ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 63
[AD–FRL–6419–4]

Title V Operating Permit Deferrals for Area Sources: National Emission Standards for Hazardous Air Pollutants (NESHAP) for Chromium Emissions From Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks; Ethylene Oxide Commercial Sterilization and Fumigation Operations; Perchloroethylene Dry Cleaning Facilities; Halogenated Solvent Cleaning Machines; and Secondary Lead Smelting

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed amendments.

SUMMARY: This action proposes to continue to allow permitting authorities the discretion to defer title V operating permitting requirements until December 9, 2004 for area sources of air pollution that are subject to five NESHAP for source categories. These amendments would continue to relieve industrial sources, State and local agencies, and the EPA Regional Offices of an undue regulatory burden during a time when available resources are needed to implement the title V permit program for major sources. Under the proposed amendments, sources must continue to meet all applicable requirements, including all applicable emission control, monitoring, recordkeeping, and reporting requirements established by the respective NESHAP.

DATES: Comments: We must receive written comments by October 18, 1999. If anyone requests a public hearing by September 8, 1999, unless anyone requests a public hearing by September 8, 1999.

Public Hearing: We will hold a public hearing, if requested, to provide anyone an opportunity to present data, views, or arguments concerning the proposed amendments. If anyone contacts us requesting to speak at a public hearing by September 8, 1999, we will hold a public hearing on September 17, 1999, beginning at 9:30 a.m. If we hold a hearing, we will keep the dockets open for 30 days after the hearing for anyone to submit rebuttal or supplementary information as provided by section 307(d)(5) of the Clean Air Act (Act).

Request To Speak at a Hearing: Anyone requesting to speak at a public hearing must contact EPA by September 8, 1999.

ADDRESSES: Comments: Send comments (in duplicate, if possible) to: Air and Radiation Docket and Information Center (MC–6102), Attention Docket No. A–88–11 (subpart M), or Attention Docket No. A–88–02 (subpart N), or Attention Docket No. A–88–03 (subpart O), or Attention Docket No. A–92–39 (subpart T), or Attention Docket No. A–92–43 (subpart X), U.S. Environmental Protection Agency, 401 M Street, SW, Washington, DC 20460. Please send a separate copy to the contact person listed below in the FOR FURTHER INFORMATION CONTACT section. For information on submitting comments electronically see the SUPPLEMENTARY INFORMATION section.

Docket: The following dockets, containing supporting information for the original rulemakings, are available for public inspection between 8:00 a.m. and 5:30 p.m., Monday through Friday except for Federal holidays: Docket No. A–88–11, subpart M, NESHAP; Docket No. A–88–02, subpart N, NESHAP; Docket No. A–88–03, subpart O, NESHAP; Docket No. A–92–39, subpart T, NESHAP; Docket No. A–92–43, subpart X, NESHAP. These dockets are available for public inspection at the U.S. Environmental Protection Agency, Air and Radiation Docket and Information Center (MC–6102), 401 M Street SW, Washington, DC 20460, telephone (202) 260–7548, Room M–1500, Waterside Mall (ground floor). We may charge a reasonable fee for copying.

Public Hearing: Anyone interested in attending the hearing should contact Dorothy Apple, (919) 541–4487, to verify that a hearing will occur.

Request To Speak at a Hearing: Anyone requesting to speak at a public hearing must contact Dorothy Apple, (919) 541–4487, to verify that a hearing will occur.

FOR FURTHER INFORMATION CONTACT: Mr. Rick Colyer, Emission Standards Division (MD–13), U.S. Environmental Protection Agency, Research Triangle Park, NC, 27711, telephone number (919) 541–5262, fax number (919) 541–0942, or e-mail: colyer.rick@epa.gov.

SUPPLEMENTARY INFORMATION:

Submitting Electronic Comments

You may also comment on the proposal by electronic mail (e-mail) to: a-and-r-docket@epamail.epa.gov. Send electronic comments as an ASCII file to avoid using special characters and any form of encryption. We will also accept comments and data disks in WordPerfect 5.1 or 6.1 file format. Identify all comments and data in electronic form by the docket number. Don’t send confidential business information (CBI) through electronic mail. You may file electronic comments on these proposed amendments online at many Federal Depository Libraries.

