



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
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SEP 26 2018

September 26, 2018

Mr. Krishnan Ramamurthy
Director of Air Quality
Pennsylvania Department of Environmental Protection
Rachel Carson State Office Building
P.O. Box 8468
Harrisburg, PA 17105-8468

Dear Mr. Ramamurthy,

Enclosed is the final report for the title V program evaluation conducted by my staff on May 17, 2018 and June 21, 2018 at the Southcentral and Northwest Regional Offices respectively. I would like to thank you and your staff for the cooperation and support given to my staff in conducting the evaluation, and I look forward to our continued collaboration and success in the title V program.

If you have any questions regarding the report, please do not hesitate to contact me at 215-814-2500, or have your staff contact Emily Bertram of my staff at 215-814-5273 or bertram.emily@epa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Cristina Fernandez".

Cristina Fernandez, Director
Air Protection Division

cc: Mr. Virendra Trivedi
Mr. William Weaver
Mr. Eric Gustafson

Pennsylvania Title V Program Evaluation – 2018

I. Introduction

In 2018, the U.S. Environmental Protection Agency (EPA) conducted an evaluation of Pennsylvania's title V operating permits program, which was approved by EPA on July 30, 1996 (61 FR 39597). Title V program evaluations are part of EPA's routine oversight of state programs. The purpose of the evaluation is to assess the Pennsylvania Department of Environmental Protection's (PADEP) overall implementation of the program and to identify organizational strengths as well as areas for improvement.

On May 17, 2018, EPA Region 3, Air Protection Division, Office of Permits and State Programs representatives met with managers of the Southcentral Regional Office (SCRO) title V program at their offices, located at 909 Elmerton Avenue, Harrisburg, Pennsylvania 17110. The EPA evaluation team consisted of Gerallyn Duke (Acting Associate Director), Emily Bertram, Riley Burger, and David Talley. The team met with William Weaver (Regional Air Quality Manager) and Thomas Hanlon (East Section Permit Chief). Additionally, Virendra Trivedi (Chief, Permits Division, PADEP Central Office) and Sean Wenrich (Environmental Engineer Manager, PADEP Central Office) were present at the SCRO visit.

On June 21, 2018, EPA representatives met with managers of the Northwest Regional Office (NWRO) title V program at their offices, located at 230 Chestnut Street, Meadville, Pennsylvania 16335. The EPA evaluation team consisted of Gerallyn Duke, Emily Bertram, and Riley Burger. The team met with Eric Gustafson (Regional Air Quality Manager) and Matthew Williams (Environmental Group Manager). Additionally, Virendra Trivedi participated via phone.

EPA thanks PADEP for their hospitality and cooperation.

II. Background

PADEP is divided geographically into six regional offices with one administrative central office. Since PADEP implements its environmental programs through six independent offices, EPA chose to conduct its title V evaluation on a regional rather than a state-wide basis. This was true of both the 2005 and 2012 evaluations, as well as this current review. In 2004, EPA conducted site visits to the Southcentral and Southeast regional offices, which became the basis for the 2005 evaluation report. In 2011, EPA conducted site visits at the Southwest and Northeast regional offices, which became the basis for the 2012 evaluation report.

EPA acknowledges that the evaluations conducted this year at SCRO and NWRO are not necessarily representative of PADEP's title V program as a whole. Although each regional office coordinates with PADEP's Central Office for program implementation, each office has varying source universes and faces unique, region-specific challenges. Therefore, because each office operates in a quasi-independent manner, the conclusions made in the 2018 evaluation may not fully apply to title V program management in other regional offices of PADEP.

III. Evaluation

Prior evaluations involved extensive file reviews, interviews with permitting staff, and a questionnaire completed by PADEP in advance of the site visit. PADEP's title V program is well established, with seasoned managers and permit writers. For this reason, and because EPA routinely reviews proposed title V permits prepared by PADEP, no file reviews or individual staff interviews were conducted during the 2018 evaluation. Rather, the evaluation consisted primarily of a dialog between EPA and PADEP staff. The dialog was focused by a list of questions which were provided to PADEP on the day of the evaluation and addressed a number of program specific issues.¹ The results of the discussions, based on these conversions, are outlined below.

