

Executive Summary

Final-form Amendments to 25 Pa. Code, Chapter 129

Control of VOC Emissions from Miscellaneous Metal Parts Surface Coating Processes, Miscellaneous Plastic Parts Surface Coating Processes and Pleasure Craft Surface Coatings

The Department of Environmental Protection (Department) recommends final-form amendments to Chapter 129 (relating to standards for sources) for consideration by the Environmental Quality Board (Board). The final rulemaking adds § 129.52d (relating to control of VOC emissions from miscellaneous metal parts surface coating processes, miscellaneous plastic parts surface coating processes and pleasure craft surface coatings) to adopt reasonably available control technology (RACT) requirements and RACT emission limitations for stationary sources of volatile organic compound (VOC) emissions from miscellaneous metal parts surface coating processes, miscellaneous plastic parts surface coating processes and pleasure craft surface coatings. The final rulemaking includes terms and definitions in § 129.52d to support the interpretation of the final-form measures and amends §§ 129.51, 129.52, 129.67 and 129.75 to support the addition of § 129.52d.

Summary and Purpose of the Final Rulemaking

The final rulemaking amends Chapter 129 to limit emissions of VOCs from miscellaneous metal parts surface coating processes, miscellaneous plastic parts surface coating processes and pleasure craft surface coatings as well as automotive/transportation and business machine plastic parts surface coatings and motor vehicle materials surface coatings. VOCs are precursors to the formation of ground-level ozone, a public health and welfare threat. State regulations to control VOC emissions from the miscellaneous metal parts surface coating processes, miscellaneous plastic parts surface coating processes and pleasure craft surface coatings covered in this final rulemaking, as well as the VOC emissions from related cleaning activities, are required under Federal law. The final rulemaking establishes VOC emission limits and other requirements consistent with the RACT recommendations issued by the U.S. Environmental Protection Agency (EPA) in the 2008 Control Techniques Guidelines for Miscellaneous Metal and Plastic Parts Coatings (2008 MMPP CTG). The RACT recommendations in the 2008 MMPP CTG are largely based on the hazardous air pollutant emission reduction measures of the Federal 2004 National Emission Standards for Hazardous Air Pollutants: Surface Coating of Miscellaneous Metal Parts and Products and the Federal 2004 National Emission Standards for Hazardous Air Pollutants: Surface Coating of Plastic Parts and Products.

Consistent with Section 4.2(a) of the Pennsylvania Air Pollution Control Act, 35 P.S. §4004.2(a), the VOC emission reduction measures set forth in the final rulemaking are reasonably required to achieve and maintain the health-based and welfare-based 8-hour ground-level ozone National Ambient Air Quality Standards and to satisfy related CAA requirements in this Commonwealth. The final rulemaking, if published as a final-form regulation in the *Pennsylvania Bulletin*, will be submitted to the EPA for approval as a revision to the Commonwealth's State Implementation Plan if the provisions meet the RACT requirements of the Clean Air Act (CAA) and its implementing regulations.

Affected Parties

The final rulemaking applies to the following: (1) the owner and operator of a facility that manufactures metal parts or products or plastic parts or products, including automotive and transportation plastic parts, business machine plastic parts, pleasure craft (recreational boats), or bodies or body parts for new heavier vehicles, on which subject surface coatings are applied; (2) the owner and operator of a separate coating line at an automobile and light-duty truck assembly coating facility, on which subject surface coatings are applied to other parts intended for use in new automobiles or new light-duty trucks or to aftermarket repair or replacement parts for automobiles or light-duty trucks; and (3) the owner and operator of a facility that applies subject coatings to the surfaces of metal parts or products, or plastic parts or products, on a contractual basis.

For two types of coating operations, the final rulemaking provides an option for the owner or operator to elect to be regulated under 25 *Pa. Code* § 129.52e (relating to control of VOC emissions from automobile and light-duty truck assembly surface coating operations and heavier vehicle coating operations) instead of under this final rulemaking. The two types of coating operations are: (1) coating of a body or body part for a new heavier vehicle at the facility; and (2) a separate coating line at an automobile and light-duty truck assembly coating facility on which coatings are applied to other parts intended for use in new automobiles or new light-duty trucks or to aftermarket repair or replacement parts for automobiles or light-duty trucks. The final rulemaking provides the option to comply with § 129.52e to allow these owners and operators flexibility in complying with their permit conditions or to optimize their operations and is consistent with the recommendations of the EPA in the 2008 MMPP CTG.

The Department identified 160 facilities whose owners and operators may be subject to the final-form VOC emission reduction measures. The owners and operators of as many as 139 of these facilities may emit 2.7 tons or more of actual VOC emissions per 12-month rolling period threshold, including VOC emissions from related cleaning activities, before consideration of controls, and are therefore likely to be required to implement the final VOC emission control measures, work practice standards, and recordkeeping and reporting requirements. The owners and operators of the remaining 21 affected facilities with actual VOC emissions below the 2.7 tons per 12-month rolling period threshold, including VOC emissions from related cleaning activities, before consideration of controls, are subject only to the recordkeeping requirements and, if requested by the Department, reporting requirements of the final rulemaking.

