

MINUTES
MISSOURI AIR CONSERVATION COMMISSION
Kansas City Regional Office
500 East Colbern Road
Large Conference Room
Lee's Summit, MO 64086
March 26, 2015
9:00 a.m.

Commissioners Present

Jack Baker, Member
Gary Pendergrass, Vice Chairman
Mark Garnett, Member*
David Zimmermann, Chairman

Staff Members Present

Darcy Bybee, Compliance/Enforcement Section Chief, Air Pollution Control Program (APCP)
Andrea Collier, Director, Kansas City Regional Office (KCRO)
Mike Cunningham, KCRO
David Gilmore, Program Secretary, APCP
Wayne Graf, Air Quality Planning Section, APCP
Kendall Hale, Permits Section Chief, APCP
James Helgason, KCRO
Julia Katich, Department of Natural Resources
Victoria Lovejoy, Director's Office, APCP
Kyra Moore, Director, APCP
Seth Norcross, KCRO
Ciara Oehring, KCRO
Wendy Vit, Air Quality Planning Section Chief, APCP
Corey Whitaker, KCRO

Others Present by Attendance Record

Amy Bhesania, U.S. Environmental Protection Agency, Region VII
Tim Duggan, Attorney General's Office (AGO)
David Shanks, Boeing
Tim Wilson, Empire District Electric Company
Mike Zlatic, St. Louis County, Department of Health

A. Call to Order

Chairman David Zimmermann called the March 26, 2015, meeting of the Missouri Air Conservation Commission to order. The following commissioners were present: Jack Baker, Gary Pendergrass, Mark Garnett* and David Zimmermann. *Commissioner Mark Garnett participated by phone.

B. Minutes from January 29, 2015, Meeting

Vice Chairman Gary Pendergrass moved to approve the January 29, 2015, minutes as written. Commissioner Jack Baker seconded the motion, and all commissioners voted to approve the minutes.

C. Presentation

Mr. Mike Cunningham presented the commission with an update on the Kansas City Regional Office. Please see Attachment A for his presentation. A color copy of the presentation may be viewed on the commission's website at <http://www.dnr.mo.gov/env/apcp/macc.htm>.

D. Public Hearing

None.

E. Recommended for Adoption and Actions to be Voted on

Ms. Wendy Vit presented two Missouri State Implementation Plan (SIP) Revisions: the Cross-State Air Pollution Rule NO_x Annual Trading Program and the Cross-State Air Pollution Rule NO_x Ozone Season Trading Program. Information on the two proposed SIP revisions can be found beginning on pages 89 and 91, respectively, of the March 26, 2015 briefing document.

Vice Chairman Pendergrass moved to adopt both Missouri SIP Revisions: the Cross-State Air Pollution Rule NO_x Annual Trading Program and the Cross-State Air Pollution Rule NO_x Ozone Season Trading Program. Commissioner Mark Garnett seconded the motion. All of the commissioners voted to adopt both Missouri SIPs as revised: the Cross-State Air Pollution Rule NO_x Annual Trading Program and the Cross-State Air Pollution Rule NO_x Ozone Season Trading Program.

F. New Business

F&S Printing Variance Extension Request

Ms. Darcy Bybee presented a variance extension request on behalf of F&S Printing. Information on the variance extension request can be found beginning on page 93 of the March 26, 2015, briefing document.

Commissioner Baker moved to grant a variance extension to F&S Printing for the period of one year. Vice Chairman Pendergrass seconded the motion. All commissioners voted to grant a variance extension to F&S Printing for a period of one year. The variance extension was approved with the conditions for continued monthly progress reports (with specific requirements for the April 2015 report) and the continuation of the variance limit of 70 tons of Volatile Organic Carbon (VOC) emissions in any 12-month rolling period.

Necessity Findings

Mr. Wayne Graf presented three Necessity Findings to the commission for approval: 10 CSR 10-6.372, *Cross-State Air Pollution Rule Annual NO_x Trading Allowance Allocations*, 10 CSR 10-6.374, *Cross-State Air Pollution Rule Ozone Season NO_x Trading Allowance Allocations*, 10 CSR 10-6.376, *Cross-State Air Pollution Rule Annual SO₂ Trading Allowance Allocations*.

Information on the Necessity Findings begins on page 97 of the briefing document.

Vice Chairman Pendergrass moved to approve the Necessity Findings as presented by Mr. Graf. Commissioner Garnett seconded the motion. All commissioners voted to approve the Necessity Findings as presented by Mr. Graf.