A. Title V Permit Preparation and Content

Both regional offices were asked to describe their process for title V permit issuance, from receipt of an application to final issuance. Procedurally, the two offices operate similarly. However, each regional office has structured their air permitting program differently. SCRO's permitting group is divided geographically – east and west of the Susquehanna River. Tom Hanlon is the section chief for facility permitting east of the Susquehanna River. The section chief position for facility permitting west of the Susquehanna River was vacant at the time of the site visit. SCRO indicated that they expected to fill the vacant section chief position within a few weeks of the title V program evaluation site visit. NWRO's permitting group is divided into the title V program and the New Source Review program, rather than geographically. Matt Williams manages NWRO's title V program and Dave Balog manages the region's New Source Review program.

Several aspects of the preparation of a title V permit are consistent across regional offices in Pennsylvania and thus were raised in conversations with both SCRO and NWRO. For example, both offices make use of Pennsylvania's Environment Facility Application Compliance Tracking System (eFACTS):² a public interface that provides permitting information such as the status of permit applications and issuance. Both offices maintain and update information on the status of

¹ See Appendix A

² <https://www.ahs.dep.pa.gov/eFACTSWeb/default.aspx>

permit applications and issuance in eFACTS for the facilities in their respective regions at all stages in the process of preparing a title V permit. Both SCRO and NWRO also abide by Pennsylvania's Permit Review Process and Permit Decision Guarantee policy,³ signed into Pennsylvania law in July 2012. This policy standardizes elements of the permitting process across the Commonwealth.

Both SCRO and NWRO utilize a similar process for preparing title V permits, such as determining administrative completeness, identifying areas of technical deficiency, following standard public participation processes and timelines, and following standard EPA review processes and timelines. The items below were identified by each regional office as highlights of their title V preparation process.

1. SCRO Title V Permit Preparation

Use of Administrative Staff: SCRO employs administrative staff to assist in the process of preparing a title V permit. The administrative staff help with such tasks as processing a facility's permit application and fee payment, maintaining facility information in eFACTS, and preparing weekly notifications to PADEP's Central Office.

Tracking: SCRO has created a region-specific Microsoft Access database to assist regional management in ensuring that permits are issued in a timely manner, creating milestones for permit issuance, and managing staff workload.

Draft Permit Preparation: Twelve months before the expiration of their title V permit, SCRO sends its permittees a reminder letter and offers assistance in generating a "pre-filled application" from PADEP's Air Information Management System (AIMS). As part of this reminder letter, SCRO includes a questionnaire on information that might be covered in the technical review memo (e.g. does the facility use boilers and if so, what is the make, model, size, etc. of those boilers). Permit writers will periodically conduct site visits (not full compliance visits) at facilities to identify changes at the facility and determine if particular regulations are triggered by the facility's activity.

Standardization: SCRO utilizes a standard format for their technical review memo (or statement of basis), which they developed around 10 years ago. SCRO also employs a standardized template and/or language for some federal regulations, such as the more common Maximum Achievable Control Technology (MACT) standards, when incorporating them into permit documents.

Management Involvement and Oversight: Upon preparation of a draft permit and technical review memo, the permit writer will share the draft materials with the section chief. If the section chief has significant comments and/or concerns, the section chief will share those with

³ <https://www.dep.pa.gov/Business/ProgramIntegration/DecisionGuarantee/Pages/default.aspx>

the program manager prior to returning the materials to the permit writer for revision and finalization. The draft documents are also routinely sent to the regional compliance staff in the district offices. All documents are eventually initialed by the section chief and then the program manager, after which they are considered final documents and ready for public and EPA review processes. SCRO management holds one-on-one meetings every two weeks with permit writers to help guide workload and address any questions and/or concerns.

