The Area Source Program
An Update

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Area Sources

- Potential to emit less than 10 tpy for a single HAP and less than 25 tpy for combined HAP

- Individual area sources are small emitters
  - Many sources emit less than 100 pounds of HAPs
  - Collectively, these sources are important toxic contributors, especially in urban areas
Statutory Requirements

- 112(c)(3) and 112(k)
  - List area source categories representing at least 90% of the emissions of the 30 listed urban HAP
  - Prepare a national strategy for urban air toxics
  - Subject categories to regulation and promulgate by 11/15/2000
  - Achieve at least a 75% reduction in cancer incidence
Listing of Categories

- The Integrated Urban Strategy was published July 19, 1999

- 70 source categories have been listed
  - Listing completed in November 2002
  - Source categories required to be “subject to regulation”
Status

- 15 standards have been completed
- 5 categories are under consent decree

<table>
<thead>
<tr>
<th>STANDARD</th>
<th>PROPOSAL</th>
<th>PROMULGATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Solid Waste Incineration</td>
<td>11/30/2004</td>
<td>11/2005</td>
</tr>
<tr>
<td>Oil and Natural Gas Production</td>
<td>06/30/2005</td>
<td>12/2006</td>
</tr>
<tr>
<td>Hospital Sterilizers</td>
<td>10/2006</td>
<td>12/2007</td>
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Status of Remaining 50 Categories

- 28 source categories have been initiated
  - Based on a toxicity-weighted prioritization

- 22 remain unaddressed

- Schedule under litigation
  - Final oral arguments scheduled for November
  - Expect court schedule sometime after that
Program Challenges

- There are numerous facilities
  - Many small businesses

- Most sources have not been regulated before

- Most sources are difficult to locate
  - Most are not included in existing inventories
  - Most are not required to report under Title III
  - Many are not represented by trade associations

- There are smaller amounts of emissions per facility but collectively can present a problem
Program Challenges

- Resources are limited

- Need to **balance** addressing the requirements and the high risk areas with resources and practical restraints for implementation

- Need to provide for states that need regs and states with existing programs

- Need to maximize co-benefit reductions
Implementation Challenges

- Many states don’t have resources to take delegation

- EPA will have to implement program where states do not take delegation

- Need to minimize burden for all levels -- especially small businesses
Exploring New Ways of Doing Business

- Explore options to nontraditional rulemaking
- Explore pollution prevention approaches
- Develop user friendly and cost effective control options
- Develop innovative compliance measures
  - Simplified monitoring plans, reduced recordkeeping, self-certification for permitting
The Area Source Framework

Screening/Characterization of Source Categories

Step 1 - Binning

National Rulemaking Approach
- 1 Source Category Rulemaking
- Control Options
- Pollution Prevention Options

Generic Rulemaking Approach
- 1 Rule/Multiple Categories
- Control Options
- Pollution Prevention Options

Step 2 - Two Rulemaking Approaches

or

Rule/Multiple Categories
Control Options
Pollution Prevention Options
Two Regulatory Approaches

- **National Rulemaking Approach**
  - Establish national standards for source categories that have a national level of concern

- **Generic Rulemaking Approach**
  - Enact a rule, covering a set of categories, that will regulate how categories are controlled at the local level based on local needs
  - EPA will provide guidance on control approaches
Focus on GACT

- Can develop standards or requirements

- 112(d)(5) – use of Generally Available Control Technologies or management practices

- Advantages to using GACT:
  - Allows more flexibility
  - There is no floor to calculate
  - Cost effectiveness is considered
Generic Rulemaking Approach
Control Requirements

Is the source below the minimum cutoff?

No

Yes

Is risk considered?

No

No further control

Yes

No

Go to Lookup Tables

No/Low Risk

High Risk

No further control

Use GACT Guidance
Potential Authorities

- **112(k)(4)** – encourage and support area wide strategies developed by state and locals

- **112(l)** – each State may develop and submit a program for implementation and enforcement

- **301(a)** – EPA can prescribe such regulations as are necessary to carry out its function under the Act.
Framework Status

- Spring 2005 developed a white paper describing the concept and issues to be addressed

- Summer 2005 created teams to help work on issues and develop implementation plan

- Timeframe
  - By October 30 – completed implementation plan with details on how to implement framework
  - By December 30 – begin development of draft preamble language for flexible area source process rule
For More Information

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