

**Minutes
Regular Meeting
of the
Louisville Metro Air Pollution Control Board
May 15, 2013**

A regular meeting of the Louisville Metro Air Pollution Control Board was called to order on May 15, 2013, at 10:00 a.m. in the Board Room of the Louisville Metro Air Pollution Control District, 850 Barret Avenue, Louisville, Kentucky, by the Chairman, Dr. Robert Powell. Other Board members present were Mr. Steve Thomas, Mr. Ronald Thomas, Ms. Kathy Matheny and Dr. Neville Pinto. A quorum was present.

The following Louisville Metro Air Pollution Control District staff members were present: Lauren Anderson, Keith Talley Sr., Rachael Hamilton, Paul Aud, Thomas Nord, Terri Phelps, Cynthia Lee, Eva Addison, Matt King, Shannon Hosey, Karen Thorne, Diana Prentice, Steven Gravatte, Rick Williams, Donald Fountain, Starlet Raj, Billy DeWitt, Kim Loechle, Sandra Vaughn, Hannah Byland, Craig Butler, Nick Hart, Colette McConville, and Monica Little. Also present were Assistant County Attorney Stacy Fritze Dott and County Attorney staff member Tammy Brown.

The following guests were present: Paul Bowe, Marcus Paint; Greg Brotzge, KY Paint Council; Eric Brown, General Electric; Jim Bruggers, Courier-Journal; Tim Corrigan, GLI; Corinne Greenberg, BAE Systems; Matthew Griffith, IIECO; James McDonald, URS Corp., Emily McKinney, GLI ATTF; Erica Peterson, WFPL; Sarah Scheetz, LG&E and KU Energy LLC; Pat Stallard, Stites & Harbison; and Paige Moser Theriac, Theriac Environmental Consultants, Inc.

Public Recognition

Ms. Anderson reported that TARC sponsored an annual Design-A-Bus contest for elementary school children to draw designs to decorate a bus. A replica of the TARC bus was on display at the meeting and the bus was showcased in the Kentucky Derby Parade.

Approval of Minutes

The minutes of the public hearing and regular Board meeting held on April 17, 2013, were approved as written.

New Business

Dr. Powell stated that the Board would be considering adopting several revised District regulations. He thanked District staff for their hard work and acknowledged the public, business community, and the Kentucky Division for Air Quality for their input in revising the regulations.

Ms. Anderson, Director, reviewed the District's rulemaking process, which included an Advanced Notice of Proposed Rulemaking, an informal comment period, a formal comment period, a public hearing, and a response to comments. The District began discussing ways to simplify its permitting regulations in the fall of 2008 at the request of the regulated community. Following these discussions, the proposed regulations were streamlined and clarified to reduce the administrative burden for the District and regulated sources. Ms. Anderson stressed that the proposed regulations are the first step in a larger process and that the District would be proposing additional changes in the future. Ms. Hamilton, Regulatory Specialist, introduced the proposed changes on behalf of the District.

A. Regulation 1.02 Definitions - Version 13, Draft #2

Proposed changes in Regulation 1.02 *Definitions*. were necessary to implement changes proposed in the regulations governing permits and fees, clarify existing text, and remove redundant and outdated provisions. Changes between Draft #1 proposed on February 20, 2013, and Draft #2 proposed May 15, 2013, included technical edits and other clarifications.

Motion: Mr. Steve Thomas moved to adopt Regulation 1.02 *Definitions* – Version 13, Draft #2, as proposed, and the motion was seconded.

The motion passed unanimously.

B. Regulation 2.02 Air Pollution Regulation Requirements and Exemptions - Version 7, Draft #2

Proposed changes in Regulation 2.02 *Air Pollution Regulation Requirements and Exemptions* were intended to identify and exempt small sources that did not require a permit in order to operate, provide a temporary exemption allowing small sources to temporarily construct, modify or operate with District approval, register certain stationary sources in lieu of a traditional construction or operating permit, and provide simplified recordkeeping and reporting requirements for certain small sources surface coating operations. Ms. Hamilton reviewed various changes to the regulation that were made in Regulation 2.02 after the formal version was proposed February 20, 2013.

Motion: Mr. Steve Thomas moved to adopt Regulation 2.02 *Air Pollution Regulation Requirements and Exemptions* - Version 7, Draft #2, as proposed, and the motion was seconded.

The motion passed unanimously.