Stakeholder Process Letter

The commission decided to table the matter until the next commission meeting.

G. Unfinished Business

None.

H. Appeals and Variance Requests

None.

I. Reports - The following referenced reports are in the March 26, 2015, Missouri Air Conservation Commission Briefing Document and available online at dnr.mo.gov/env/apcp/macc.htm.

1) COMPLIANCE/ENFORCEMENT REPORT

Ms. Darcy Bybee stated that the Compliance/Enforcement Report begins on page 25 with the Concern Report. There were a total of 68 concerns received from January 1, 2015 through February 15, 2015. During this time period there were 58 investigations completed.

The Ongoing Negotiations Report can be found on pages 45 through 47. There are 68 enforcement actions in the negotiation process at this time.

The Finalized Agreement Report is on pages 48. For the time period of January 1, 2015 through February 15, 2015, the department finalized 13 agreements with a total penalty of \$46,000. Of that amount, \$5,500 was paid to the school fund of the county in which the violation occurred, and the remaining portion was suspended.

The Pending Referrals Report can be found on page 49. At this time, there are 18 active referrals. There is currently one case that is being prepared to be referred to the Attorney General's Office. It is a multimedia case involving the Hazardous

Waste and Water Protection Programs. The Air Program is preparing the referral notification to send to the responsible party.

Ms. Bybee noted that next month will mark the one year anniversary of the direct referral process. She will present a summary of the process to the commission at the April meeting.

Ms. Bybee then reported that as of this week, 78 percent of the facilities subject to the Vapor Recovery Rule in the St. Louis area have gone through the entire decommissioning and testing process and have been issued a Stage I Vapor Recovery operating permit. The program continues to work with the remaining facilities to make sure they know they must decommission by December 31, 2015, and to remind them of the proper process. There are approximately 130 facilities in the area that have not begun the decommissioning process and the program is doing outreach to those facilities at this time.

2) PERMITS REPORT

Mr. Kendall Hale stated that the Permits Report begins on page 51 of the briefing document with the Permit Applications Received Report. A total of 59 construction permit and 62 operating permit applications were received in January and February 2015. Details of the projects received for January and February can be seen from pages 52 through 63 of the briefing document.

Beginning on page 65 is the Permit Applications Completed Report. The Permits Section completed a total of 69 construction permit and 24 operating permit projects. Details of the projects completed for January and February can be seen from pages 66 through 75 of the briefing document

On page 76 of the briefing document is the Open Permits Report. This report details the types of projects currently open in the Permit Section. There are currently a total of 541 projects in the Permits Section.

Mr. Hale said there are currently 13 operating permits on public notice. Those permits should be coming off public notice within the next 30 days.

The Permit Section has received two prevention of significant deterioration permit applications: the City of Columbia power plant and the Buzzi Unicem cement kiln in Festus.

The Permit Section will be soon be nearing completion on a permit for the CertainTeed shingle manufacturing plant, and has received a permit application for GAF, another shingle manufacturing plant.

The Permit Section has received three new staff members within approximately the last three months and is currently fully staffed.

3) AIR QUALITY PLANNING REPORT

a) Ozone Update

The St. Louis area has been officially redesignated to attainment for the 1997 ozone National Ambient Air Quality Standard (NAAQS) of 80 parts per billion (ppb). The U.S. Environmental Protection Agency published this action in the Federal Register on February 20, 2015 and it was effective the same day. This is a significant milestone and demonstrates that air quality is improving in the St. Louis area. However, air quality challenges remain. Now that St. Louis is attainment for the previous ozone NAAQS, the Air Pollution Control Program can focus efforts on addressing the current 2008 ozone standard of 75 ppb and the potentially stricter ozone standard expected in October 2015.

b) Sulfur Dioxide (SO₂) Update

Ms. Vit provided an overview of the expected timeline and latest developments associated with the 1-hour SO₂ NAAQS. See Attachment B.

4) DIRECTOR'S REPORT

a) Kansas City Regional Office

Ms. Moore thanked the Kansas City Regional Office for hosting the Missouri Air Conservation Commission meeting. She also thanked Mr. Cunningham for his thorough presentation.

b) Carbon Pollution Standards - Clean Power Plan

Ms. Moore provided a brief update on the Clean Power Plan, which is the carbon pollution standards for existing utilities EPA proposed last summer. The program is participating in webinars and conference calls with EPA regarding the proposal. The final rule is expected sometime this summer. As soon as the rule is final the program will move on with its work.

