



Small Business Compliance Advisory Committee (SBCAC)

Meeting Minutes September 17, 2009

Meeting was held at: The Old Post Office
815 Olive, Suite 19
St Louis, MO

Members present: T. Robin Cole III, Randy Potterfield, Pam Cain and Amber Boykins

DNR present: Lucy Thompson, Carlton Flowers, Wayne Graf, Sanny Cook, Nicole Eby, Darcy Bybee and Tom Siegel

Others present Bruce Morrison, Sarah Medler, Shirley Wolverson and Debbie Wurst

I. Call to Order

Meeting was called to order at 10:25 a.m.

II. Minutes

Minutes from July 21, 2009 meeting to be approved via email.

III. Regional Office Update

Tom Siegel

The St Louis Regional Office is located at 7545 S. Lindbergh Blvd., Ste. 210, St. Louis, Missouri 63125. The 50 staff in the Field Services Division. review and issue permits, conduct field activities, investigations, and inspections, and provide technical assistance. An additional 18 departmental staff, working in Energy, Vehicle Maintenance, Hazardous Waste and Parks, are also housed there.

As would be expected, applications for new permits have reduced. However, the reduction of new permits has allowed staff to work on facilities whose permits have expired and need new permits.

Air pollution control permits for open burning are way down this year, as are air pollution control construction permits for manufacturing facilities. Both of these declines are attributed to the downturn in the economy.

The Small Business Committee made the suggestion that since the Regional Office workload was down, additional outreach to the community could be provided. For example community forums to discuss diesel idling could be

hosted. The Committee emphasized that that small business cannot take off easily and any training should be succinct and useful and possibly in the evening.

IV. Update of Legislations, Regulations, and Activities

Wayne Graf

A. LEGISLATIVE ACTIONS

Big Government Get Off My Back Act – This HB 191 was effective Aug. 28th and affects rule actions

For a four-year period beginning August 28th, rules shall

- 1) certify that the rule does not have adverse impact on small business (fewer than 25 full- or part-time employees), or
- 2) certify rule is necessary to protect life, health or safety of public, or
- 3) exempt small business (25 or fewer full- or part-time employees) from coverage
- 4) does not apply to emergency rules or rule rescissions

B. RULES EFFECTIVE

The following rules are effective as of July 30th of this year.

New Source Review (NRS) Improvement rules:

10 CSR 10-6.060 Construction Permits Required; **10 CSR 10-6.100** Alternate Emission Limits; **10 CSR 10-6.410** Emissions Banking and Trading

The changes implement NSR reforms for nonattainment areas.

NOx (Nitrogen Oxides) SIP Call Rules:

10 CSR 10-6.350 Emission Limitations and Emissions Trading of Oxides of Nitrogen; **10 CSR 10-6.060** Control of NOx Emissions from Electric Generating Units and Non-Electric Generating Boilers

The changes clarify that sunset provisions do not apply if CAIR is in effect.

C. RULES ADOPTED

At the July Missouri Air Conservation Commission (MACC) meeting, the Commission adopted a revision to the Regional Haze Plan (updated to include Holcim Cement controls evaluation) and a supplement to the Lead Nonattainment Area Plan (established enforceable building ventilation system limits to meet consent agreement requirements).

At the August MACC meeting, the Commission adopted the updated Missouri Plan for Implementation, Maintenance and Enforcement of the National Ambient Air Quality Standard (NAAQS). This revised plan outlines how Missouri will implement the primary and secondary Particulate Matter (PM) 2006 standards.

Also, at August MACC meeting, a public hearing was held for the State of Missouri Plan for PM_{2.5} (particulate matter smaller than 2.5 microns) and the Attainment Demonstration for the St. Louis Metropolitan Area. This plan documents actions DNR has taken to reduce fine particulates and other precursor pollutant emissions to bring the St. Louis area into attainment.

D. SCHEDULED FOR PUBLIC HEARING

Three rulemakings are scheduled to go to public hearing on September 24, 2009. They should not affect small businesses.

The following Clean Air Interstate Rules adopt changes in the federal rules into the state rules

10 CSR 10-6.362 CAIR Annual NO_x Trading Program,
10 CSR 10-6.364 CAIR Seasonal NO_x Trading Program, and
10 CSR 10-6.366 CAIR SO_x Trading Program.

