

**Washington Department of Ecology**  
**Air Operating Permit Program**

**Final Audit Report**

**For Calendar Year 2007**

**Submitted by TechLaw, Inc.**

**Contract #32206**

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**TechLaw**  
*Quality & Integrity*

## TABLE OF CONTENTS

<b>COVER PAGE</b> .....	1
<b>TABLE OF CONTENTS</b> .....	2
<b>ABBREVIATIONS</b> .....	3
<b>1.0 EXECUTIVE SUMMARY</b> .....	4
<b>2.0 INTRODUCTION</b> .....	5
<b>Purpose</b> .....	5
<b>Approach</b> .....	6
<b>3.0 AUDIT RESULTS – PROGRAM WIDE</b> .....	8
<b>Program-Wide Discoveries</b> .....	8
<b>Agency-Specific Information</b> .....	9
<b>Fiscal Audit Review</b> .....	11
<b>4.0 AUDIT RESULTS – SITE SPECIFIC</b> .....	12
<b>Benton Clean Air Agency (BCAA)</b> .....	12
<b>Washington Department of Ecology – Central Region Office</b> .....	15
<b>Washington Department of Ecology – Eastern Region Office</b> .....	18
<b>Washington Department of Ecology – Nuclear Waste Program</b> .....	21
<b>Washington Department of Ecology – Industrial Section</b> .....	24
<b>Northwest Clean Air Agency (NWCAA)</b> .....	28
<b>Olympic Regional Clean Air Agency (ORCAA)</b> .....	32
<b>Puget Sound Clean Air Agency (PSCAA)</b> .....	36
<b>Spokane Regional Clean Air Agency (SRCAA)</b> .....	42
<b>Southwest Clean Air Agency (SWCAA)</b> .....	45
<b>Yakima Regional Clean Air Agency (YRCAA)</b> .....	49
<b>5.0 CONCLUSIONS</b> .....	53
<b>6.0 RECOMMENDATIONS</b> .....	54

## **ABBREVIATIONS**

AA = Administrative amendment  
AOP = Air operating permit  
BCAA = Benton Clean Air Agency  
CRO = Central Regional Office  
CY = Calendar year  
ERO = Eastern Regional Office  
EU = Emission Unit  
HAP = Hazardous Air Pollutant  
HQ = Headquarters  
MACT = Maximum Available Control Technology  
NA = Not applicable  
NOC = Notice of Construction  
NOV = Notice of Violation  
NWCAA = Northwest Clean Air Agency  
NWP = Nuclear Waste Program  
ORCAA = Olympic Region Clean Air Agency  
PSCAA = Puget Sound Clean Air Agency  
SRCAA = Spokane Regional Clean Air Agency  
SOB = Statement of Basis  
SWCAA = Southwest Clean Air Agency  
TSD = Technical Support Document  
US EPA = United States Environmental Protection Agency  
WAC = Washington Administrative Code  
Ecology = Washington Department of Ecology  
YRCAA = Yakima Regional Clean Air Authority

# Washington Department of Ecology Air Operating Permit Program

## Final Audit Report For the calendar year 2007

### 1.0 EXECUTIVE SUMMARY

TechLaw, Inc. has completed the annual routine performance audits and the annual random individual permit reviews of Washington's Air Operating Permit (AOP) program for calendar year 2007. The goal of this report is to assess the performance of Washington's AOP program. In doing so, the report covers two general areas: 1) Technical performance; and, 2) Program management. This report presents the results of the audits and reviews, both on a program-wide and agency-specific basis.

The technical aspects of Washington's AOP program continue to function well. Permit applications are routinely processed in a timely manner. Permits are generally well-written and enforceable documents that typically include all required elements and supporting documentation. Compliance and enforcement efforts appear to be effective statewide. While each AOP program may take a "local" approach to compliance enforcement, all AOP programs routinely and consistently conduct inspections and compliance evaluations of AOP permitted facilities.

Washington's AOP program is well managed. Programs operate in a consistent and predictable manner. Local and regional programs are fulfilling program mandates, with most activities conducted as standard practice. Additionally, both state and local agency staff and managers continue to demonstrate a commitment to program improvement.

