



Small Business Compliance Advisory Committee (SBCAC)

Meeting Minutes December 8, 2009

Meeting was held at: 1659 E Elm St
Jefferson City, MO

Members present: T. Robin Cole III, Pam Cain, Dan Bunch and Gale Holman

DNR present: Darcy Bybee, Sanny Cook, Nicole Eby, Carlton Flowers, Wayne Graf, Mark Leath, Leanne Tippett Mosby, Lucy Thompson and Wendy Vit

Others present Debbie Wurst

I. Call to Order

Meeting was called to order at 10:20 a.m.

II. Minutes

Minutes from July 21, 2009 meeting were approved
Minutes from September 17, 2009 meeting were approved

III. Update of Legislation, Regulations, and Activities

Wayne Graf

RULES EFFECTIVE

Two rules that could affect small businesses became effective since the September meeting.

The Sales Tax Exemption Rule 10 CSR 10-6.320 was rescinded effective Sept 30th. The sales tax exemption, for items purchased or leased to monitor air pollution, still exists but certification from the DNR director is no longer needed

The Open Burning Rule 10 CSR 10-6.045 was amended effective Sept 30th. It allows open burning of certain trade waste when it is in the best interest of the general public or is the safest and most feasible method of disposal. It also allows open burning in a nonattainment area so long as the burning would not be detrimental to air quality standards.

RULES ADOPTED

No rules that affect small businesses were adopted since September meeting. However, the State of Missouri Plan for PM_{2.5} and the Attainment Demonstration for the St. Louis Metropolitan Area that was mentioned at September meeting was adopted the end of September. The plan documents actions the Department has taken to reduce fine particulates and other precursor pollutant emissions to bring the St. Louis area into attainment.

SEVEN RULEMAKINGS WERE PRESENTED AT PUBLIC HEARING DURING THE DECEMBER MISSOURI AIR CONSERVATION COMMISSION (MACC) MEETING.

10 CSR 10-6.390 Control of NO_x Emissions From Large Stationary Internal Combustion Engines (amendment)

This proposed rulemaking will amend the rule by including emission rate limitations for both large stationary diesel and dual fuel internal combustion engines to be consistent with the federal Phase II Nitrogen Oxide (NO_x) SIP Call and to add a NO_x exemption limit.

Three amendments for annual updates to New Source Performance, Maximum Achievable Control Technology & Hazardous Air Pollutant regulations (10 CSR 10-6.070, 6.075 & 6.080).

The amendments incorporate by reference federal updates from July 1, 2006 thru Dec 2008 - Businesses already have to comply with federal regulations. (Note: Approval of this amendment means that the state will take "delegation" of the new area source regulations.)

The last three amendments are to update standards for ambient air quality to reflect National Ambient Air Quality Standards (NAAQS) for PM₁₀, PM_{2.5}, ozone and lead (10 CSR 10-6.010, 6.040 & 6.130). These rulemakings will have no direct impact on businesses because they simply incorporate federal standards into state rules.

These rulemakings are on public notice for comments and comments will be accepted through 5pm Thursday, Dec 10th

At the December 3rd MACC meeting, comments and responses to the 2008 lead standard boundary recommendation was adopted by the commission. Because of comments, the recommended nonattainment boundary for the 2009 Lead Standard has been revised to remain as Herculaneum city limits (same boundary as the 1978 standard).

SCHEDULED FOR PUBLIC HEARING

The Start-up, Shutdown and Malfunction Conditions Rule is being amended to clarify requirements for written notification and reporting as well as correcting references.

OTHER ACTIVITIES

Clean Air Mercury Rule:

A federal lawsuit agreement requires EPA to issue a proposed rule by March 16, 2011 requiring plant-specific controls for mercury and other HAPS at power plants. It also mandates that EPA needs to issue a final rule no later than November 16, 2011.