Ms. Moore announced the National Governor's Association (NGA) Center for Best Practices has established a Policy Academy to assist states with the Clean Power Plan. Missouri was chosen with three other states, Michigan, Pennsylvania and Utah, to participate in the Policy Academy. The Department of Economic Development's Division of Energy and the Public Service Commission are also involved with this workgroup.

c) Fee Stakeholder Meetings

An Air Program Fee Stakeholder Meeting was held on January 29, 2015 after the commission meeting. The meeting kicked off discussion about

permit and asbestos fees. Another Fee Stakeholder Meeting is scheduled for April 30, 2015.

d) Staff Update

Of the 106 positions listed on the program's organizational chart, there are 11 vacancies. The program continues to review vacancies to determine which vacancies to fill immediately and which positions to hold, balancing expenditures with workload.

e) Livestream

As the commission is aware the Department has decided it is no longer mandatory to livestream commission meetings and they are leaving that decision up to each individual commission.

The commission decided to continue the livestreaming of the meetings, aware that the out of town meetings may be videotaped due to internet limitations.

J. Open Session

No one addressed the commission.

K. Future Meeting Dates

April 30, 2015 – Jefferson City

Lewis and Clark State Office Building
1101 Riverside Drive
LaCharrette and Nightingale Creek Conference Rooms
Jefferson City, MO 65101

May 28, 2015 - Springfield

Southwest Regional Office
2040 West Woodland
East and West Conference Rooms
Springfield, MO 65807

June 25, 2015 – Jefferson City

Governor's Office Building
200 Madison Street
Conference Room 450
Jefferson City, MO 65101

July 30, 2015 – Jefferson City
Elm Street Conference Center
1730 East Elm Street
Lower Level
Bennett Springs Conference Room
Jefferson City, MO 65101

August 27, 2015 – Jefferson City
Elm Street Conference Center
1730 East Elm Street
Lower Level
Bennett Springs Conference Room
Jefferson City, MO 65101

September 24, 2015 – St. Louis
St. Louis Regional Office
7545 South Lindbergh, Suite 220
DESE Conference Room
St. Louis, MO 63125

October 29, 2015 – Jefferson City
Elm Street Conference Center
1730 East Elm Street
Lower Level
Bennett Springs Conference Room
Jefferson City, MO 65101

December 3, 2015 – Jefferson City
Elm Street Conference Center
1730 East Elm Street
Lower Level
Bennett Springs Conference Room
Jefferson City, MO 65101

L. Discussion of Pending Litigation and Legal Matters

Commissioner Baker moved to go into closed session. Vice Chairman Pendergrass seconded the motion, and all commissioners voted to go into closed session.

Commissioner Baker moved to return to open session. Vice Chairman Pendergrass seconded the motion, and all commissioners voted to return to open session.

M. Missouri Air Conservation Commission

Commissioner Baker moved to adjourn the March 26, 2015, Missouri Air Conservation Commission meeting. Vice Chairman Pendergrass seconded the motion, and all commissioners voted to adjourn the meeting.

Chairman Zimmermann adjourned the March 26, 2015, Missouri Air Conservation Commission meeting.

Respectfully submitted,

Handwritten signature of Kyra L. Moore in cursive script.

Kyra L. Moore, Director
Air Pollution Control Program

Approved:

David Zimmermann, Chairman
Missouri Air Conservation Commission



Kansas City Regional Office Update

Presented at:

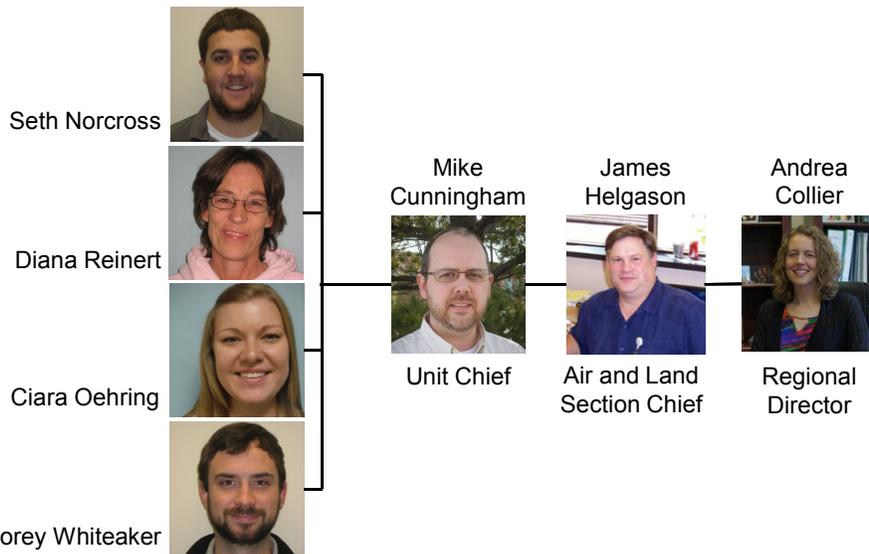
Missouri Air Conservation Commission Meeting
March 26, 2015