Comment and Response/Public Participation: If comments are received on a draft permit, SCRO tracks those comments and responses in a spreadsheet format. The permit writer then prepares an addendum memo to the technical review memo, addressing the comments received for initialization and signature by the program manager. The original technical review memo is left intact to preserve a historical permit record. Public hearings are not typically scheduled unless there is either a request for a hearing from the public in response to the notice and/or there is sufficient public interest. Facility applications are not typically posted online unless there is a high level of public interest.

Training: New permit writers at SCRO undergo a one-year training period. Ongoing training opportunities at SCRO include in-person and online courses, training worksheets, and “guidelines” prepared jointly by management and staff which outline expectations in terms of the completion of training and workload.

Quality Assurance: Quality assurance is maintained at SCRO through tools such as a standardized format for technical review memos, the pre-set format provided for permits through AIMS, ongoing discussions amongst staff and management to identify roadblocks and to identify other facilities and/or permits that might be similar in nature to the one being worked on by a permit writer, and consistent management review of draft permits and other supporting documents.

2. NWRO Title V Permit Preparation

Draft Permit Preparation: Like SCRO, NWRO also provides notice to facilities in their region one year in advance of the expiration of their title V permit. Permit writers at NWRO routinely review case files, other title V permit files, Requests for Determination (RFDs), and plan approvals to ensure that this information is incorporated into the draft title V permit.

Tracking: In a similar manner as SCRO, NWRO maintains an internal tracking sheet, in Microsoft Excel, to manage permit issuance and the workload of permit writers. Milestones have been incorporated into the tracking sheet to manage deadlines.

Management Involvement and Oversight: Draft permits and technical review memos prepared by the permit writer are first shared with the section chief and the facility prior to being passed on to EPA and the public for the required respective review processes. NWRO management also reviews response to comment documents. The NWRO program manager only reviews permit

documents once they are ready to be issued, not during the draft phase. The section chief will have one-on-one meetings with staff as needed. NWRO management meets every two weeks to discuss any outstanding issues, such as lagging permits.

Work Assignment: Factors taken into consideration when assigning work are current and projected workload, complexity (senior permit writers will be given more complex permits), and familiarity with the facility or type of source (for example, a permit writer will often be given a facility application if they've worked with that source in the past).

Use of Administrative Staff: NWRO, like SCRO, employs administrative staff to assist in the process of preparing a title V permit. The administrative staff help with such tasks as entering facility and permit information in eFACTS, as well as fulfilling other, more traditional administrative roles.

Streamlining and Efficiency: Like SCRO, to improve efficiency, NWRO makes an effort to share examples of permits that might be similar in nature among permit writers. NWRO expressed interest in following up with EPA about streamlining their technical review memos, such as identifying the necessary minimum elements of the memo. NWRO's program manager has taken training in Lean Six Sigma and has begun the process of examining ways in which to "lean" the permitting process in NWRO.

Training: A training plan is created for all new permit writers at NWRO within the first two weeks on the job. The plan identifies common regulations that permit writers need to review, general background on permitting, webinars, facility site visits, formal job training, and more advanced topics such as control device equipment. NWRO has an active workgroup, comprised of staff, that looks at ways in which to improve new employee training. The regional office has not encountered many, if any, issues with sending staff to training and they do seek to bring external trainings to and/or nearby the region.

B. Monitoring

Both SCRO and NWRO were asked to describe the process used to develop adequate monitoring requirements in a title V permit. Both offices develop a bulk of the monitoring requirements during the plan approval stage and subsequently carry them over into the title V permit. In the case of SCRO, conditions associated with a particular federal subpart are annotated and incorporated into the permit. If monitoring details, such as a parametric monitoring range (e.g., pressure drop) or results of a stack test, are not known at the time of a plan approval, both offices will subsequently incorporate them into the title V permit. NWRO makes a point of including the rationale for the monitoring associated with each applicable requirement. SCRO is willing to incorporate alternative monitoring, such as the "next generation" monitoring often recommended in EPA permit comments. Neither regional office has lingering issues with facility Compliance Assurance Monitoring (CAM).