Technology Transfer Network

The Technology Transfer Network (TTN) is a network of our electronic bulletin boards. The TTN provides information and technology exchange in various areas of air pollution control. You can access the TTN through the Internet at “http://www.epa.gov/tnn.” If you need more information on the TTN, call the HELP line at (919) 541–5384.

The preamble outline follows:

I. What types of facilities are potentially affected by these amendments?
II. What is the purpose of these amendments?
III. Why are we proposing to extend the deferral from permitting for area sources?
IV. What are the administrative requirements for these proposed amendments?

A. Docket
B. Executive Order 12866
C. Executive Order 12875
D. Executive Order 13084
E. Unfunded Mandates Reform Act
F. Regulatory Flexibility Act
G. Paperwork Reduction Act
H. Executive Order 13045
I. National Technology Transfer and Advancement Act

I. What Types of Facilities Are Potentially Affected by These Amendments?

The regulated categories and entities potentially affected by this action include:

<table>
<thead>
<tr>
<th>Category</th>
<th>North American Industry Classification System Codes</th>
<th>Examples of potentially regulated entities</th>
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When we issue standards or other requirements under section 112 of the Act, we determine whether to exempt any or all area sources from the requirement to obtain a title V permit at the time that the new standard is promulgated for a particular source category. See 40 CFR 70.3(b)(2), 40 CFR 71.3(b)(2), and 63.1(c)(2). Our general provisions implementing section 112 provide that unless we explicitly exempt or defer area sources subject to a MACT standard from the permitting requirement, they must obtain operating permits. See 40 CFR 63.1(c)(2)(iii).

Since the Act allows an exemption from the permitting requirements, we interpret it to allow a temporary exemption (i.e., a deferral) of those requirements. We previously allowed permitting authorities to defer permitting for area sources subject to five NESHAP (59 FR 61801, December 2, 1994; 60 FR 29484, June 5, 1995; 61 FR 27785, June 3, 1996, and 64 FR 4570, January 29, 1999). These provisions will expire December 9, 1999. The source categories for which we deferred title V operating permit requirements for area sources were: hard and decorative chromium electroplating and chromium anodizing tanks, ethylene oxide commercial sterilization and fumigation operations, perchloroethylene dry cleaning facilities, secondary lead smelting facilities, and halogenated solvent cleaning machines. As we approach this December 9, 1999 expiration date, the conditions prompting the allowance for previous deferrals have not changed. We are, therefore, proposing to extend the deferral provisions for the NESHAP for an additional 5 years.

The proposed amendments have been written in “plain language,” as directed in President Clinton’s June 1, 1998, Executive Memorandum on Plain Language in Government Writing. While we believe the proposed language improves the understandability of the current language, the intent and meaning of the text is unchanged.

III. Why Are We Proposing To Extend the Deferral From Permitting for Area Sources?

On December 13, 1995 (60 FR 64002), we proposed to allow title V permitting authorities to defer the requirement for obtaining title V operating permits for area sources in several source categories for which standards were promulgated under 40 CFR part 63. We finalized that proposal on June 3, 1996 (61 FR 27785). A deferral from the requirement to obtain a part 70 operating permit for halogenated solvent cleaners at area sources was promulgated on December 2, 1994 (59 FR 61805), and amended June 5, 1995 (60 FR 29484).

At the time we established the June 3, 1996, deferral option, we stated we would decide whether to adopt permanent exemptions by the time the allowed deferrals expired. We also stated that during the deferral period we would continue to evaluate the permitting authorities’ implementation and enforcement of the standards for area sources not covered by title V permits, the likely benefit of permitting such sources, and the costs and other burdens on such sources associated with obtaining a title V permit. However, we do not yet have sufficient information to determine whether permit exemptions are warranted for most area sources and are continuing to evaluate the above-noted considerations. Thus, we are not yet prepared to make decisions that either permanently relieve these area sources from title V, or that allow them to become immediately subject to the permitting requirement. In light of this, we believe the most reasonable approach is to extend the status quo (i.e., defer the title V permitting requirements), rather than to “decide” by default through letting the current deferral expire this December.