This commitment to program improvement is marked by ongoing efforts to: recruit, train and retain well-qualified staff; design and maintain functional and well-organized filing systems; utilize computer technology for tracking and documenting AOP program activities; encourage and support public involvement through better use of Internet technology; and, improve these AOP audits through a review of the AOP audit rules and procedures. This report reflects recent changes in how the performance of Washington's AOP program is assessed.

Finally, while we continue to see many significant improvements to the technical performance and management of Washington's AOP programs, we have noted some additional opportunities to improve. While some of our observations are documented in the individual program reviews, details of our overall assessment can be found in the conclusions and recommendations at the end of this report.

## **2.0 INTRODUCTION**

### **AOP Background**

The State of Washington's Air Operating Permit (AOP) Program is the regulatory mechanism through which the Department of Ecology (Ecology) and the State's local air pollution control agencies implement the operating permits provisions of Title V of the Federal Clean Air Act Amendments of 1990. (<http://www.epa.gov/air/caa/title5.html>)

The intent of the Title V operating permits program is to increase compliance with air pollution laws and regulations among the largest emitters of air pollution. It does this by consolidating source specific requirements into a single permit. This permit then serves as both the basis for self-certification of compliance by permitted sources, as well as the enforceable document by which the public can assess and enforce compliance with the terms and conditions of the permit.

Washington implements its AOP Program through a combination of local/regional authorities and regional and inter-departmental Ecology permitting programs. This approach has advantages and disadvantages- strengths and weaknesses- challenges and opportunities. Some of these are discussed in more detail throughout this report.

Successful implementation of air operating permit programs requires a combination of professional skills and capabilities, including engineering and legal expertise, as well as effective administrative and management systems. AOP programs must employ a wide range of skills necessary to effectively manage the many facets of Title V including: the federal major source requirements- MACT, emission inventory, information management, public review of permits, inspections and enforcement, and business assistance- just to name a few.

Although the Federal Clean Air Act requires Title V programs to "stand alone" (financially), they rarely do. The reality is that Title V is nearly always implemented in conjunction with other air quality programs. This is particularly true in small and local agencies. Yet, even in larger agencies Title V permitting programs interact with other "non-Title V" programs and projects to maintain clean air. For example, all air pollution control programs must have New Source Review, Emissions Inventory, Monitoring, and Compliance and Enforcement capabilities that support, but are not completely funded by, Title V. The challenges presented by Title V's funding requirements are compounded when an AOP program is implemented as part of a multi-media regulatory program like those at Hanford and Ecology's Industrial Section.

Washington utilizes a combination of state and local agencies to implement its AOP program with Ecology serving as the lead agency responsible for overall program development and oversight. Local agencies are generally responsible for implementing the AOP program for sources within their respective jurisdictions.

### **Purpose**

Ecology is required to conduct periodic audits of its AOP program as directed in WAC 173-401-920. This mandate encompasses the four Ecology regions and seven delegated local agencies that manage the AOP program throughout the state.

In 2006 and 2007, TechLaw was engaged to perform the AOP audits required by WAC 173-401-920 (3)(b-d). In 2006, TechLaw conducted the routine annual performance audit, and the annual permit audit for calendar year 2005, as well as the extensive performance audit for calendar years 2001-2005 during the 2006 audits. In 2007, TechLaw again conducted the AOP audits. In 2007, however, the audits were

conducted somewhat differently than in previous years. Last year, TechLaw “tested” a non-template approach to AOP audits. Similarly, this year’s AOP audit was conducted using a non-template approach as discussed below. This year’s report includes the routine performance and annual permit audits for calendar year 2007.

From 2006 through 2008, Ecology engaged TechLaw to review the AOP audit rules and procedures contained in WAC 173-401-920 and to recommend changes to those rules and procedures. Review of the AOP audit rules and procedures began in mid-2006 and continues through the current AOP audit cycle. As part of the ongoing effort to improve the AOP audits, this report, in part, tests an “alternative approach” to conducting AOP audits and reporting those audit results.

