



# IOWA DEPARTMENT OF NATURAL RESOURCES

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LEADING IOWANS IN CARING FOR OUR NATURAL RESOURCES

## Impact of GHG Decision on Title V Permits

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# Presentation Outline

- The Supreme Court Decision
- Options for Ethanol Producers
  - Facilities without Title V Permits
  - Facilities with Title V Permits
- Benefits of Staying in the Title V Program
- Title V Fees Paid on July 1, 2014
- Timing



# Supreme Court of the United States

## June 23, 2014

- *Utility Air Regulatory Group v. EPA (UARG)*
- “Specifically, the Agency may not treat greenhouse gases as a pollutant for purposes of defining a ...“major source” in the Title V context. To the extent its regulations purport to do so, they are invalid.”



# Options for Ethanol Producers



# Facilities without a Title V Permit

- Title V permit applications for 12 ethanol facilities are in the process of being reviewed
- Title V solely due to greenhouse gas emissions (GHGs):
  - Review process has been stopped
  - DNR will ask facility to withdraw application



# Facilities without a Title V Permit

- Title V for multiple pollutants:
  - Review process has stopped
  - Facility decides to stay Title V or to exit the program
  - Notify DNR of decision by December 1, 2014
  - Remaining Title V
    - DNR will continue review
  - Exit Title V
    - Submit construction permit applications to limit emissions below Title V thresholds (synthetic minor)
    - Responsible Official request Title V application be withdrawn

# Facilities with a Title V Permit

- 4 facilities are only in Title V due to GHG
  - May decide to stay Title V
  - Notify DNR of decision by December 1, 2014
  - Submit construction permit applications to relax limits for other pollutants
  - Submit Title V permit modification



# Facilities with a Title V Permit

- 6 facilities are in Title V due to GHG and have relaxed limits for other pollutants
  - Many facilities have limits for other pollutants that are very close to Title V thresholds (CO, NO<sub>x</sub>, VOC)
  - Facility decides to stay Title V or to exit the program
  - Notify DNR regarding decision by December 1, 2014



# Facilities with a Title V Permit

- Exit Title V:
  - Submit construction permit applications to limit emissions below Title V thresholds (synthetic minor)
  - Responsible official request Title V application be rescinded
  - DNR will send letter on any remaining obligations (ie. compliance certifications)



# Exiting the Title V Program

- Benefits
  - No renewal applications
  - No Title V fees
  - No Title V compliance certifications
- Staying in Title V also has benefits...



# Benefits to Staying Title V



- Title V may provide additional production flexibility
- Recordkeeping and testing
  - Must comply with your construction permit requirements
  - Construction permit limits to stay out of Title V may require additional / more frequent compliance demonstration (e.g. stack testing)
  - Additional testing on limits to stay out of Title V may exceed the fee money saved by exiting the program
- Minor source emission inventories required every 3 years

# Benefits to Staying Title V



NESHAPS (once in, always in)

- Boiler MACT (DDDDDD)
  - Unless synthetic minor for HAPs by January 31, 2016
- MON (FFFF)
  - Depending startup date of facility
    - Existing major source as of 11/10/03 → comply 5/10/08
    - New major source, startup before 11/10/03 → comply 11/10/03
    - New major source, startup after 11/10/03 → comply at startup
    - Facilities may switch to area source status at any time until the first compliance date

# Title V Fees

- Title V Fees paid on July 1, 2014
  - Fees paid in July are intended to cover cost for future year
  - Title V fees paid July 2014 will be refunded to any ethanol facility that decides to exit the program
  - Responsible official can request fees be refunded along with letter requesting rescission of permit



# Timing

- DNR is making every effort to accommodate the interests of the ethanol facilities
- We want to issue permits in a timely manner
- Please provide notification of intent to stay in Title V or exit the program ASAP
- Provide notification no later than December 1, 2014



# Contacts

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# Discussion

