

RULE SUMMARY

Subject: Clarify Applicability of Prevention of Significant Deterioration (PSD) Rule for Greenhouse Gases and Title V Applicability Rule (528)

Rule Citation	What is Changed	Purpose of Change (Why)	Who is Affected and How	Impacts
<p>15A NCAC 02D .0544, <i>Prevention of Significant Deterioration Requirements for Greenhouse Gases</i></p> <p>15A NCAC 02Q .0502, <i>Applicability</i></p>	<p>These rules are proposed for amendment to remove the requirement that facilities obtain a PSD or Title V permit on the sole basis of its greenhouse gas (GHG) emissions. Rule 15A NCAC 02D .0544 is also is proposed for amendment to incorporate the current global warming potentials by reference and incorporate any subsequent changes to the potentials.</p>	<p>On June 23, 2014, the United States Supreme Court issued a decision in Utility Air Regulatory Group (UARG) v. Environmental Protection Agency (EPA) addressing the application of stationary source permitting requirements to GHG emissions. In its decision, the Supreme Court said that the EPA may not treat greenhouse gases as an air pollutant for the purposes of determining whether a source is a major source required to obtain a PSD or Title V permit.</p>	<p>Facilities that emit at least 100,000 tons per year of GHG alone would not be subject to Title V permitting requirements. New facilities that emit GHG emissions of at least 100,000 tons per year would not be subject to PSD permitting requirements if they do not exceed the permitting thresholds for any other pollutant. Modifications at existing facilities that increase their GHG emissions by at least 75,000 tons per year would not be subject to PSD permitting requirements if they do not significantly increase emissions of any other pollutant.</p>	<p>The Division of Air Quality (DAQ) estimates the cost savings in annual Title V fees for affected facilities to be \$23,502 beginning in 2015. The fiscal impact to the State would be the equivalent loss of those annual Title V permit fees for the facilities that were required to submit a Title V application under the current rule. No fiscal impact was determined for PSD permitting since the DAQ has not issued any PSD permits for GHGs to date. No impacts were determined for the local programs since they have not issued any Title V or PSD permits for GHG. No impacts are expected due to updating the global warming potentials.</p>