Sulfur Dioxide (SO₂)-National Ambient Air Quality Standards (NAAQS):

On November 17th, EPA announced a proposal to revise the primary (health based) SO₂ standard to 50 and 100 parts per billion (ppb) measured over 1-hour. Existing primary standards are 140 ppb measured over 24-hours, and 30 ppb measured over an entire year. EPA is not proposing revision to the secondary (public welfare based) standard. EPA is also proposing changes to the ambient air monitoring and reporting requirements for SO₂ and revisions to the SO₂ Air Quality Index (AQI). The final rule is expected by June 2, 2010

Workgroup for Surface Coating Rule:

The Department is evaluating a request to change the surface coating rule 10 CSR 10-5.330. We have been requested to:

- 1) add an explicit exemption for aerospace facilities and

2) update the surface coating rule to incorporate the latest EPA Control Technique Guidelines (CTGs).

The incorporation of the latest CTGs increases the number of coating categories and adopts more stringent VOC limits on some processes. It may require some businesses to reformulate their coatings. Additionally, specific high-transfer efficiency application methods are now being suggested by EPA. This may require some businesses to purchase equipment. Note: Provisions of 10 CSR 5.330 would not apply if less than 2.5 tons per year of Volatile Organic Compounds (VOCs) were emitted annually.

A workgroup is set up for December 17th to provide a chance for the Department and affected installations to discuss the possible changes.

IV. New Business

A. General Discussion Concerning Stimulus Funding

Lucy Thompson / Mark Leath

The following grants are available through the Department from stimulus funds.

1. Public drinking water and clean water revolving loans.
2. DERA- Diesel Emission Reduction has additional funds coming available in spring 2010.
3. Energy Efficiency Grants to winterize homes to boost energy savings and cut utility costs.
4. Beginning December 9, 2009 the Department will hold a series of public meetings on the Energize Missouri Housing Initiative for homes of Missouri low income families. These meetings are to be held in Cape Girardeau, Springfield, St Charles, Kansas City, St. Louis, Macon and Columbia. Energize Missouri Housing Initiative supports innovative approaches to energy efficiency and housing equality needs.
5. Funding is available for leaking underground storage tanks
6. St Louis Regional Clean Cities Area –DNR will be receiving approximately \$350,000 in grants. The funds will be parceled out through sub-grants. Requests for proposals will be released in Kansas City, St. Louis and Springfield in late winter or early spring. At this time businesses can apply for funding for clean diesel technology. Contact Mark Leath at (573) 526-5503 or mark.leath@dnr.mo.gov for more information.

Mark Leath stated that Missouri has received two grants from the federal government. The first of the two was \$1.73 million guaranteed to the state of Missouri. This was split between southwest Missouri, southeast Missouri, Kansas City and St. Louis. Any fleet owner or any owner of a diesel vehicle was eligible to apply as long as they were located in those areas. The Department spread the funding across several different categories such as; long haul truck drivers buying Alternative Power Units (APU) or low rolling tires, early replacements for trash trucks, county/highway department projects and school buses.

The second grant was a competitive grant. Only two private companies in St. Louis bid, the rest was for school buses. EPA grades the competitiveness of the applications and they awarded the money to the school bus project where they will get 13 early school bus replacements and 150 approx. retro fits.

The Department also applied for a MoDOT packaged grant and locomotive replacements in Kansas City but they were not funded.

Another grant may be coming up early springtime that will be available to fleet owners. It won't be graded as long as it is eligible by EPA's standards. The applications will be selected at random until the funds are used.

To find out about grants you can watch your local paper. The Air Pollution Control Program staff will begin sending emails to the Small Business Committee members notifying them of such grants.