Presented by:

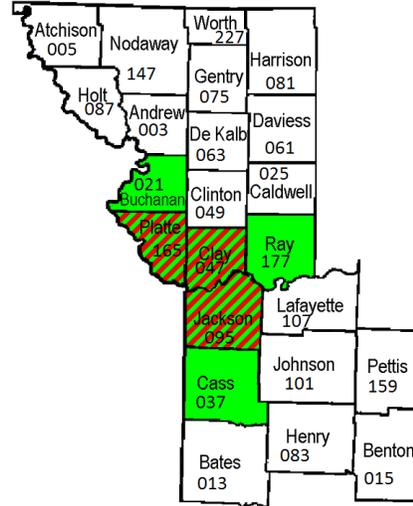
Mike Cunningham
Air Pollution Control Unit Chief
Kansas City Regional Office



Meet the Air Pollution Staff



- 23 counties
- 13,300 square miles
- 1,500,000 people
- Largest cities:
 - Kansas City (467,000)
 - Independence (117,000)
 - Lee's Summit (93,000)
 - St. Joseph (77,000)



 Kansas City Metropolitan Area
 Ozone Maintenance Area

Source Inspections

- Title V
 - Part 70
 - 60 facilities
 - Every 2 years
 - Intermediate
 - 55 facilities
 - Every 5 years
- Basic
 - 240 facilities
 - Every 5 years
- Synthetic De Minimis
 - 125 facilities
 - Every 5 years
- De Minimis
 - 525 facilities
 - Every 10 years



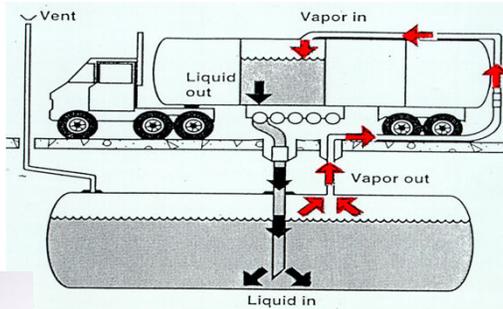
Asbestos

- Goal of 40 inspections per year
- FY 2014 – 182 notified projects
- If structure is regulated –
 - Must be inspected by Missouri-certified inspector.
 - Notification required for all demolitions.
 - Notification for renovation required only if amount of RACM (regulated asbestos containing material) meets or exceeds specified quantity:
 - 260 feet on pipes (regardless of size), **OR**
 - 160 square feet on other facility components, **OR**
 - 35 cubic feet if length or area could not be measured
- Inspections result from –
 - Routine (project submitted notification)
 - Surveillance
 - Concerns / tips



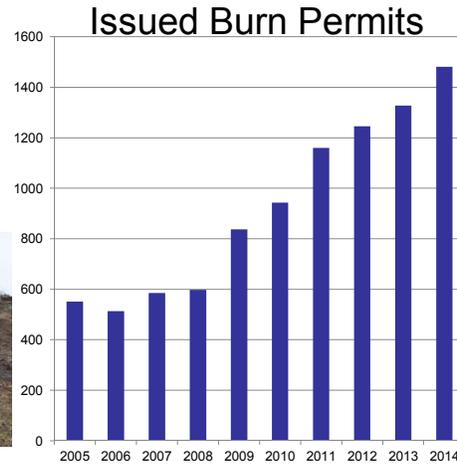
Vapor Recovery (Stage I)

- 300 gasoline dispensing facilities
- Bench test vent valves every 2 years
- Leak decay test every 5 years