C. Public Participation and Outreach

Both offices were asked to describe their public participation and outreach process from receipt of a facility application to final permit issuance. Both SCRO and NWRO conduct their public participation processes in accordance with regulations as far as standard steps such as public noticing and response to comments.

1. SCRO Public Participation Process

As far as public access to supporting documents other than the draft permit itself, at SCRO, the public has an opportunity to schedule a file review during the 30-day public comment period, at which time items such as the technical review memo and application are made available. There is a 30-day municipal public comment period on the notice of application and a subsequent 30-day public comment period on the draft permit. This occasionally results in receipt of comments on the facility application itself. SCRO notifies EPA upon receipt of any public comments and asked that EPA let them know if EPA comes across instances where this is not happening. Public hearings are held on a case by case basis. A person who provides comments will see the responses to their comments upon permit issuance. SCRO does not typically see a lot of “contentious” cases and attributes that to their orderly response to comment process. However, oftentimes, the air quality permit is the only mechanism for the public to express their displeasure with a facility, leading to comments that don’t concern Clean Air Act (CAA) requirements. Permit appeals are not common and SCRO treats public comments seriously to prevent them from moving to the appeal stage. SCRO maintains a list of interested parties who are notified of various permitting milestones.

2. NWRO Public Participation Process

PADEP’s Electronic Notification System (eNOTICE)⁴ allows citizens to sign up to receive notices of permitting actions by geographic area. Furthermore, now that PADEP has made permits available on their website⁵, NWRO directs interested members of the public to that website for further information. Like SCRO, interested citizens are given the opportunity to schedule a file review to obtain access to supporting documents. NWRO will often email these supporting documents to interested members of the public as well. Like SCRO, public hearings are held on a case-by-case basis. NCRO has held no public hearings in the last five years for

⁴ <https://www.ahs.dep.pa.gov/eNOTICEWeb/>

⁵ <https://www.dep.pa.gov/DataandTools/Reports/Pages/Air-Quality-Reports.aspx>

operating permits. Like SCRO, NWRO makes responses to comments available upon permit issuance.

Although NWRO has not seen many "contentious" title V permits, they found a high level of community interest and concern regarding the title V renewal for the Erie Coke facility. Due to this expressed concern, NWRO developed a community relations plan and organized a stakeholder group to educate the community about the permit, the facility, and the title V permit renewal process. They employed the assistance of an environmental justice coordinator and established a special link on NWRO's website which contains information on the Erie Coke facility. This enhanced public participation plan is part of a larger, well-defined environmental justice process that PADEP has used in other instances. However, this is the first time it has been applied in a permitting context.

D. Permit Issuance

Both SCRO and NWRO were asked to discuss relevant factors contributing to a delay in permit issuance and efforts/best practices to minimize and/or avoid a backlog in title V permit issuance. Currently, neither regional office is experiencing a severe backlog in title V permit issuance. This can be attributed to the permit tracking systems established in both offices, direct and continuous management and communication with individual permit reviews, an established office culture that prioritizes timely permit issuance, and efforts to streamline the permitting process.

While title V backlog is not an issue in these two regions, management in both regional offices discussed how the new Reasonable Available Control Technology (RACT) II rules can present competing internal priorities and how a more involved, proactive public participation process for the more complex permits could be reasons for a possible title V backlog. A delay in permit issuance can, at times, also be attributed to the fact that the permit is complex, thus either there are roadblocks or questions that need to be addressed or additional guidance and assistance that needs to be provided to the permit writer assigned to the permit. Oftentimes, these complications are worked out in the plan approval stage so they don't pose problems when it comes to title V issuance.