Many permitting authorities are having difficulty issuing permits even to major sources, and some agencies have initially underestimated the resources.
necessary to prepare large and complex permits for many major sources. If we
discontinue the title V permit deferral for the tens of thousands of area sources
subject to the five NESHAP that are the
subject of these proposed amendments, owners and operators of such area
sources would require assistance from the
permitting authorities due to their relative lack
of technical and legal expertise, resources,
and experience in dealing with
environmental regulation. Since many
of these owners or operators have little
or no permitting expertise, a substantial
amount of permitting authority staff
time would be needed to provide the
administrative and technical support
to owners and operators of area sources
to prepare and submit permit applications.
As noted above, this staff time would
clearly be available, which in turn
would cause many area sources to be
unable to obtain technical and
procedural assistance to help them file
timely and complete applications,
unless they have paid consultants to
prepare applications for them. This
scenario would constitute an
impracticable, infeasible and
unnecessary burden on these area
sources, most of which are small
businesses, especially considering that
deferral is an option
by the permitting authorities.
This would also compound the
difficulties permitting authorities are
currently having in processing and
timely issuing initial title V permits to
major sources under their developing
title V programs. Similarly, EPA regions
are just beginning to permit major
sources in Indian country and would
find it administratively very difficult to
focus on area sources at the same time.
The net result is a basic impracticability
for these area sources and permitting
authorities to develop and process title V
operating permits in the near future.
We believe that it is reasonable and
critical and immediate task of issuing
permits to major sources, the most
feasible remedy is to allow permitting
authorities to defer permitting of these
area sources for an additional five-year
permit cycle.
In sum, and as described in prior
time would constitute an
impracticable, infeasible and
unnecessary burden on these area
sources and would be an additional
burden on the permitting agencies.
We note that this deferral is an option
at the permitting authority’s discretion
under part 70 permit programs and not
an automatic deferral that the source
can invoke. Some permitting authorities
may decide that area sources in one or
more of the above-mentioned source
categories warrant permitting, or they have
in place a streamlined permitting
mechanism for area sources that
minimizes the burden both on the
authority and the source, e.g., a general
permit (see §§ 70.6(d) and 71.6(d)). In
areas where no part 70 program has
been approved, and part 71 permitting
is administered by EPA, we propose
deferral for these area sources until

IV. What Are the Administrative
Requirements for These Proposed
Amendments?
A. Docket

The docket is an organized and
complete file of all the information
considered by the EPA in the
development of these proposed
amendments. The docket is a dynamic
file, because material is added
throughout the rulemaking
development. The docketing system
is intended to allow members of the public
and industries involved to readily
identify and locate documents so that
they can effectively participate in the
rulemaking process. Along with the
proposed and promulgated standards
and their preambles, the contents of
the docket will serve as the record in the
case of judicial review. (See section
307(d)(7)(A) of the Act.)

B. Executive Order 12866

Under Executive Order 12866 (58 FR
51735; October 4, 1993), the Agency
must determine whether the regulatory
action is “significant” and therefore
subject to Office of Management (OMB)
review and the requirements of the
Executive Order. The Executive Order
defines “significant regulatory action”
as one that is likely to result in a rule
that may:
(1) Have an annual effect on the
economy of $100 million or more or
adversely affect in a material way the
economy, a sector of the economy,
productivity, competition, jobs, the
environment, public health or safety, or
State, local, or Tribal governments or
communities;
(2) create a serious inconsistency or
otherwise interfere with an action taken
or planned by another agency;
(3) materially alter the budgetary
impact of entitlements, grants, user fees,
or loan programs, or the rights and
obligations of recipients thereof; or
(4) raise novel legal or policy issues
arising out of legal mandates, the
President’s priorities, or the principles
set forth in the Executive Order.
It has been determined that these
proposed amendments do not qualify as
a “significant regulatory action” under
the terms of Executive Order 12866 and,
therefore, are not subject to review by
OMB.
C. Executive Order 12875

