# NOTICE OF PUBLIC HEARINGS AND PUBLIC MEETING STATE OF NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY (NDEQ) ENVIRONMENTAL QUALITY COUNCIL

Notice is hereby given pursuant to Neb. Rev. Stats. §81-1505(17), §84-907, and §84-1411, the Nebraska Environmental Quality Council (EQC) will hold a meeting and public hearings on April 3, 2019 beginning at 9:00 A.M. Central Time (CT) at the Cornhusker Hotel, 333 South 13<sup>th</sup> St., Lincoln, Nebraska. Preceding the hearings will be business items on the agenda. The hearings are scheduled to begin at 9:00 A.M. CT or as soon thereafter as can reasonably be heard. The purpose of the hearings is to take testimony and evidence about the proposed amendment of NDEQ regulations, as outlined in this notice.

The meeting agenda and a draft copy of the proposals scheduled for hearing are available at the NDEQ's Lincoln office, 1200 N St., Suite 400, Lincoln, NE and on the NDEQ website at <a href="http://deq.ne.gov">http://deq.ne.gov</a>. The meeting agenda and a draft copy of the proposed regulations scheduled for hearing are also available at the Office of the Secretary of State, Regulations Division, 1201 N St., Suite 120, Lincoln, NE, 68508. The description of the fiscal impact of the proposed regulations on state agencies, political subdivisions, or persons regulated is also available at these locations.

All interested persons may attend and testify orally or by written submission at the public hearing. Any person may provide advance notice of intent to testify by contacting Carla Felix, Hearing Officer, NDEQ, 1200 N St., Suite 400, P.O. Box 98922, Lincoln, NE 68509-8922. Unscheduled testimony will be heard following scheduled testimony. Interested persons may also submit written comments to Carla Felix prior to the hearing, which will be entered into the hearing record if received at the Lincoln office by 5:00 P.M. CT, April 2, 2019.

Please notify the NDEQ at least one week in advance of the EQC meeting if auxiliary aids or reasonable accommodations or alternate formats of materials are needed. Contact phone number is 402-471-2186. TDD users call 800-833-7352 and ask the relay operator to call us at 402-471-2186.

A public hearing will be held on the following:

- 1. Amendments to Title 129 Nebraska Air Quality Regulations, Chapter 8. Change to Chapter 8 eliminates language referring to supersession of previously issued operating and construction permit to clarify such permits do not lapse when a subsequent operating permit is issued. The EQC will vote to adopt, amend or not approve the NDEQ proposal after hearing and considering all the testimony and written submissions.
- 2. Amendments to Title 117 Nebraska Surface Water Quality Standards. These amendments are proposed as part of the State's triennial review of Water Quality

Standards, required by Section 303 of the Federal Clean Water Act. Changes in Chapter 1 revise and update definitions, and where applicable reference statutory citations. Changes in Chapter 2 revise, clarify, and update language; and propose procedures for application and granting a variance to water quality standards as authorized by new federal regulations established in 40 Code of Federal Regulations § 131.14. Changes to Chapter 4 revise and update water quality standards as described in the chapter. Changes to Chapter 5 update designated use classifications of certain streams in the Nemaha River Basin identified in the chapter; update key species codes for streams identified in the chapter; and remove illustrative basin maps from the chapter which will be made available on the department website. Changes to Chapter 6 clarify that point source discharges from livestock sources are prohibited; add fifteen lakes and reservoirs located in the Big Blue River Basin, the Middle Platte River Basin, the Missouri Tributaries River Basin, the Nemaha River Basin, the Niobrara River Basin, and the North Platter River Basin; and delete one lake that no longer exhibits the characteristics of a lake and is now covered by Chapter 7 wetlands requirements; and make other minor revisions and updates language. Changes to Chapter 7 revise and update key species; update and revise pollutants; and make other minor revisions and update language. Chapter 8 is proposed for deletion because it duplicates statutory language found in Neb. Rev. Stat. § 84-906(1) of the Administrative Procedure Act.