The large Internal Combustion (IC) engine rule amendment, mentioned at the July meeting, was filed August 27th and is scheduled for public hearing in December this year. (10 CSR 10-6.390 Control of NO_x Emissions from Large Stationary IC Engines)

E. RULES UNDER DEVELOPMENT

The new rule **10 CSR 10-6.165**, Restriction of Emission of Odors, has been posted on the ACP website and comments will be accepted on the draft rule text and regulatory impact report through Oct 22nd. This new rule consolidates four existing odor rules into single state-wide rule, removes the St. Louis survey requirement, and replaces the Scentometer with the Nasal Ranger as method of measurement. It also adds the requirement for odor control plans to be updated at least every 5 years.

F. OTHER ACTIVITIES

As was mentioned a couple meetings ago, significant funding has become available under the Economic Stimulus bill for MO public entities and businesses.

Transform Missouri State Clean Diesel Program:

In Kansas City, the Mid-America Regional Council (MARC) released the Request for Proposals (RFP) on July 31, 2009 and has begun accepting applications from interested entities. The application deadline is September 30, 2009. Projects have to be started by February 1, 2010 and must be completed by April 30, 2010.

2009 Diesel Emission Reduction Act (DERA) Funding:

Subject to change, but currently expecting:

1. For Stimulus Bill Competitive Funding-

The Program expects EPA to combine the 2009 and 2010 funds together. The RFP for fiscal year 2010 is expected to come out in late September. The Blue Skyways Collaborative (EPA Regions 6 and 7) is expected to receive between five and nine million dollars.

2. For state allocated funding-

Only 2009 funding will be allocated soon, 2010 State allocated funds will be allocated next year. It is expected that 2009 funding levels may be slightly different than it was in 2008. The 2008 State Program is expected to continue. The project will probably need to be completed by September 30, 2010

V. NEW BUSINESS

A. Rulemaking Fiscal Cost Evaluations

Wayne Graf

During the last meeting, there was a discussion on the fact that EPA considers the cost of regulations. The Committee asked for information on cost evaluation in regulations.

Regarding state rulemaking fiscal note requirements-

State law requires fiscal notes for rulemakings when the cost of the rule, over its lifetime, is greater than \$500 for either public entities (government) or private entities (businesses). Fiscal notes contain the analysis of costs associated with rulemaking.

Summary of fiscal cost impacts are published at end of proposed rulemakings. Public entity fiscal notes include costs for state agencies and political subdivisions, including counties, cities, towns, villages and school, road, drainage, sewer, water, levee or other specific purpose districts that are affected. The private entity fiscal notes include:

- 1- An estimate of the number of persons, businesses, associations, etc. that are likely affected.
- 2- A classification of types of those businesses (i.e. what kinds of businesses)
- 3- For costs associated with adopted federal rules, the private entity fiscal note costs should be consistent w/federal regulation when possible. If the federal rule is already in effect in the state, the costs already noted in the federal rule do not have to be reflected again in the state fiscal note.

Cost documentation for both the public and private entity fiscal notes include assumptions used for the fiscal note.

Regarding federal rulemaking cost-benefit analysis requirements-

By both executive order and legislative mandate, federal agencies are required to produce cost-benefit analyses on significant regulations

Cost-benefit analysis is required to include:

- 1- The effects on health and the environment.
- 2- The effects on State, local, and tribal governments, and the private sector.

- 3- Quantitative and qualitative estimates of anticipated costs and benefits
 - 4- What the least costly, most cost-effective or least burdensome regulatory alternative is that achieves the objective of the rule. If this alternative was not adopted an explanation of why it was not adopted must be provided.
- A study of major EPA regulations indicated that the average cost of performing a cost-benefit analysis was \$2.5 million. If the asbestos rule (for which the cost-benefit analysis cost was \$8 million) was dropped from this average, the average would be \$1.6 million (in 1995 dollars)

**B. Gas Station Generally Achievable Control Technology (GACT's)
40 CFR 63 Subparts BBBBBB and CCCCCC**

Nicole Eby

Gasoline distribution facilities and gasoline dispensing facilities (with tanks over 250 gallons) must be compliant with the new EPA GACT regulations by January 10, 2008 (or upon startup) for new sources or by January 10, 2011 for existing sources. The amount of regulations the facilities must meet are keyed to the amount of gasoline that is handled in a month.

For gasoline distribution facilities, throughput less than 20,000 gallons per day triggers less regulations than throughput of more than or equal to 20,000 gallons per day.