Under Executive Order 12875, the
EPA may not issue a regulation that is
not required by statute and that creates
a mandate upon a State, local, or tribal
government, unless the Federal
government provides the funds
necessary to pay the direct compliance
costs incurred by those governments, or
EPA consults with those governments. If
EPA composes by consulting, Executive
Order 12875 requires EPA to provide to
OMB a description of the extent of
EPA’s prior consultation with
representatives of affected State, local,
and tribal governments, the nature of
their concerns, copies of any written
communications from the governments,
and a statement supporting the need to
issue the regulation. In addition,
Executive Order 12875 requires EPA to
develop an effective process permitting
elected officials and other
representatives of State, local, and tribal
governments “to provide meaningful
and timely input in the development of
drafting of proposals containing
significant unfunded mandates.”

Today’s proposed amendments do not
create a mandate on State, local, or
tribal governments. These proposed
amendments do not impose any
enforceable duties on these entities.
Accordingly, the requirements of
section 1(a) of Executive Order 12875 do
not apply to these proposed
amendments.
D. Executive Order 13084

Under Executive Order 13084, the
EPA may not issue a regulation that is
not required by statute, that significantly or uniquely affects the communities of Indian tribal governments, and that imposes substantial direct compliance costs on those communities, unless the Federal government provides the funds necessary to pay the direct compliance costs incurred by the tribal governments, or EPA consults with those governments. If EPA complies by consulting, Executive Order 13084 requires EPA to provide to OMB, in a separately identified section of the preamble to the rule, a description of the extent of EPA’s prior consultation with representatives of affected tribal governments, a summary of the nature of their concerns, and a statement supporting the need to issue the regulation. In addition, Executive Order 13084 requires the EPA to develop an effective process permitting elected officials and other representatives of Indian tribal governments “to provide meaningful and timely input in the development of regulatory policies on matters that significantly or uniquely affect their communities.”

These proposed amendments do not alter the control standards imposed by part 63, subparts M, N, O, T, and X, for any source, including any that may affect communities of the Indian tribal governments. Under the proposed amendments, sources must continue to meet all applicable requirements, including all applicable emission control, monitoring, recordkeeping, and reporting requirements established by the respective NESHAP. Hence, today’s proposed amendments do not significantly or uniquely affect the communities of Indian tribal governments. Accordingly, the requirements of section 3(b) of Executive Order 13084 do not apply to these proposed amendments.

E. Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, the EPA generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with “Federal mandates” that may result in expenditures to State, local, and tribal governments, in the aggregate, or to the private sector, of $100 million or more in any 1 year. Before promulgating an EPA rule for which a written statement is needed, section 205 of the UMRA generally requires the EPA to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, most cost-effective or least burdensome alternative that achieves the objectives of the rule. The provisions of section 205 do not apply when they are inconsistent with applicable law. Moreover, section 205 allows the EPA to adopt an alternative other than the least costly, most cost-effective, or least burdensome alternative if the Administrator publishes with the final rule an explanation why that alternative was not adopted. Before the EPA establishes any regulatory requirements that may significantly or uniquely affect small governments, including tribal governments, it must have developed under section 203 of the UMRA a small government agency plan. The plan must provide for notifying potentially affected small governments, enabling officials of affected small governments to have meaningful and timely input in the development of EPA regulatory proposals with significant Federal intergovernmental mandates, and informing, educating, and advising small governments on compliance with the regulatory requirements.

The EPA has determined that these proposed amendments do not contain a Federal mandate that may result in expenditures of $100 million or more for State, local, and tribal governments, in aggregate, or the private sector in any 1 year, nor do they significantly or uniquely impact small governments, because they contain no requirements that apply to such governments or impose obligations upon them. Thus, today’s proposed amendments are not subject to the requirements of section 202 and 205 of the UMRA.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small business, small not-for-profit enterprises, and small governmental jurisdictions. These proposed amendments would not have a significant impact on a substantial number of small entities, because they impose no additional regulatory requirements on owners or operators of affected sources and would relieve owners or operators of such sources of regulatory requirements that may otherwise apply if this action is not taken. Therefore, I certify that this action will not have a significant economic impact on a substantial number of small entities.