Both offices were asked how significant modifications are issued, to which they responded that they follow the same procedures (public participation, notification, etc.) as a title V renewal. Significant modifications do not alter the expiration date of the title V permit and public comments are limited to what is being modified as opposed to the title V permit as a whole.

E. Compliance

The two regional offices discussed compliance issues and how they do/do not impact timely title V permit actions. In general, compliance issues are not a significant hinderance to the timeliness of title V actions in these two regions. The use of a compliance schedule, which can be incorporated into a title V permit, is one way to avoid delay in issuing a title V permit when a facility is in noncompliance. NWRO, in particular, has used this approach of including corrective action in a title V permit. NWRO is also willing to deny or not extend an operating permit if they are waiting on a facility to resolve a violation and/or comply with permit conditions, thus using the title V permit as leverage in compliance. Technical review memos typically touch upon compliance history at a given facility. Biweekly meetings are held between NWRO permitting and compliance staff.

F. Resources and Management Support

Current staffing levels at both regional offices are generally sufficient to handle the permit workload. RACT II has generated some additional work for staff, however, it is short-term in nature. NWRO management aids in permit preparation and issuance when necessary and this conveys a sense of importance of timely issuance to all permit writers.

In terms of providing adequate training, SCRO does not experience a high turn-over rate and a majority of their permit writers, at this time, are well experienced. NWRO generally does not run into many issues with approval of training for staff, although due to travel and budget constraints, sometimes sending individuals to training outside of Pennsylvania poses a problem. Thus, it becomes difficult to make greater use of the trainings provided by outside organizations such as the Mid-Atlantic Regional Air Management Association (MARAMA). The use of an agreed-upon plan can help justify sending staff to training that may involve resources. Facility site visits can often provide staff with a more "hands-on" experience. In NWRO, staff are encouraged to visit facilities when preparing a title V initial or renewed permit.

G. Title V Petitions and Fees

EPA and PADEP discussed both title V petitions and title V fees in a more general sense. EPA discussed the recent title V petitions in Region 3 states and the role that public participation and proper handling of public comments through the response to comment process can help avoid petitions.

EPA and PADEP acknowledged that revenue from title V fees are decreasing. EPA discussed the recently-issued "Program and Fee Evaluation Strategy and Guidance for 40 CFR Part 70" and "Updated Guidance on EPA Review of Fee Schedules for Operating Permit Programs Under

Title V.”⁶ While the regional offices play a role with fee collection, EPA will be following up with PADEP Central Office on Pennsylvania’s title V fee package and plan. It is important to note that the title V program evaluation and report is not to serve, in any way, as a title V fee audit. However, a full fee audit will be conducted at a later date.

IV. Conclusions

EPA would again like to thank PADEP, particularly SCRO and NWRO, for their hospitality and cooperation during this year’s title V program evaluation. No notable deficiencies were identified and EPA remains confident in SCRO and NWRO’s abilities to implement a well-run title V program.

EPA would like to highlight the following best practices and suggestions resulting from the title V program evaluation. EPA is interested in exploring opportunities to share these best practices with the remainder of the PADEP regional offices and with the PADEP Central Office upon the report being finalized.

A. Summary of Best Practices

1. Management Involvement and Oversight: SCRO and NWRO employ a high level of management involvement and oversight throughout the title V permit preparation process. Management involvement appears to be a contributing factor in ensuring the quality, consistency, and timely issuance of title V permits in both regions.
2. Tracking: SCRO and NWRO management have created their own unique internal permit tracking systems. These tools allow for better management of staff workload and assurance of timely permit issuance. In particular, SCRO’s unique and well-established Microsoft Access database to track permit preparation and issuance, as well as their use of Microsoft Excel to track and respond to public and EPA comments, is noted as an exemplary practice.
3. Training: SCRO and NWRO promote training and continuing education for both seasoned and new staff. This emphasis on training results in improved knowledge of the regulatory and technical aspects of permitting.

