wildfires in the western and southern United States is included in the normal evaluations for PM in Pennsylvania. Mr. Nolan explained that an exceptional events demonstration could be developed for those impacts, if appropriate.

Ms. Foster noted that ozone is a secondary pollutant created in the atmosphere by an interplay of different chemicals in the atmosphere and sunlight. Mr. Nolan added that there are six criteria pollutants: carbon monoxide, lead, sulfur dioxide, nitrogen dioxide, ozone, and PM. He further explained that ammonia and sulfate are constituents that together can form PM2.5. Ammonium and nitrate also form PM2.5. Pollutants emitted by wildfires include NOx and VOC, and these, when combined with sunshine, form ozone through a photochemical reaction.

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Mr. Hancher asked Mr. Nolan how often an event like the Canadian wildfires is expected to occur, and should we expect more of these events in the future. Mr. Nolan said the last similar event was July 2002, roughly 21 years ago, due to wildfires in Quebec, indicating these are relatively uncommon events. Mr. Schroth commented that wildfires in the western United States follow a roughly 25-year cycle, emphasizing the cyclical pattern of these types of events. Mr. Lazor commented that the Canadian wildfires were a perfect storm of several variables.

Other Business and Discussion

Ms. Harmon followed up on a point made earlier by Mr. Hancher regarding EPA's regulatory analysis not thoroughly addressing small business impacts. She explained that if Pennsylvania has to amend or develop a new regulation based on an EPA rule, DEP would be required to complete a regulatory analysis form with seven questions relating to small business impacts.

Mr. Hancher mentioned he had listened to an informative presentation by Gabe Catenacci of the State of Colorado who presented findings of a study of 507 programs across the nation. Mr. Hershey pointed out that the presentation is available online through the National Small Business Environmental Assistance Program's YouTube channel.

Mr. Hancher brought up a second item relating to the climate pollution reduction grant funding, which Pennsylvania is referring to as RISE PA. He explained that EPA provided each state with approximately three million dollars for greenhouse gas reduction. Mr. Hancher participated in a virtual event in December relating to the submission of a priority climate action plan submission to EPA to compete for implementation funding. The priority climate action plan is due by April 1, 2024.

[Links to Gabe Catenacci's 507 programs presentation and the *Pa. Bulletin* notice for the RISE PA grant program were forwarded to the Committee shortly after the meeting.]

Adjournment

The SBCAC meeting was adjourned at 12:25 p.m.

The next SBCAC meeting is scheduled for April 17, 2024.