

**NORTH CAROLINA
DIVISION OF AIR QUALITY**

Compliance Monitoring Strategy Plan

for

Federal Fiscal Year 2017

(Revision of the Federal Fiscal Year Biennial Plan)

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1.0 INTRODUCTION

The North Carolina Division of Air Quality (DAQ) conducts an air quality program to maintain air quality, protect public health, and protect the environment. The DAQ assures compliance with air regulations through the following activities:

- Performing facility compliance evaluations
- Performing on-site facility inspections,
- Issuing permits,
- Enforcing against violators,
- Reviewing self-monitored reports,
- Assuring quality of measurements and operations,
- Reviewing source test results, and
- Maintaining emission inventories.

The DAQ performs evaluations of facilities to determine compliance with state and federal regulations. DAQ also provides customer service to facilities to assist with understanding rules and achieving compliance. Enforcement actions against violators are necessary to regain compliance and deter further violations. Self-monitoring is required at specified facilities where it is necessary to assure compliance on a continuous basis. Quality assurance activities maintain the accuracy of the measurement devices and pollution control equipment. Maintaining an inventory of emission sources helps DAQ identify those sources whose emissions can be reduced most effectively to meet clean air standards.

Increased tasks and responsibilities in these activity areas are required by the Clean Air Act as amended in 1990 (CAA). In particular, the U.S. Environmental Protection Agency (EPA) requires states to document their plans for performing inspections. Given limited DAQ resources and a constantly increasing number of interests to inspect, there is a clear need to have a cohesive program to help plan inspections. This document provides the Compliance Monitoring Strategy Plan and commitments for each of the seven regional offices in the DAQ (Asheville, Fayetteville, Mooresville, Raleigh, Washington, Wilmington and Winston-Salem).

2.0 GOALS

The EPA requires a biennial plan of the NC DAQ that lists our goals for a two-year period. The EPA also requests revisions to the plan for the second year. The biennial plans start on the even fiscal years 2012, 2014, 2016 etc. NC DAQ submitted a biennial plan for fiscal year 2016 last year. The plan submitted for fiscal year 2017 is the revision of the 2016 biennial plan. The NC DAQ strives to perform full compliance evaluations at all major and synthetic minor facilities every year. The plan has been developed by DAQ under guidelines revised in the EPA's "Clean Air Act Stationary Source Compliance Monitoring Strategy" (CMS), dated October 4, 2016. The CMS policy encompasses all Title V facilities and synthetic minor facilities that emit or have the potential to emit at or above 80% of the Title V major source threshold. The CMS recommends that a Full Compliance Evaluation (FCE) be conducted at Title V facilities at least once every two years. The CMS also allows a state to designate some of its more complex Title V facilities as mega-sites, and it recommends that a FCE be conducted at mega-sites at least once every three years. For synthetic minor facilities that emit or have the potential to emit at or above 80% of the Title V major source threshold, a FCE is recommended at least once every five years.

The DAQ's compliance goal for FFY2017 exceeds the recommendations for evaluation frequencies given in the CMS. The DAQ's general goal is to conduct FCEs and on-site visits at all Title V facilities, including mega-sites, and all synthetic minor facilities every year. The DAQ does not distinguish synthetic minor facilities that emit or have the potential to emit at or above 80% of the Title V major source threshold from the general population of synthetic minor facilities. Nearly all synthetic minor facilities are permitted at 95% of the threshold. Any synthetic minor facility, even one emitting far below the major source threshold, can easily exceed its administrative limits. Thus, DAQ's goal is to perform annual FCEs and on-site inspections at all synthetic minor facilities.

Although DAQ's goal is to evaluate all Title V and synthetic minor facilities every year, some regional offices in the DAQ have established different goals because of specific regional issues. The regional inspection plans discussed in Section 3 describe the various approaches to setting inspection goals for FFY2017. Even in cases where the regional goal differs from DAQ's general goal, the regional goal still exceeds the minimum evaluation frequencies recommended in the CMS.

3.0 REGIONAL PLANS

The regional plans provide an inspection commitment for Title V facilities and synthetic minor facilities, as well as for minor facilities that are beyond the scope of the CMS. This section reviews the various approaches that the regions used to develop their inspection commitments.

3.1 Inspection Targeting

States can use a variety of methods to target facilities for inspections. The EPA had previously supported, and NC DAQ used, the Inspection Targeting System (ITS). Quantitative ranking of facilities include factors such as the maximum theoretical annual emissions, the presence of control equipment, the compliance history, and the risk to air quality. Other factors that may be considered include the permit issuance or renewal period as well as sector initiatives that we or the EPA may emphasize. Our Winston-Salem regional office has created an alternative method for ranking facilities based on much of the same logic in the ITS program and used this similar ranking method to develop its inspection plan for FFY 2017. The remaining regions use qualitative approaches using expected inspection frequencies.

3.2 Qualitative Plans

The DAQ will enter CMS data in the Integrated Compliance Information System (ICIS) that will indicate the CMS category, inspection interval, and record the required actions for satisfying our facility evaluation commitments. The DAQ has an integrated Compliance Tracking computer program made up of different modules such as: Programs, Actions, Reporting, Violations, Complaints, Planning, Letters, Documents, and Facilities. We will be able to feed data from our Compliance Tracking computer program via Central Data Exchange (CDX) to ICIS. We also track Maximum Achievable Control Technology (MACT)/General Available Control Technology (GACT) facility programs & subparts, as well as New Source Performance Standards (NSPS) subparts, in the Programs module & now ICIS. All seven DAQ regional offices plan to perform Full Compliance Evaluations (FCE) and on-site inspections at all operating Major - Title V facilities during FFY 2017. All DAQ regional offices plan to perform Full Compliance Evaluations and on-site inspections at all synthetic minor facilities during FFY 2017 except for the Raleigh Regional Office. The DAQ also plans to evaluate 1481 minor facilities in FFY 2017 – 2018.