B. Department Changes

Leanne Tippett Mosby

Personnel changes:

- Bill Bryan, Deputy Department Director and Parks Division Director, came from the Attorney General's office. He has worked extensively over the years on Missouri River issues, CAFO issues and various environmental issues. He was most recently Governor Nixon's deputy chief of staff before the election.
- Dru Buntin is the Deputy Director for Policy. He's been with the department almost ten years now. He has been working in the Policy group for several years.
- Davis Minton was recently named Deputy Department Director for Operations and Efficiencies. He is a farmer and businessman from the bootheel of the state. He has been a member of the Clean Water Commission. The Department hopes he can help with budget and fee issues using his business perspective.
- Currently, Ms. Tippett Mosby is the acting Director for Division of Environmental Quality (DEQ) which has been recently recombined with the Field Services Division.
 - Aaron Schmidt and Steve Feeler are the two acting Deputy Directors of DEQ.
- The new Communications Director is Judd Slivka, who was previously a reporter in Arizona. It is hoped that he will be able to cultivate a good relationship with the media.
- The Department still has an acting General Counsel, Harry Bozoian.
- Kansas City Regional Office has a new acting Director named Dorothy Franklin. She was the Water Section Chief previously.

The Energy Center, which was part of the Director's Office, is going to become a division. Governor Nixon and Director Templeton are focused heavily on energy issues; in part because of the EPA funding we received this year. The amount of grant dollars the Energy Center received and had to disburse was over 10 times of what they normally received. Additional people are needed to oversee responsible dispersal of the funds.

Budget is the biggest issue facing the Department. Four out of five of our environmental media areas in DEQ are dealing with budget problems: Air Program, Wastewater in the Water Protection Program, Hazardous Waste and Solid Waste Program. All the programs together are facing approximately a \$10,000,000 deficit in FY 2011. The only program that is not facing budget issues is the Land Reclamation Program which deals with coal mining reclamation and industrial minerals and metals mining.

There are several roots to the money problems. One big “root” is that the Department basically does a good job. The Air and Hazardous Waste Programs base a large part of their budgets on fees applied per the amount of pollution released. The amount of pollution has been reduced over the years. Plus inflation has taken its toll.

The Solid Waste Program gets funding based on the amount of trash going to the landfill. Because of the recent economic downturn, less trash is going to the landfill so the Department’s revenue decreased. The wastewater fees for the Water Program were last adjusted in 2000. The fees in many programs are set or capped in a statute and it takes a legislative action to change them.

Any reduction in personnel will probably affect all programs, not just the program that reduced personnel. The Department is a merit system agency. Under the merit system rules a person of higher seniority has the right to bump someone with lower seniority out of their position. Due to the “ripple” affect, personnel reductions could mean new people in many positions. Parks has already had to lay off 62 staff members after all the bumping settled down. Most of their funding comes from sales tax.

For the last four years the Department has worked with stakeholders and the general assembly to try to adjust the fee limits. The Department has not been successful. For the coming legislative session, pre-filing can start on December 1, 2009. The various programs still need to submit their fee proposals.

The legislative session begins in January and runs until May. So the Department is up against a very challenging timeline and it is an election year. Fee increases are harder to pass during an election year.

The Air Program has several challenges coming up.

EPA will be regulating greenhouse gases under the Clean Air Act. The Department is looking at including greenhouse gases in the emissions inventory and in permitting requirements.

EPA and the Clean Air Science Advisory Committee (the body that advises EPA on setting national ambient air quality standards) is considering lowering the ozone threshold to low as 60 parts per million (ppm). If this happens most, if not all, the monitors will be out of compliance. Since the last evaluation of ozone, the Department has installed some additional monitors. Three years of data is needed before a violation can be noted. The new monitors are in Jefferson City, Columbia, Joplin, St. Joseph and another in Springfield. The recommendations on ozone designation were due in March. The 1990 Clean Air Act (CAA) looked at ozone as an urban area problem. Some of the controls that work in an urban setting do not make sense in rural areas. If an area is at a certain level of designation the programs called out in the CAA are mandatory. If the standard goes as low as 60 ppm, the CAA will need to be evaluated.