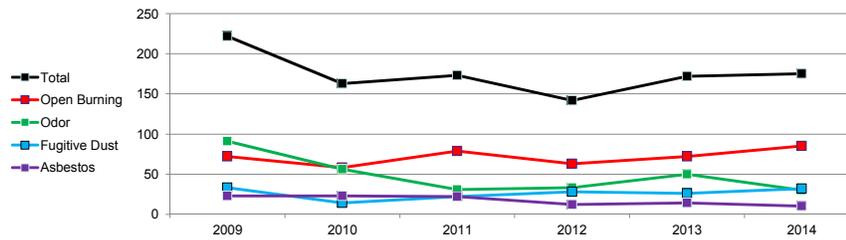


Open Burning Permits

- Open burning rules consolidated in 2008
- Requirement for a permit to dispose of any vegetation by burning was expanded from the maintenance area to the entire Kansas City metropolitan area
- Annual permits for city collection areas and landscaping companies
- Operating permits for air curtain destructors

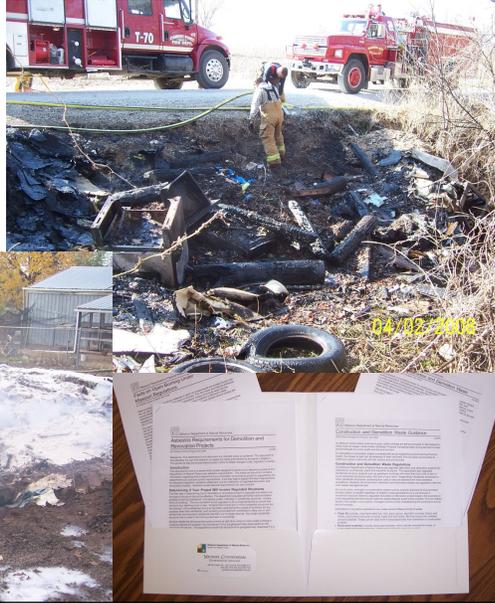


Concern Investigations



Local Agency Outreach

- City and county fire, police, and sheriff's departments
- How we can help
- Useful information to provide us



Compliance Assistance Visits (CAVs)

The Missouri Department of Natural Resources wants to help businesses, communities and industrial facilities to better understand the requirements of environmental regulations and avoid compliance issues. One way to do this is using CAVs.

As of July 1, 2014, each program in the department's Division of Environmental Quality began formally offering CAVs to those entities regulated by the department.

What are CAVs?

An on-site assistance visit that is intended to be beneficial to a facility that:

- is faced with a change in permit or regulatory requirements.
- is undergoing a change in operational status.
- is undergoing a change in management.
- just would like some assistance in ensuring their compliance.

What happens during a CAV?

- A department representative will come to your facility to meet with you (and any other individuals that you invite).
- During the visit the representative will assist you with understanding regulatory requirements, help you with achieving and maintaining compliance, and be available as a continuing resource for technical assistance.
- A CAV is not intended to serve as a comprehensive inspection of the facility and will not result in a determination of compliance or noncompliance.

MISSOURI DEPARTMENT OF NATURAL RESOURCES

Programs - Forms and Permits Publications Laws and Regulations Online Services Calendar of Events

Division of Environmental Quality

- Air Pollution Control Program
- Division of Environmental Quality
- Environmental Services Program
- Hazardous Waste Program
- Human Resources
- Land Reclamation Program
- Missouri Geological Survey
- Missouri State Parks
- Soil and Water Conservation Program
- Solid Waste Management Program
- State Historic Preservation Office
- Water Protection Program
- Water Resources Center

Compliance Assistance Visit Requests

The Missouri Department of Natural Resources wants to help businesses, communities and industrial facilities better understand the requirements of their environmental regulations—and avoid future violations of those permits. Beginning 1, 2014, the department's Division of Environmental Quality will offer compliance assistance visits (CAVs) to those regulated by the department. These voluntary visits can be requested by answering the questions below or by contacting one of the department's regional offices.

A CAV would be beneficial to a facility if:

- the facility is in operational status or management at the time of the visit
- the facility is seeking or maintaining compliance, or has an opportunity to ask questions about permit requirements
- the facility is a Missouri resident

During a CAV, a department representative will look at the aspects of the facility's operations and discuss any issues that may be of concern. The representative will provide recommendations, if applicable, will be available to answer questions and will serve as a comprehensive inspection of the facility. However, if any non-compliant issues are noted that pose a threat to public health or safety, the inspector will notify the facility.