4.0 STATEWIDE CMS PLAN (see facilities in the CMS Plan for FFY2017 attached)

Table 1: Title V Facilities Targeted for FFY 2017

Facilities in each regional inspection plan were compiled to arrive at a list of Title V facilities for the DAQ. Table 1 presents the list of Title V facilities, reports the date of the most recent compliance evaluation, identifies which facilities are subject to MACT/GACT and specifies the subparts. Finally, Table 1 identifies that an FCE and an on-site visit is planned for FFY 2017 at all Title V facilities. Below is a summary of the major facility counts taken from the attached Table 1.

DAQ Major Facility Committal – FFY2017

	Facilities Committed	Total Facilities	Percentage
ARO	28	28	100%
FRO	40	40	100%
MRO	64	64	100%
RRO	57	57	100%
WARO	33	33	100%
WIRO	22	22	100%
WSRO	47	47	100%
DAQ Total	291	291	100%

Table 2: Synthetic Minor Facilities Targeted for FFY 2017

Facilities in each regional inspection plan were compiled to arrive at a list of synthetic minor facilities for the DAQ. Table 2 presents the list of synthetic minor facilities targeted for FFY 2017. As stated previously, the DAQ does not distinguish synthetic minor facilities that emit or have the potential to emit at or above 80% of the Title V major source threshold from the general population of synthetic minor facilities. Table 2 reports the date of the most recent compliance evaluation, identifies which facilities are subject to MACT and specifies the subparts. Finally, Table 2 identifies that an FCE and an on-site visit is planned for FFY 2017 at the synthetic minor facilities on the list. Below is a summary of the synthetic minor facility counts taken from the attached Table 2.

DAQ Synthetic Minor Facility Committal – FFY 2017

	Facilities Committed	Total Facilities	Percentage
ARO	73	73	100%
FRO	71	71	100%
MRO	114	114	100%
RRO	144	144	100%
WARO	52	52	100%
WIRO	49	49	100%
WSRO	140	140	100%
DAQ Total	643	643	100%

Table 3: Facilities Designated as Mega-sites

The CMS allows states to designate some of its more complex Title V facilities as mega-sites. When identifying mega-sites, the states can consider the number and type of emission units, the volume and character of pollutants emitted, the number and types of control and monitoring systems, the number of applicable regulatory requirements, the availability of monitoring data, the degree of difficulty in determining compliance at individual units and at the entire facility, and the foot print of the facility. The DAQ designated 12 facilities in AFS in the past. The DAQ will now designate these 12 facilities as mega-sites in ICIS based on these criteria and on recommendations from the DAQ's regional offices. Table 3 presents the designated mega-sites in North Carolina.

5.0 ADDITIONAL COMPLIANCE ACTIVITIES AND PRIORITIES FOR DAQ

The DAQ performs additional compliance monitoring activities beyond those addressed in its CMS plan. For instance, the DAQ annually inspects over a thousand minor facilities and responds to hundreds of open burning complaints not covered under EPA's CMS policy. The CMS policy is not designed to preclude these types of activities. However, these and other activities have to be accounted for when the DAQ establishes its compliance goals for FFY2017.

The air quality staff in the regional offices performs various tasks pertaining to source compliance including issuance and renewal of construction and operating permits, performing all aspects of full compliance evaluations including on-site facility inspections, review of malfunctions, and preparation of enforcement cases. Priorities may vary from region to region because of particular regional problems. In general, however, the priorities for DAQ regional office staff are as follows:

- Permitting,
- Complaint response (including odor complaints),
- Emission inventory,
- Compliance evaluations - a continual process throughout the year,
- On-site facility inspections,
- Enforcement response,
- Report review,
- Ambient monitoring,
- Stack test observation,
- Training,
- Surveillance.

An inspection targeting method, such as that used by Winston Salem, prioritizes facility inspections based on the factors selected and the permit renewal cycle. Where an inspection targeting method is not used, the regions set goals by using the expected inspection frequencies.

State funding places further restrictions on how staffing hours are allocated. Staff salaries are funded from either the Title V permitting program or from other areas for non-Title V facilities. Resources used to inspect a facility must come from the matching funding source. Since synthetic minor facilities and minor facilities are funded from the same source, time allocated for inspection of minor facilities impacts the time available for inspection of synthetic minor facilities. For this reason, the DAQ also must set inspection goals for these minor facilities, which are beyond the scope of the EPA’s CMS. Table 4 contains a list of the minor facilities in the state and inspection goals.

Table 4: Minor Facilities Targeted for FFY 2017-2018

Table 4 lists all of the minor facilities that we plan to inspect in FFY 2017-2018. The lists were generated using criteria such as permit expirations during FFY 2017-2018, time since the last inspection, no previous inspection data recorded, violations recorded, and sector targeting. All DAQ regions specified which minor facilities they would inspect in FFY2017-2018. Below is a summary of the minor facility counts taken from the attached Table 4.

DAQ Minor Facility Committal – FFY2017-2018

	Facilities Committed	Total Facilities	Percentage
ARO	188	188	100%
FRO	153	153	100%
MRO	309	309	100%
RRO	250	250	100%
WARO	156	156	100%
WIRO	102	102	100%
WSRO	323	323	100%
DAQ Total	1481	1481	100%

6.0 CONCLUSION

The DAQ believes that its Compliance Monitoring Strategy Plan discussed in this document exceeds the guidelines presented in EPA’s CMS and will adequately protect air quality and enforce state and federal regulations while allowing needed judgment to be exercised by regional management and individual inspectors.