- 3. Amendments to Title 131 Rules and Regulations for the Wastewater Treatment Facilities and Drinking Water Construction Assistance Programs. Changes to Chapter 1 add, revise, and update definitions, and where applicable reference statutory citations. Changes to Chapter 2 remove redundant and unnecessary requirements; include provisions on interest rates and administrative fees from Chapter 3; include provisions on emergency assistance from Chapter 3 and 9; include provisions on application denial from Chapter 7; add new provisions related to environmental assessments; include provisions on applications and general loan terms from Chapter 8; and rename chapter. Chapter 3 as it currently exists is deleted because the language on Intended Use Plan (IUP) and its required elements is duplicative of federal requirements or state statute. General requirements applicable to wastewater treatment projects, nonpoint and other projects, and public water system projects, currently found in Chapters 4, 5, and 6, have been included as provisions in renamed Chapter 3; and the existing Chapters 4, 5, and 6 are deleted. Chapter 7 is deleted because provisions relating to application denial are moved to Chapter 2 and remaining provisions are duplicative of federal IUP requirements. Chapter 8 is deleted because its provisions on applications and general loan terms are moved to Chapter 2, are adequately addressed in statute, or will be included in the IUP. Chapter 9 is deleted because emergency assistance has been moved to Chapter 2 and will be implemented through the IUP. Chapter 10 is deleted because it is redundant of state statutes which adequately address requirements and eligibility for the linked deposit program. Chapter 11 is deleted because the requirements will be covered by applicable agreements and contracts with financial institutions.
- 4. Amendments to Title 115 Rules of Practice and Procedure. Changes to Chapter 1 delete definitions and incorporate model rules of agency procedure promulgated by the Attorney General. Chapter 2 is deleted and incorporated as a model rule in Chapter 1.

Chapter 3 is deleted because it duplicates statutory public record requirements and is not needed in regulation. Changes to Chapter 4 update language on confidentiality of trade secrets and is renumbered as Chapter 2. Changes to Chapter 5 update language on public hearings and is renumbered as Chapter 3. Chapter 6 is deleted because it duplicates statutory language on voluntary compliance. Chapters 7 through 10 are deleted and incorporated as model rules in Chapter 1. The EQC will vote to adopt, amend or not approve the NDEQ proposal after hearing and considering all the testimony and written submissions.





#### FISCAL IMPACT STATEMENT

Agency:

Nebraska Department of Environmental Quality

Prepared by:

Kevin Stoner

Date Prepared:

November 30, 2018

Phone:

(402) 471-3194

Title:

129

Chapter: Name:

Nebraska Air Quality Regulations

State Status:

Hearing Draft

## Type of Fiscal Impact:

	State Agency	Political subdivision	Regulated Public
No Fiscal Impact	X	X	X
Increase Costs			
Decrease Costs			
Increased Revenue			-
Decreased Revenue			
Indeterminable			

# **Description of Impact:**

State Agency: This proposed change would have no fiscal impact to the agency.

Political Subdivision: No fiscal impact

Regulated Public: This proposed change would avoid potential future impacts to

regulated entities seeking operating permits from the agency.

#### Title 129 – NEBRASKA DEPARATMENT OF ENVIRONMENATL QUALITY

## Chapter 8 - OPERATING PERMIT CONTENT

- <u>001</u> Each Class I operating permit shall include the standard permit requirements in sections <u>002</u> through <u>013</u>.
- <u>002</u> Emission limitations and standards. Each permit shall specify emission limitations and standards, including those operational requirements and limitations that assure compliance with all requirements applicable at the time of permit issuance.
  - <u>002.01</u> The permit shall specify and reference the origin of, and authority for, each term or condition. In addition it shall identify any difference to the terms or conditions as compared to the applicable requirement upon which the term or condition is based.
  - <u>002.02</u> Where an applicable requirement is more stringent than an applicable requirement specified in Chapter 26, both provisions shall be incorporated into the permit.
  - <u>002.03</u> If an applicable implementation plan or an applicable requirement allows a source to comply through an alternative emission limit or means of compliance equivalent to that contained in the plan, a source may request that such an alternative limit or means of compliance be specified in its permit. Such an alternative emission limit or means of compliance shall be included in a source's permit upon a showing that it is quantifiable, accountable, enforceable, and based on replicable procedures. The source shall propose permit terms and conditions to satisfy these requirements in its application.

#### 003 Permit duration.

- <u>003.01</u> Class I and Class II operating permits shall be issued for a fixed term not to exceed 5 years, except as provided below:
- <u>003.02</u> The Director may issue any Class I permit, except as limited in <u>003.04</u> and <u>003.05</u>, for a duration that is less than the full allowable term under 003.01.
- <u>003.03</u> The term of a permit shall not be extended by modification beyond the maximum duration specified except that the conditions of an expiring permit shall continue until the effective date of a new permit in accordance with Chapter 12, provided that:
  - <u>003.03A</u> The permittee has submitted a timely application which has been deemed complete by the Department, and
  - <u>003.03B</u> The Director, through no fault of the permittee, does not issue a new permit

with an effective date before the expiration date of the previous permit.