In addition to the facilities identified by the Department, the Pennsylvania Small Business Development Center's (SBDC) Environmental Management Assistance Program (EMAP) provided the Department with a list of 3,080 small business-sized facilities in this Commonwealth that may conduct surface coating of miscellaneous metal parts or miscellaneous plastic parts subject to the final rulemaking measures. Of these 3,080 facilities, as many as 2,677 facilities are estimated to have actual VOC emissions at or above the 2.7 tons per 12-month rolling period threshold, including VOC emissions from related cleaning activities, before consideration of controls; the owners and operators of these facilities will be required to implement VOC emission reduction measures, work practice standards and recordkeeping requirements, and submit records to the Department upon receipt of a written request. The remaining 403 facilities are assumed to have actual VOC emissions below the 2.7 tons per 12-

month rolling period threshold, including VOC emissions from related cleaning activities, before consideration of controls; the owners and operators of these facilities will be subject only to the recordkeeping requirements and, if requested by the Department, reporting requirements of the final rulemaking. The difference in projected number of facilities with VOC emissions equal to or more than 2.7 tons per 12-month rolling period between the Department's list of 139 potentially affected permitted facilities and the SBDC EMAP's list of 2,677 potentially affected small business-sized facilities is likely due to the Department's database being for the owners and operators of previously and currently permitted facilities based on regulatory criteria for acquiring a permit, while the SBDC EMAP list is based on a self-reported business classification by owners and operators about their small-business-sized facility without considering the level of VOC emissions.

Implementation of the recommended control measures could generate reductions of as much as 1,586 tons of VOC emissions per 12-month rolling period from the 139 facilities identified by the Department, and reductions of as much as 30,542 tons of VOC emissions per 12-month rolling period from the 2,677 facilities identified by the SBDC EMAP. The Department estimates that the range of cost effectiveness to the regulated industry for implementing the final rulemaking is \$920/ton of VOC emissions reduced to \$1,758/ton of VOC emissions reduced on an annual basis. The range of cost per regulated facility for implementing the final VOC emission control measures is estimated to be \$10,500 to \$20,000 per facility on an annual basis. The Department expects that the costs to the regulated industry will be at the lower end of these ranges because low-VOC content coating materials are readily available at a cost that is not significantly greater than the high-VOC content coatings they replace as a result of the development of NESHAP-compliant low-HAP content coating materials, since lower HAP content usually means lower VOC content.

It is possible that the owners and operators of additional facilities that have not been identified could be subject to the final rulemaking control measures. If so, these owners and operators would likely incur little, if any, cost to implement the final-form requirements. Compliant materials are readily available to the owners and operators of all sizes of facilities and are widely used in the affected industry sectors.

Advisory Groups

On February 11, 2016, the Department briefed the Air Quality Technical Advisory Committee (AQTAC) on the draft final-form regulation and the comments received on the proposed rulemaking, and the members of the committee expressed no concerns. The AQTAC voted unanimously to concur with the Department's recommendation to move the draft final-form regulation forward to the Board for consideration as final rulemaking. The Department discussed the draft final-form amendments with the Citizens Advisory Council (CAC) Policy and Regulatory Oversight Committee on March 2, 2016. On the recommendation of the Policy and Regulatory Oversight Committee, on March 15, 2016, the CAC concurred with the Department's recommendation to forward the final rulemaking to the Board. The Department briefed the Small Business Compliance Advisory Committee (SBCAC) on the draft final-form regulation on April 27, 2016. The SBCAC voted unanimously to concur with the Department's recommendation to move the draft final-form regulation forward to the Board for consideration

as final rulemaking. Meetings of the advisory groups were advertised and open to the general public.

Public Comments and Board Hearings

The Board approved publication of the proposed rulemaking at its meeting of October 21, 2014. The proposed rulemaking was published in the *Pennsylvania Bulletin* on August 8, 2015, with a 67-day public comment period (45 Pa. B. 4366). Three public hearings were held by the Board on September 8, 9, and 10, 2015, in Norristown, Harrisburg, and Pittsburgh, PA, respectively. The public comment period closed on October 13, 2015. One commentator provided written comments on the proposed rulemaking, expressing concerns about the proposed compliance date of January 1, 2016, as well as the applicability of the proposed rulemaking measures to the use of aerosol coatings and hand-held aerosol cans. In addition, the Independent Regulatory Review Commission (IRRC) provided comments reiterating the commentator's concerns as well as concerns about reasonableness and clarity. IRRC also expressed concern about the option for certain owners and operators to elect to comply with the proposed rulemaking for automobile and light-duty truck assembly coatings and recommended that the Board ensure that the two proposed rulemakings are adopted on the same date. The concerns have all been addressed and there are no unresolved issues.