This report describes the approaches we utilized to achieve these goals, the positive practices we found at the program and agency levels, and any areas for improvement we observed.

### **Approach**

This AOP audit was conducted in accordance with WAC 173-401-920. This year however, TechLaw followed a “new” approach to conducting AOP audits.

In previous years, AOP audits have been conducted by using the questions listed in WAC 173-401-920 as an audit template. This “template” approach resulted in AOP auditors asking program managers for information that was also reported to EPA and/or required by the state fiscal auditor. These “redundant” requests for the same information raised the complaint that the AOP audits create an inefficient layer of program oversight.

This year’s approach to the AOP audits was developed as part of the AOP audit rules and procedures review initiated by the Department of Ecology and developed in consultation with a committee of Washington’s AOP program managers. The intent of this new approach is to reduce the oversight burden on AOP programs, while satisfying all AOP audit requirements.

To satisfy the audit requirements contained in WAC 173-401-920, this new approach utilizes existing reports and indicators of program performance to satisfy those requirements. For example, where an AOP program is required to submit program performance data to the US EPA, the AOP auditors tested if that information could be used to satisfy corresponding AOP audit requirements rather than requesting the information directly from program managers.

By using program performance data and indicators available from EPA or through publicly available sources, such as agency websites, this new approach will hopefully lower cost associated with AOP audits for both individual AOP programs and the statewide AOP program as well.

In addition to relying on readily accessible data and performance indicators to assess the technical performance of Washington’s AOP program, this year’s audit differs from prior audits by distinguishing between technical and financial performance. The audits required by WAC 173-401-920 ask information related to both financial and technical program performance. Beginning this year, financial performance will be determined by the state auditor, while technical performance will be determined by the independent audit hired by Ecology- in this case TechLaw is the independent auditor.

The first step of the AOP audit process involves a public meeting. TechLaw provided notice in the Ecology Permit Register to announce a public meeting held on February 6, 2008. Mr. Drew Johnson, TechLaw’s Lead Auditor, and Dr. David Dobb, TechLaw’s Project Manager, conducted pre-audit discussions with Ecology headquarters staff on that date, and also attended the public meeting. The purpose of the public meeting was to inform interested members of the regulated community and the public at large about the conduct of the audit program, and to address any concerns about this matter. No representatives of industry or the public attended this meeting.

During this initial meeting, TechLaw and Ecology discussed the AOP audits and the AOP audit review

project. At that time, it was agreed that TechLaw would conduct this year's audits using the new approach discussed above.

Following the meeting, TechLaw developed annual routine performance audit and annual random individual permit review process based on the recommendations of the AOP Audit Steering Committee established as part of Ecology's AOP review project. Audit dates were scheduled with the Ecology Regions and local agencies, and permits were randomly selected for review. Permits that were reviewed during last year's audit cycle were avoided. One random permit was reviewed in each office, with the exception of PSCAA where two permits were reviewed due to their large number of permits and a requirement to audit at least 5% of an office's permits.

We utilized a team of consultants to meet Ecology's timeframe for this project. Our lead auditor, Drew Johnson, was present at all agency visits to ensure consistency in our data gathering and interpretations. Our project manager, Dave Dobb led communications, and ensured consistency in coordinating the processing of the data collected. Edlin Limmer also provided assistance with the report. Table 2-1 below provides the audit schedule and auditors in attendance.

**Table 2-1. Audit Schedule (2008)**

<b>Location</b>	<b>Date</b>	<b>Auditor(s)</b>
ORCAA	March 24	Drew Johnson
Ecology – Industrial Section	March 24	Drew Johnson
NWCAA	March 25	Drew Johnson
PSCAA	March 25	Drew Johnson
YRCAA	March 26	Drew Johnson
Ecology – CRO	March 26	Drew Johnson
Ecology – NWP	March 27	Drew Johnson
BCAA	March 27	Drew Johnson
SRCAA	March 28	Drew Johnson
Ecology – ERO	March 28	Drew Johnson
SWCAA	April 2	Drew Johnson

Our auditor conducted interviews with agency representatives, and gathered and reviewed data, at each site. Regardless of the approach used in this year's audit, the audit templates for the annual performance audit and the randomly selected permit audit were used to ensure all technical performance elements of WAC 173-401-920 were satisfied.