G. Paperwork Reduction Act

These proposed amendments do not require the collection of any information. Therefore, the requirements of the Paperwork Reduction Act do not apply.

H. Executive Order 13045

Executive Order 13045: “Protection of Children from Environmental Health Risks and Safety Risks” (62 FR 19885, April 23, 1997) applies to any rule that (1) is determined to be “economically significant” as defined under Executive Order 12866, and (2) concerns an environmental health or safety risk that the EPA has reason to believe may have a disproportionate effect on children. If the regulatory action meets both criteria, the Agency must evaluate the environmental health or safety effects of the planned rule on children and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the Agency.

The EPA interprets Executive Order 13045 as applying only to those regulatory actions that are based on health or safety risks, such that the analysis required under section 5–501 of the Executive Order has the potential to influence the regulation. These proposed amendments are not subject to Executive Order 13045 because they do not establish an environmental standard intended to mitigate health or safety risks.

I. National Technology Transfer and Advancement Act

Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (NTTAA) directs all Federal agencies to use voluntary consensus standards instead of government-unique standards in their regulatory activities unless to do so would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., material specifications, test methods, sampling and analytical procedures, business practices, etc.) that are developed or adopted by one or more voluntary consensus standards bodies. Examples of organizations generally regarded as voluntary consensus standards bodies include the American Society for Testing and Materials (ASTM), the National Fire Protection Association (NFPA), and the Society of Automotive Engineers (SAE). The NTTAA requires Federal agencies like EPA to provide Congress, through OMB, with explanations when an agency
follows:

revising paragraph (e)(2) to read as

Subpart N—[Amended] 

permitting requirements.

if you receive a deferral from title V 

subpart applicable to area sources, even 

comply with the provisions of this 

December 9, 2005. You must continue to 

submit a title V permit application by 

deferral under this section, you must 

obtain a title V permit. If you receive a 

71.2, and is not otherwise required to 

defined under 40 CFR 63.2, 70.2, or 

is not located at a major source as 

your source is not a major source and 

requirements until December 9, 2004, if 

your source from these permitting 

title V permitting authority may defer 

source from these permitting 

requirements until December 9, 2004, if 

your source is not a major source and 

is not located at a major source as 

defined under 40 CFR 63.2, 70.2, or 

71.2, and is not otherwise required to 

obtain a title V permit. If you receive a 

deferral under this section, you must 

submit a title V permit application by 

December 9, 2005. You must continue to 

comply with the provisions of this 

subpart applicable to area sources, even 

if you receive a deferral from title V 

permitting requirements.

Subpart O—[Amended] 

4. Section 63.360 is amended by 

revising paragraph (f) to read as follows:

§ 63.360 Applicability. 

(f) If you are the owner or operator of 
a source subject to the provisions of this 
subpart, you are also subject to title V 
permitting requirements under 40 CFR 
part 70 or part 71, as applicable. Your 
title V permitting authority may defer 
your source from these permitting 
requirements until December 9, 2004, if 
your source is not a major source and 
is not located at a major source as 
defined under 40 CFR 63.2, 70.2, or 
71.2, and is not otherwise required to 
obtain a title V permit. If you receive a 
deferral under this section, you must 
submit a title V permit application by 
December 9, 2005. You must continue to 
comply with the provisions of this 
subpart applicable to area sources, even 
if you receive a deferral from title V 
permitting requirements.

Subpart X—[Amended] 

6. Section 63.541 is amended by 

revising paragraph (c) to read as follows:

§ 63.541 Applicability. 

(c) If you are the owner or operator of 
a source subject to the provisions of this 
subpart, you are also subject to title V 
permitting requirements under 40 CFR 
part 70 or part 71, as applicable. Your 
title V permitting authority may defer 
your source from these permitting 
requirements until December 9, 2004, if 
your source is not a major source and 
is not located at a major source as 
defined under 40 CFR 63.2, 70.2, or 
71.2, and is not otherwise required to 
obtain a title V permit. If you receive a 
deferral under this section, you must 
submit a title V permit application by 
December 9, 2005. You must continue to 
comply with the provisions of this 
subpart applicable to area sources, even 
if you receive a deferral from title V 
permitting requirements.