<u>003.04</u> Class I permits for affected sources shall be issued for a fixed term of 5 years.

<u>003.05</u> Class I permits for solid waste incineration units combusting municipal waste subject to a performance standard under Chapter 18 shall be issued for a period not to exceed 5 years.

004 Monitoring and related recordkeeping and reporting requirements.

<u>004.01</u> Each Class I permit shall contain the following monitoring requirements:

<u>004.01A</u> All emissions monitoring and analysis procedures or test methods required under the applicable requirements, including any procedures and methods established in Chapter 31 or pursuant to any permit or order issued by the Director under this Title.

<u>004.01B</u> Where the applicable requirement does not require periodic testing or instrumental or non-instrumental monitoring, periodic monitoring sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the permit. Such monitoring requirements shall assure use of terms, test methods, units, averaging periods, and other statistical conventions consistent with the applicable requirement.

<u>004.01C</u> As necessary, requirements concerning the use, maintenance, and installation of monitoring equipment or methods and quality assurance and control procedures.

<u>004.02</u> Each Class I permit shall incorporate all applicable recordkeeping requirements and require, if necessary, the following:

<u>004.02A</u> Records of required monitoring information that include the following:

<u>004.02A1</u> The date and place as defined in the permit, and time of sampling or measurements;

004.02A2 The date(s) analyses were performed;

004.02A3 The company or entity that performed the analyses;

<u>004.02A4</u> The analytical techniques or methods used;

<u>004.02A5</u> The results of such analyses; and

<u>004.02A6</u> The operating conditions existing at the time of sampling or measurement.

<u>004.02B</u> Retention of records of all required monitoring data and support information for a period of at least 5 years from the date of

the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, and copies of all reports required by the permit. The permit may specify that records may be maintained in computerized form.

<u>004.03</u> Each Class I permit shall incorporate all applicable reporting requirements and shall, at a minimum, require the following:

<u>004.03A</u> Submittal of reports of required monitoring at least every 6 months. All instances of deviations from permit requirements must be clearly identified in such reports. All required reports must be certified by a responsible official in accordance with Chapter 7, section <u>008</u>.

<u>004.03B</u> Reporting of deviations from permit requirements, including those attributable to upset conditions as defined in the permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. The permit shall require reporting of deviations as follows:

<u>004.03B1</u> Any deviation resulting from emergency or upset conditions as defined in Chapter 11 shall be reported within two working days of the date on which the permittee first becomes aware of the deviation, if the permittee wishes to assert the affirmative defense authorized under said section;

<u>004.03B2</u> Any deviation that poses an imminent and substantial danger to public health, safety, or the environment shall be reported as soon as is practicable;

004.03B3 Any other deviations that are identified in the permit as requiring

more frequent reporting than the permittee's semi-annual report shall be reported on the schedule specified in the permit.

<u>004.03B4</u> All reports of deviations shall identify the probable cause of the deviations and any corrective actions or preventative measures taken.

<u>004.04</u> Every report submitted under <u>004.03</u> shall be certified by a responsible official, except that a report of a deviation required under <u>004.03B</u> must be submitted within ten days of the deviation. The report may be submitted initially without a certification if an appropriate certification is provided within ten days thereafter, together with any corrected or supplemental information required concerning the deviation.

#### 005 Acid Rain Permit Condition

<u>005.01</u> Acid Rain. Each Class I permit issued to an affected source shall include a permit condition prohibiting emissions exceeding any allowances that the source lawfully holds under the Act.

<u>005.01A</u> No permit revision shall be required for increases in emissions that are authorized by allowances acquired pursuant to the Title IV acid rain program developed under the Act, provided that such increases do not require a permit revision under any other applicable requirement.

<u>005.01B</u> No limit shall be placed on the number of allowances held by the source.

<u>005.01C</u> The allowances a source possesses shall not be a defense to noncompliance with any other applicable requirement.

<u>005.01D</u> Any allowance shall be accounted for according to procedures established in Chapter 26.

<u>005.02</u> Reserved.

<u>006</u> Severability. Each Class I and Class II permit shall contain a severability clause to ensure the continued validity of the various permit requirements in the event of a challenge to any portions of the permit.

007 General conditions. Each permit shall contain the following provisions:

007.01 The permittee must comply with all conditions of the Class I and Class II permit.

Any permit noncompliance shall constitute a violation of the State Act and the Act, and is grounds for enforcement action; permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.