- > 20,000 gallons throughput per day
 - 1. Use specified floating roofs and seals or closed vent system
 - 2. Use control device to reduce emissions by 95%
 - 3. Monthly leak checks by smelling, listening to, and looking at equipment
- < 20,000 gallons throughput per day
 - 1. Cover the tank with a fixed roof
 - 2. Close all openings when not in use
 - 3. Monthly leak checks by smelling, listening to, and looking at equipment
- Cargo tanks
 - 1. Defined vapor tightness test required before loading at bulk terminals with > 250,000 gallons /day throughput

Gasoline dispensing facilities requirements are broken down by three sizes:
 Less than 10,000 gallons/month
 Between 10,000 gallons and 99,999 gallons/month
 More than and equal to 100,000 gallons /month

Monthly Throughput	Requirements: (Must be in compliance by 1/10/2011 for existing GDF, and upon startup ₂ for new GDF)	Reporting
< 10,000 gallons	1. Minimize spills. 2. Clean up spills expeditiously. 3. Cover gasoline containers & storage tank fill pipes	None, however must be able to demonstrate, within 24 hours of request, throughput is below 10,000 gallons per month.

	with gasketed seal. 4. Minimize gasoline sent to open collection systems.	
≥ 10,000 gallons	All of the above, plus: 5. For storage tanks ≥ 250 gallons capacity, load storage tank using submerged fill with discharge that is no more than the following from the bottom of tank: a) 12 inches for pipes installed on or before 11/9/2006 b) 6 inches for pipes installed after 11/9/2006.	1. Initial Notification by 5/9/08 for existing GDF, and within 15 days for new or reconstructed GDF ₃ 2. Compliance status by 1/10/11.
≥ 100,000 gallons	All of the above, plus <u>one</u> of the below: 6. Operate a vapor balance system installed prior to 1/10/08, that meets an enforceable State, local, or tribal rule or permit that requires, either a) Achieves an emission reduction of at least 90%, or b) Operates meeting the management practices specified below (#7). 7. Operate vapor balance system during storage tank loadings using the following management practices. a) Equip connections & lines with seal closures b) Vapor tight line from storage tank to cargo tank c) Cargo Tank pressure remains below specified settings d) Designed to prevent over tight/loose fittings e) Gauge well provided with submerged drop tube extending specified distance (see item 5) from tank bottom f) Use vapor tight caps for liquid fill connections g) Install pressure/vacuum vent valves on tank vent pipes at specified setting, and test initially and every 3 years h) Vapor balance system must meet static pressure test initially and every 3 years i) Dual-point (no coaxial) vapor balance systems for new GDF or tanks, and reconstructed GDF. 8. Vapor balance system demonstrated to achieve a reduction of 95% or better.	Same as 1 & 2 above, plus: 3. Keep records, report, and test as specified in enforceable conditions. Same as 1 & 2 above, plus: 4. Keep record of initial and every three year pressure tests. Same as 1, 2, & 4 above, plus: 5. Test notification 60 days before test and test results 180 days after testing.

Please see attached presentation and brochure.

It was noted that some stations were easier to reach than others. Many stations are not part of associations but are small, family owned facilities.

The Small Business Committee voted to have Ms Nicole Eby find out what the financial impact of “Stop when you click” and to request a PSA on the effects of “Stop when you click”.

The Small Business Committee would like to know whether Ag weights and measures or UST inspections could help explain upcoming changes. Ms Eby will get more information on this.

VI. Old Business

A. Outreach to Small Businesses on Permit Requirements

Lucy Thompson

The outreach memo and attachment were briefly discussed at the meeting. Discussions on possibly adding the names of the members to the letterhead was held. The committee requested that a copy of the memo with attachment be sent out to the members for approval.

C. Ozone Public Service Announcement in KC

Lucy Thompson

Lucy Thompson has identified the "owner" of the PSA as MARC. She has not been able to get approval to run it elsewhere in the state.

C. Asbestos Outreach

Carlton Flowers

The DVD has been made and is ready to send to various studios. Carlton has been in contact with some stations and has a list of others to contact.

D. Area Sources - Outreach

Carlton Flowers

We have been doing presentations as requested by various groups. Because the state has not taken delegation we have not actively been beating the bushes for speaking opportunities, but we are available as needed.

VII. Adjourn