We analyzed the audit data and compiled it into a draft report for delivery to Ecology on June 30, 2007. Two hardcopies of this final report and 10 CD-R copies of the electronic files were delivered to Ecology HQ for distribution to the local air agencies. It is planned that TechLaw will conduct a presentation of the report and answer questions at a meeting of AOP personnel to be determined and announced by Ecology HQ.

### **3.0 AUDIT RESULTS – PROGRAM WIDE**

This section describes the positive practices and areas for improvement found during the audits. We address these on both program-level and site-specific bases. Where applicable, we have also identified specific offices where positive practices are used or areas of improvement are needed.

#### **Program-Wide Discoveries**

##### *Annual Audits*

**Positive Practices.** TechLaw found that most agency locations employed the following noteworthy practices:

- AOP programs continue to demonstrate a high level of expertise and dedication to efficient and effective implementation of Washington’s AOP program.
- AOP program managers remain committed to hiring and retaining well-qualified staff, while supporting efforts to continuously improve the AOP programs.
- Washington’s AOP programs continue to improve program management through effective and appropriate use of electronic data management tools. There is a notable increase in the use and development of databases for tracking permitting and enforcement activities, and in the use of the Internet for providing public access to permits and other AOP-related information.
- AOP programs continue to keep and maintain permit information and program data in well-organized and accessible files and data management systems, while working to improve the functionality of files and data management systems where improvements are needed.
- Documentation of AOP program activity continues to improve across nearly all AOP programs.
- Permits reviewed are usually written in a manner that ensures facilities are operating in compliance with the terms and conditions of an AOP.
- AOP programs are actively verifying compliance through full compliance evaluations, reviews of compliance certifications, and additional inspections at each source, such as observation of source tests and other activities.

Nearly all AOP programs are now requiring that renewal applications be submitted at least 12 months prior to permit expiration to ensure sufficient time for review and permit issuance.

**Improvement Opportunities.** TechLaw noted some program-wide opportunities for improvement as outlined below:

- Data at several agencies continues to be stored in systems with varying levels of access. At some locations, specific individuals were required to obtain the audit data from separate, stand-alone, and user-dependent files and/or data management systems.
- Database and spreadsheet designs, and the information stored therein, continue to vary considerably across most agencies. This variability in how program performance is measured makes it more difficult to demonstrate program performance.
- The degree and focus of enforcement activities varies from agency to agency, independent of staffing levels.

- A few NOV issuances lagged for excessive periods after a violation was identified.
- Washington’s rules and the Clean Air Act clearly identify those persons who qualify as the “responsible official” under Title V. Some programs appear to have accepted permit application and other AOP documents without proper certification by the responsible official. All programs should check to ensure that all documents requiring certification by the responsible official are in fact signed and certified by a qualified responsible official as required by the regulations.

### Individual Permit Reviews

**Positive Practices.** Our auditors noted the following positive points during this phase of the project:

- Permit files were generally well organized and complete.
- State-wide permit writers and managers meetings continue to be an effective mechanism to improve inter-agency coordination and consistency across programs.
- Permits reviewed were generally well written, with most being organized in a simple and “user-friendly” format.
- Permit engineers are well qualified and very knowledgeable about their permitted sources, permit requirements and policies, regulations, and overall program requirements.
- Nearly all of the permits (and statements of basis) reviewed appeared to contain the required information.
- While the content and format of permit cover sheets varies considerably between AOP programs, most formats continue to be improved with each successive permit renewal and modification.

### Agency-Specific Information

#### Annual Audits

**Positive Practices.** Many positive practices were noted, and are presented in no particular order:

- Most agencies provided adequate office space, equipment, and other support facilities for staff, as well as daily and ongoing program administration.
- Most agencies conduct compliance inspections on an unannounced basis (<24 hour notice).
- Washington’s permitting and enforcement programs are performing well.