⁶ <https://www.epa.gov/title-v-operating-permits/title-v-operating-permit-policy-and-guidance-document-index>

4. Administrative Support: SCRO and NWRO employ administrative staff to assist in processing permit applications, tracking permit development, communicating with facilities and PADEP Central Office, and permit issuance. Administrative assistance with these discrete tasks allows permit writers and management to focus more attention on writing quality permits and completing them in a timely manner and possibly results in final permits being sent to EPA more consistently than from some other PADEP regions.

5. Public Participation: NWRO's efforts to proactively engage the community and address environmental justice concerns surrounding the Erie Coke facility's title V renewal should also be highlighted as an exemplary practice. Aiding the community through a stakeholder-driven process can help improve general understanding of the permitting process, as well as alleviate potential concerns in advance of the public comment period.

B. Suggestions for Follow Up

Two areas of follow up have been identified as opportunities for further collaboration between EPA and PADEP.

The first, raised by NWRO, is to identify key elements of a technical review memo, or statement of basis, to improve consistency. NWRO is undergoing a project to "lean" their permitting process and has asked EPA to identify what information is central to the technical review memo and to provide examples of best practices. EPA recognizes that each PADEP region operates quite autonomously, but consideration is needed across the state to ensure that key elements are included in each Region's templates.

The second opportunity for follow up is for EPA to provide further guidance and clarification on the concurrent versus sequential review processes. Both SCRO and NWRO appear to understand EPA's permit review processes. However, based on discussion with individual permit writers across Pennsylvania, this may be a topic that EPA could better explain across Pennsylvania as a whole.

Appendix A

Pennsylvania Title V Program Evaluation – Focus Areas for Discussion

Title V Permit Preparation and Content

1. Please describe your process for permit issuance, from receipt of an application to final issuance.
2. Please describe any efforts PADEP has made over the last five years to improve the efficiency of its internal processes for issuing title V permits: Revisions of internal procedures and policies, SOPs etc.
3. Please describe your tracking system. Have there been any updates? How does it contribute to the efficiency of your title V program?
4. Please describe any streamlining strategies employed in permit preparation.
5. How are permit writers trained to prepare good permits and technical review memos?
6. Please describe your process for quality assurance of title V permits.

Monitoring

1. Please describe your process for developing adequate monitoring requirements.
2. Do your technical review memos include a rationale for the monitoring associated with each applicable requirement?
3. Please describe your process for supplementing monitoring in instances where the existing monitoring scheme is not sufficient to demonstrate compliance with the applicable requirement.
4. Are there any lingering issues with your sources and CAM?

Public Participation and Outreach

1. Please describe your process for public participation from receipt of an application to final permit issuance.
2. When are hearings held? How do you decide whether or not to hold a hearing?
3. Do you maintain a list of interested parties who are notified of various permitting milestones?
4. How do you respond to public comments? Are commenters notified of final permit/RTC issuance and provided with a copy of your RTC?

Permit Issuance

1. According to PADEP's most recent TOPS report, the statewide renewal backlog has remained steady and below the average for EPA Region 3 states. How does the statewide data compare to the regional office backlog data? Has the regional office been able to reduce its backlog and if so, how was this accomplished? What factors cause the delays? What factors prevent the remaining permits from being issued?
2. How are significant permit mods incorporated into existing title V permits?
3. Do any of the following impact your ability to issue timely title V permits (initial or renewal)?
 - a. SIP gap/backlog
 - b. Pending revisions to underlying NSR/PSD permits
 - c. Compliance/enforcement issues
 - d. EPA rulemaking
 - e. Lack of EPA guidance
 - f. Competing internal priorities

Compliance

1. How often do compliance issues impact the timeliness of your title V actions.
2. How are compliance issues resolved prior to permit issuance?

Resources and Internal Management Support

1. Please describe your current staffing levels. Are current levels sufficient in relation to the permitting workload?
2. Do new and current permit writers have access to adequate training?