<u>007.02</u> It shall not be a defense for a permittee in an enforcement action to claim that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

<u>007.03</u> The permit may be modified; revoked, reopened, and reissued; or terminated for cause in accordance with this Title and Title 115, <u>Rules of Practice and Procedure</u>. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not supersede any permit condition.

<u>007.04</u> The permit does not convey any property rights of any sort, or any exclusive privilege.

<u>007.05</u> The permittee shall furnish to the Department, within the time specified by the Department, any information requested by the Department in writing to determine whether cause exists for modifying; revoking and reissuing; or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the Department copies of records required to be kept in accordance with the permit or, for information claimed to be confidential, the permittee may furnish such records along with a claim of confidentiality pursuant to Title 115 - <u>Rules of Practice and Procedure</u>.

<u>007.06</u> The provisions of a permit issued under this Title supersede the provisions of any previously issued operating or construction permit.

<u>008</u> Fees. Each Class I permit shall contain a provision to ensure that a major source of regulated pollutants pays fees to the Department consistent with Chapter 29.

<u>009</u> Alternative operating scenarios. Each permit shall contain terms and conditions for reasonably anticipated operating scenarios identified by the source in its application as approved by the Director. Such terms and conditions:

<u>009.01</u> Shall require the source, contemporaneously with making a change from one operating scenario to another, to record in a log at the permitted facility a record of the scenario under which the source is operating;

- <u>009.02</u> Must ensure that the terms and conditions of each alternative scenario meet all applicable requirements and the requirements of the permit; and
- $\underline{009.03}$  The permit shield, if requested, as described in  $\underline{014}$  for all terms and conditions under each operating scenario.
- <u>010</u> Reopening for cause. Each permit shall include provisions specifying the conditions under which the permit will be reopened, revoked and reissued, or terminated, in accordance with Chapter 15, section <u>006</u>.
- <u>011</u> Risk Management Plans. If the source is required to develop and register a risk management plan pursuant to section 112(r) of the Act and regulations adopted by the Council, the permit will specify that the permittee will comply with

the requirement to register such a plan. The content of the risk management plan will not be incorporated as a permit term. The permit shall require:

- <u>011.01</u> Verification of plan preparation and submittal to the Department, the State Emergency Response Commission, and any Local Emergency Planning Committee; and
- <u>011.02</u> Annual certification in accordance with Chapter 7, <u>006.02I3</u> that the risk management plan is being properly implemented.
- <u>012</u> Compliance requirements. All Class I operating permits shall contain the following elements with respect to compliance:
  - <u>012.01</u> Consistent with <u>004</u> above, compliance certification, testing, monitoring, reporting, and recordkeeping requirements sufficient to assure compliance with the terms and conditions of the permit. Any document, including reports, required by a Class I permit shall contain a certification by a responsible official that meets the requirements of Chapter 7, section 008.
  - <u>012.02</u> Inspection and entry requirements that require the permittee to allow the Department, EPA or an authorized representative, upon presentation of credentials and other documents, to:
    - <u>012.02A</u> Enter upon the permittee's premises at reasonable times where a source subject to a Class I operating permit is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;
    - 012.02B Have access to and copy, at reasonable times, any records that must be kept

under the conditions of the permit;

<u>012.02C</u> Inspect at reasonable times any facilities, pollution control equipment, including monitoring and air pollution control equipment, practices, or operations regulated or required under the permit; and

<u>012.02D</u> Sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

012.03 A schedule of compliance consistent with Chapter 7, section 006.02H.

<u>012.04</u> Progress reports consistent with an applicable schedule of compliance in Chapter 7, section <u>006.02H</u> to be submitted at least semiannually, or at a more frequent period if specified in the applicable requirement or by the Director. Such progress reports shall contain the following:

<u>012.04A</u> Dates for achieving the activities, milestones, or compliance required in the schedule of compliance, and dates when such activities, milestones, or compliance were achieved; and

<u>012.04B</u> An explanation of why any dates in the schedule of compliance were not met, or will not be met, and any preventive or corrective measures adopted.