If the Air Program gets to a place where it does not have the personnel necessary to meet all the requirements of the delegation or a State Implementation Plan (SIP) then the EPA would ultimately take the program back. Most states are in the same situation. EPA would not want these programs back simply because they do not have the personnel or the funding to carry out all of the functions. Low funding would increase the time for permits. Time is money to a business.

V. EPA’s “Autobody Regulations” Video was shown

VI. Old Business

A. Gas Station Generally Achievable Control Technology (GACT) Regulations

Nicole Eby

In a previous meeting, the Committee asked Ms. Eby to gather information on the benefits of “Stop When You Click” and Stage I vapor recovery.

Overfilling a gas tank can cause spillage, damage to your vehicle and damage to the gas stations Stage II vapor recovery systems

Newer cars that are equipped with on board vapor recovery systems (OBVR) keep about 400,000 tons of Volatile Organic Compounds (VOC) and toxins out of the air each year. That is 78,000,000 tons of gas. If a station does not have Stage II vapor recovery and a customer does not stop when the pump clicks it could damage the OBVR system. The vehicle’s OBVR canisters or carbon canisters work because gas tanks need extra room to allow the gas to expand with temperature changes. Topping off the gas can cause it to saturate the canister which will cause it to not work properly. The VOCs will be released into the air. The saturated canister can cause vehicle problems that can be difficult to diagnose and expensive to repair.

In addition, spillage from overflows impacts air quality. One shot glass worth or one ounce of gasoline releases the same amount of VOC’s as a car driving 56 miles. On a Santa Barbara County website they predicted that if we could prevent spilled gasoline spillage from people top off their gas tank we could prevent 30 tons of smog per year. That is just from spilling alone.

When someone doesn’t stop when the pump clicks at a Stage II vapor recovery system, the gasoline goes back into the boot not into the vehicle. The pump vapor recovery system may be harmed and the customer is paying for gasoline he is not receiving.

Stage I vapor recovery is already required in Kansas City and St Louis. (St. Louis also has Stage II vapor recovery). New Federal requirements will require larger facilities in the rest of the state to obtain Stage I vapor recovery. Stage I has also been used as a cost effective voluntary measure to stay out of nonattainment.

It takes 667 gallons gasoline vapors to equal one gallon of gas. The state of Michigan, Petroleum Equipment Institute says that during each delivery, Stage I will save 10-15 gallons of gasoline, due to the re-capturing the vapor during the tank filling instead of releasing them into the air. Based on these numbers, five million gallons of gasoline could be recovered annually or 37.5 million pounds (18,750 tons) of VOC’s that won’t be released into the air if Missouri gasoline stations had Stage I vapor recovery. A St. Louis company, that Ms Eby works with frequently, estimated they could save 42,000 gallons of gas over a two year period at one gas station with a Stage I vapor recovery system. **The committee would like to know how many gallons of gasoline are consumed in the State of Missouri annually.**

B. Outreach to Small Businesses

Lucy Thompson

There was a discussion on providing posters to City and County governments on construction permit requirements. The discussion will be continued in future meetings.

C. Asbestos Outreach

Carlton Flowers

Carlton is ready to send out DVDs to various public access stations across the state. Local Access stations look for something locally relevant to air on their stations.

D. Area sources – Outreach

Carlton Flowers

Mr. Flowers will be in Springfield on December 14, 2009 to do a presentation on the new autobody area source regulation (40 CFR 63 Subpart HHHHHH) followed by a question/answer session. People from body shops, paint manufacturers, and manufacturers that do painting on structural steel will be there. Mr. Flowers stated he has been talking to the Southeast Regional Office staff at Poplar Bluff and would like to hold a similar meeting in that area. The goal is to try to get this done before the January 10, 2010 reporting deadline. Companies are required to send in notifications to the Department and EPA stating that they are covered by this regulation. Auto body shops have to send in paperwork whether or not they are covered by the regulation. Companies have another year before compliance (other than notification) to the regulation is required.

X. Next Meeting

February 11 - Kansas City