C. Regulation 2.03 Authorization to Construct and Operate; Asbestos Demolition/Renovation Notices and Permit Requirements -Version 8, Draft #2

The District proposed changing the title of Regulation 2.03 to clarify its applicability to all authorizations issued by the District. Proposed changes clarified the permit requirements for all sources and exempt stationary sources and the applicability of NESHAP for asbestos, updated the general requirements applicable to permit issuance, and simplified renewal and transfer provisions. The changes also added terms to transition from one type of permit to another, established a combined construction/operating permit for sources with a PTE less than a major source threshold, streamlined the authorization to construct, reconstruct or modify air pollution control equipment, and clarified that stationary sources must be current on all fees. Ms. Hamilton also reviewed the changes that occurred between Draft #1 proposed on February 20, 2013, and Draft #2 proposed on May 15, 2013.

Motion: Mr. Ron Thomas moved to adopt Regulation 2.03 *Authorization to Construct and Operate; Asbestos Demolition/Renovation Notices and Permit Requirements* -Version 8, Draft #2, as proposed, and the motion was seconded.

The motion passed unanimously.

D. Regulation 2.08 Fees - Version 26, Draft #2

Proposed changes in Regulation 2.08 were intended to streamline the District’s permitting efforts and raise additional revenue. Significant changes in Regulation 2.08 include implementing a new non-refundable filing fee for all new permit applications, payment for permits prior to issuance, increased Risk Management Program fees for some sources, and increased the STAR fee for FEDOOP companies. A new fee was also proposed for STAR environmental acceptability demonstrations, public hearings that are held at the request or convenience of a company, stack test reviews, and PSD and PAL fees on a per pollutant basis. The proposed changes are primarily based per source-type, rather than per project emissions. Also, Ms. Hamilton reviewed the changes recommended between Draft #1 proposed on February 20, 2013, and Draft #2 proposed on May 15, 2013.

Motion: Mr. Steve Thomas moved to adopt Regulation 2.08, *Fees*. Version 26, Draft #2, as proposed, and the motion was seconded.

The motion passed unanimously.

E. Regulation 2.16 Title V Operating Permits; Version 7, Draft #2, and

F. Regulation 2.17 Federally Enforceable District Origin Operating Permits - Version 4, Draft #2

The primary reason for the changes in Regulation 2.16 and Regulation 2.17 was to update the definition of “insignificant” and “trivial” activities, clarify Section 5.3.4 which required the District to notify a Title V source of the upcoming expiration of its operating permit, and other make other spelling and usage changes for consistency. The District will be proposing a merged construction/operating permit program for Title V and FEDOOP sources in the summer 2013. Ms. Hamilton reviewed the changes between Draft #1 proposed on February 20, 2013, and Draft #2 proposed on May 15, 2013, that mainly involved the definition of “insignificant activities.”

Discussion

Dr. Powell asked if e-mail allowed for a return receipt since notification via U.S. Mail would be eliminated. Mr. Aud said a return receipt via e-mail was allowed, but it was not mandatory and that some e-mail programs did not allow for a return receipt. He said the District did follow-up with companies that didn’t confirm receipt of District notifications.

Motion: Mr. Ron Thomas moved to adopt Regulation 2.16, *Title V Operating Permits*- Version 7, Draft #2; and Regulation 2.17 *Federally Enforceable District Origin Operating Permits* – Version 4, Draft #2, as proposed, and the motion was seconded.

The motion passed unanimously.

F. Regulation 5.00 Definitions - Version 2, Draft #2

Changes in Regulation 5.00 were proposed to exempt certain small sources currently permitted under Regulation 2.17 from the requirements in Regulation 5.21 to demonstrate the environmental acceptability, thereby allowing them to avoid the increase in the STAR fee proposed in Regulation 2.08. These small sources would instead be subject to the general duty clause in Regulation 5.01 or evaluation under Regulation 5.30 as an area source of emissions.

The District recommended that the Board adopt the following change in language – “A stationary source that has applied for an operating permit in accordance with Regulation 2.17 and accepts the following limit.” in Draft #1, to “A stationary source that has applied for an operating permit in accordance with Regulation 2.17 with emission limits that do not exceed the thresholds” in Regulation 5.00, Section 1.13.5 in Draft #2.

Motion: Mr. Steve Thomas moved to adopt Regulation 5.00 *Definitions* - Version 2, Draft #2, as proposed, and the motion was seconded.

The motion passed unanimously.

Staff Reports

A. Air Quality Data

The air quality monitoring report was submitted for filing. A copy is attached to the original minutes.

B. Enforcement Status Report

The enforcement report was submitted for filing. A copy is attached to the original minutes.

C. Excess Emission Event Report

The April 2013 Excess Emission Event Report was submitted for filing. A copy is attached to the original minutes.

Next Meeting

The next regular Board meeting is scheduled Wednesday, June 19, 2013, at 10:00 a.m.

Adjourn

The meeting was adjourned at 11:20 a.m.

Robert W. Powell, M.D.
Chairman

Rachael Hamilton
Secretary-Treasurer