<u>012.05</u> Requirements for compliance certification with terms and conditions contained in the permit, including emission limitations, standards, or work practices. Permits shall include each of the following:

<u>012.05A</u> The frequency, not less than annually or such more frequent periods as specified in the applicable requirement or by the Department, of submissions of compliance certifications;

<u>012.05B</u> In accordance with <u>004</u> above, a means of monitoring the compliance of the source with its emissions limitations, standards and work practices;

<u>012.05C</u> A requirement that the compliance certification include the following:

<u>012.05C1</u>. The identification of each term or condition of the permit that is the basis of the certification;

012.05C2. The compliance status;

<u>012.05C3.</u> A determination of whether compliance was continuous or intermittent;

 $\underline{012.05C4.}$  The method(s) used for determining the compliance status of the source, currently and over the reporting period consistent with  $\underline{004}$  above; and

<u>012.05C5.</u> Such other facts as the Department may require to determine the compliance status of the source;

<u>012.05D</u> A requirement that all compliance certifications be submitted to the Administrator as well as to the Department; and

<u>012.05E</u> Such additional requirements as may be specified pursuant to this Title, the applicable Implementation Plan, or any permit issued under this Title.

<u>013</u> The Director may place such conditions and restrictions upon a permit issued or renewed under this Title as he or she deems necessary to protect public health or the environment. Such conditions or restrictions may be placed upon the permit at the time it is issued, modified, or renewed. By way of example, and not of limitation, such conditions or restrictions may be new federal applicable requirements not yet adopted by the Council.

#### 014 Permit Shield for Class I Permits.

<u>014.01</u> If requested in the permit application, the permit shield provided in this section shall be included in the permit.

<u>014.02</u> The permit shield shall provide that compliance with a permit during its term constitutes compliance with all applicable requirements identified pursuant to Chapter 7 of this Title as of the date of permit issuance, provided that:

<u>014.02A</u> Such applicable requirements are included and specifically identified in the permit; or

<u>014.02B</u> The Department, in acting on the permit application or revision, determines in writing that other requirements specifically identified are not applicable to the source, and the permit includes the determination.

<u>014.03</u> The permit shield does not affect:

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- <u>014.03A</u> The emergency provisions of Neb. Rev. Stat. §81-1507 of the State Act;
- <u>014.03B</u> Liability for any violation of applicable requirements or applicable requirements under the Act prior to or at the time of permit issuance;
- <u>014.03C</u> The applicable requirements of Chapter 26;
- <u>014.03D</u> The authority of the Department or EPA to obtain information; or
- <u>014.03E</u> Any other permit provisions, terms, or conditions, including, but not limited to, construction permits issued pursuant to Chapter 17 or permits issued pursuant to other State authorities and Titles.
- <u>014.04</u> A Class I permit that does not expressly state that a permit shield exists shall be presumed not to provide such a shield.
- <u>015</u> Each Class II operating permit shall include those requirements applicable to Class II sources and any additional requirements which the Director deems appropriate, including but not limited to, the following:
  - <u>015.01</u> Emissions limitations and standards which are at least as stringent as any applicable requirement or other requirements contained in the State Implementation Plan.
  - <u>015.02</u> Monitoring and related recordkeeping and reporting requirements.
  - <u>015.03</u> Compliance certification, testing, monitoring, reporting, and recordkeeping requirements.
- <u>016</u> All terms and conditions in a Class I or Class II operating permit, including any provisions designed to limit a source's potential to emit, are enforceable by the Administrator of EPA and citizens under the Act except those terms and conditions which have been specifically designated as not federally enforceable under <u>017</u> below.
- <u>017</u> Each Class I permit shall specifically designate as not being federally enforceable under the Act any terms and conditions included in the permit that are not required under the Act or under any of its applicable requirements.
- <u>018</u> If an applicable requirement provides for the trading of increases and decreases of emissions without a case-by-case approval of each emissions trade, and if requested by the applicant in its permit application, the Director shall

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establish terms and conditions for the trading of such emissions increases and decreases within the permitted facility. Such terms and conditions shall include all terms required by this Title to determine compliance and must meet all terms specified in the applicable requirement which allows such trading.

<u>019</u> If an applicant requests in its application, the Director shall establish terms and conditions in the permit allowing for the trading of emissions increases and decreases in the permitted facility solely for the purpose of complying with a federally-enforceable emissions cap that is established in the permit independent of otherwise applicable requirements. The permit applicant shall include in its application proposed replicable procedures and permit terms that ensure the emissions trades are quantifiable and enforceable. Emissions from emissions units which are not quantifiable and for which there are no replicable procedures shall not be included in any trades. The permit shall also require compliance with all applicable requirements.

Enabling Legislation: Neb. Rev. Stat. §§81-1504(1)(2); 81-1505(12)(16)

Legal Citation: Title 129, Ch. 8, Nebraska Department of Environmental Quality