**Improvement Opportunities.** The following areas of concern are noted for specific organizations:

- Many agencies do not re-issue air operating permits before they require extension or expire. In general, this is a management issue that may be affected by program resources, permitting workload, and/or local program priorities. As a management issue however, allowing Title V permits to lapse, may or may not be in conflict to statutory requirements. We also recognize that the number of “lapsed” permits is not an independent indicator of an AOP program’s performance. When assessing the effectiveness of an AOP program, the number of “lapsed permits” should be considered in the context of an agency’s compliance verification activities, staffing levels (particularly technical and engineering staff), timing and number of permit renewals, available program resources, and program fees.
  - We suggest agencies require complete renewal applications no less than 12 months prior to permit

- expiration and limit reliance on the permit/application shield as a mechanism for extending the permit renewal timelines.
- We also suggest all AOP programs include as much information as possible about important permit dates on the cover pages of all permits. Specifically, issuance, expiration dates, and permit renewal application due dates should be added to cover pages when possible.
  - There are wide-ranging approaches to administering and tracking compliance enforcement activities. These varying approaches lead to inconsistencies in how violations, especially minor violations, are documented among the various agencies. Some agencies track all enforcement related activity, while others only track those enforcement activities that qualify as High Priority Violations (as defined by the USEPA). Other agencies fall somewhere in between.
    - We recommend AOP program managers continue looking for opportunities to standardize how compliance and enforcement activities are tracked across all AOP programs.

### Individual Permit Reviews

Our random individual permit reviews revealed a high degree of consistency across many of these permits. Most of the permits met the audit criteria to a substantial degree. We note however, that it is difficult during a desktop review to determine if all emission units have been identified in the permit and if all applicable requirements have been met. Nonetheless, we have determined, based on the materials reviewed, that these criteria were met to a substantial degree except where otherwise noted below.

**Positive Practices.** As noted above, we did see a high degree of quality and consistency in the individual permits reviewed.

- Numerous programs have well organized web sites that provide access to permits and pertinent permit information. Most programs are utilizing electronic document storage to supplement hard copy libraries and permit files.
- Most of the permits reviewed (including the statements of basis) were organized in an efficient format that provides an effective mechanism for verification of compliance by permittees, agency staff, and the general public.
- NWP has made significant improvements to its AOP permit tracking and data management system. The program now in place at NWP provides AOP users with a useful and effective tool for tracking permit compliance on an ongoing basis.

**Improvement Opportunities.** Notwithstanding the prior statement, our auditors noted some opportunities to improve some permits:

- Some permits do not include expiration dates or renewal application due dates on the permit cover page. This may be a contributing factor to some permits expiring prior to renewal. We recommend adding important dates to the cover page of permits.
- Title V requires certification of compliance by a responsible official. To support this fundamental requirement of the AOP program, we recommend the responsible official for each permit be clearly identified on the cover page of each permit.
- Title V also requires the responsible official to certify to the truth, accuracy, and completeness of permit-related documents and reports. Therefore, in addition to clearly identifying the responsible official on each AOP, we recommend each AOP program review the rules related to certification by responsible officials to ensure all documents requiring certification by responsible officials are properly signed and certified.

### **Fiscal Audit Review**

This report only addresses technical performance of Washington's AOP programs, it does not address the programs' financial performance. Past AOP performance audits conducted by the independent auditor addressed questions about program finances. This year, the AOP audits were divided into technical performance and fiscal audits. As a result, those questions contained in the AOP audit rules pertaining to fiscal program performance are not addressed in this report. The state fiscal auditor will provide all financial results in the fiscal audit report.

To be clear, the questions in WAC 173-401-920(3)(b-d) pertaining to program finances such as: expenditures per permit issuance, adequacy of fees, program shortfall, budget increase, etc., are not addressed in this report, but will be addressed by the state fiscal auditor in the report required under WAC 173-401-920(3)(a).

Note: A revision to the audit rules in WAC 173-401-920 may resolve these audit redundancy issues and could improve the fiscal and performance audits as well as the annual report.