Other Sites: Household Hazardous Waste Collection Events, Construction and Demolition Waste, Public Service Announcements, Household Lead Contamination

Contact Information: Contact Name, Contact Email, Facility Name, Facility Address, City, State / Province / Region, Postal / Zip Code, Country, Located in what county, Area of Assistance Needed

<http://dnr.mo.gov/cav/compliance.htm>



1-Hour Sulfur Dioxide (SO₂) National Ambient Air Quality Standard (NAAQS)

Upcoming Milestones and Timeline

**Missouri Air Conservation Commission Meeting
Air Quality Planning Report
March 26, 2015**



EPA's Phased Implementation

- Initial partial-county SO₂ nonattainment areas in Missouri based on monitored violations
 - Jefferson County
 - Jackson County
- EPA's future rounds of SO₂ designations could result in additional Missouri nonattainment areas
 - July 2, 2016
 - December 31, 2017
 - December 31, 2020



Jefferson County Nonattainment Area Plan

- Main plan elements
 - Closure of Doe Run Herculaneum primary lead smelter (by 2011 federal consent decree)
 - New Agreement with Ameren Missouri: SO₂ emission limits for Rush Island, Labadie and Meramec Energy Centers and new SO₂ monitors at Rush Island
 - Modeling demonstration & supporting analyses
- Schedule
 - March 30-May 7, 2015: Public review & comment
 - April 30, 2015: Public hearing
 - May 28, 2015: Adoption
 - End of May 2015: Submit to EPA



Jackson County Nonattainment Area Plan

- Main plan elements
 - 10 CSR 10-6.261 *Control of Sulfur Dioxide Emissions*: SO₂ emission limits & requirements for Veolia Energy and other contributing sources
 - Modeling demonstration & supporting analyses
- Estimated schedule (subject to change)
 - Mid-May 2015: Rule & plan available for public review & comment
 - June 25, 2015: Public hearing for rule & plan
 - July 30, 2015: Adoption
 - Nov./Dec. 2015: Submit to EPA

Future Rounds - SO₂ Consent Decree

- March 2, 2015: Final consent decree establishes deadlines for EPA to complete designations (*Sierra Club et al. v. Gina McCarthy*)
 - July 2, 2016: Areas with violating SO₂ monitors (existing sites) and power plants meeting certain criteria*
 - Dec. 31, 2017: Areas without new SO₂ monitors (i.e., based on modeling data)
 - Dec. 31, 2020: Remaining areas (i.e., based on new SO₂ monitors operating by Jan. 2017)

* From March 20, 2015 letter from Janet McCabe, U.S. Environmental Protection Agency to Sarah Parker Pauley, Missouri Department of Natural Resources: Areas that contain any stationary source that according to the EPA's Air Markets Database either emitted more than 16,000 tons of SO₂ in 2012 or emitted more than 2,600 tons of SO₂ and had an emission rate of at least 0.45 lbs SO₂/mmbtu in 2012 and that has not been announced (as of March 2, 2015) for retirement.

2016 Designations

- EPA sent letters to states on March 20, 2015 outlining next steps
- EPA's Missouri letter identified four areas for evaluation in 2016 round
 - Violating SO₂ monitor in Iron County based on 2012-2014 preliminary data
 - Three power plants: KCP&L Sibley, Sikeston and Ameren-Labadie

Tentative Timeline for 2016 Designations

- Summer/fall 2015: Department prepares recommendation, including public review & comment period, public hearing and adoption
- Sept. 18, 2015: Deadline for states to submit recommendations to EPA
- Jan. 22, 2016: EPA's "120-day" letters with potential modifications to state recommendations
- April 8, 2016: Deadline for states to provide additional information
- July 2, 2016: EPA's final area designations
- End of 2017: Nonattainment area SIPs due

EPA's Data Requirements Rule

- April 2014 proposal includes 3 emission threshold options for determining which sources will be evaluated in final rounds of designations (2017 for modeling & 2020 for monitoring)
 - EPA's preferred option 1: 1,000 tons SO₂ in urban areas and 2,000 tons SO₂ elsewhere
 - Option 2: 2,000/5,000 tons SO₂
 - Option 3: 3,000/10,000 tons SO₂
- Timing of final rule unknown (summer 2015?)

How To Stay Informed

Public notices – rules, permits, state plans:

<http://dnr.mo.gov/env/apcp/public-notices.htm>

Air Program Advisory Forum :

<http://dnr.mo.gov/env/apcp/airadvisory/apcpstakeholder.htm>



Division of Environmental Quality Director: Leanne Tippet Mosby

Date: March 5, 2015

Nothing in this document may be used to implement any enforcement action or levy any penalty unless promulgated by rule under chapter 536 or authorized by statute.