## **4.0 AUDIT RESULTS – SITE SPECIFIC**

### **Benton Clean Air Agency (BCAA)**

<http://www.bcaa.net/>

#### ***Routine Performance Evaluation***

**WAC 173-401-920(3)(b)...**

**(i) Number of Air Operating Permit Sources: 2**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>1</sup>
Agrium	None	I: Not available E: Not available R: Not available	Agency does not provide AOPs on its website	Insp./5: 2 QNC/3: - SV: no IE/5: 2 FE/5: 1
NW Pipeline	Renewal application rec'd <b>06/21/07</b>	I: 09/01/04 E: 09/01/09 R: 09/01/08	Timely renewal application received.	Insp./5: 1 QNC/3: - SV: no IE/5: - FE/5: unknown

Number of lapsed<sup>2</sup> permits in 2007: **0**

None of these permits lapsed during 2007.

**(ii)** During 2007, BCAA received and began processing one permit renewal application from Northwest Pipeline. No permits were issued in 2007. BCAA did not disapprove any applications in 2007. Application review is often an iterative process involving multiple requests for information from permit applicants. BCAA, like other agencies, does not track the number of times it requests information from applicants. This information is maintained in the permit files under correspondence.

**(iii)** EPA did not object to any permits issued by BCAA during 2007.

**(iv)** Although all permits are subject to legal/administrative challenge, no BCAA permits received significant interest from the public during 2007. There were no legal or administrative challenges to any BCAA permit during 2007.

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<sup>1</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);  
SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);  
FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

<sup>2</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal permit.

(v) Since EPA tracks enforcement actions over three and five year periods, it was not possible to determine how many NOV's were issued by BCAA in 2007.

(vi) BCAA conducts annual unannounced inspections at AOP facilities. Both facilities were inspected in 2007.

(vii) During 2007, BCAA did not document any accidental releases, as defined in Section 112(r) of the Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: Northwest Pipeline (Plymouth)***

#### **WAC 173-401-920 (3)(c)...**

(i) - The applicable requirements can be determined from the information available in the permit. All permit terms and conditions are specified in Section 2 of the permit. Conditions 2.1 and 2.2 of the permit list the applicable requirements and specify the state/federal enforceability of those conditions.

(ii) - The permit appears to include all applicable requirements.

(iii) - BCAA permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point.

(iv) - BCAA permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.

(v) - All major emissions points are identified in the permit and/or statement of basis. The Northwest Pipeline permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

(vi) - All process and control equipment are identified and described in the permit and/or the statement of basis.

(vii) - The permit contains specific operation and maintenance requirements.

(viii) - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.

(ix) - There are no alternative operating scenarios specified in the Northwest Pipeline permit.

(x) - The permit expiration (September 1, 2009) date is noted on the cover of the permit. The responsible official is listed as Larry Hjalmarson, Director of Operations.

(xi) - The permit clearly indicates which requirements are enforceable by federal/state mechanisms (Conditions 2.1 and 2.2). The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 1.16).

(xii) - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.

(xiii) - There is no record indicating if or how the permit writer worked with the source to identify and

consider opportunities for pollution prevention. No specific pollution prevention measures were implemented. However, the O & M requirements in the permit could be used by agencies to ensure best practices are used to prevent pollution.

**(xiv)** - Overall, the permit reviewed indicates the permitting program at BCAA is functioning well. The permit was generally complete and understandable. One area of general concern is the timeliness of applications for permit renewals. Therefore, we recommend that BCAA consider including permit renewal application due dates on the cover page of permits. Overall, the procedural permit issuance process at BCAA is adequate. And although the agency website provides online access to its permitting forms, the addition of access to issued permits would be a significant improvement to the agency's website.

## Washington Department of Ecology – Central Region Office

[http://www.ecy.wa.gov/programs/air/AOP\\_Permits/CRO\\_Permit/cro\\_aop\\_permits.htm](http://www.ecy.wa.gov/programs/air/AOP_Permits/CRO_Permit/cro_aop_permits.htm)

### *Routine Performance Evaluation*

**WAC 173-401-920(3)(b)...**

**(i) Number of Air Operating Permit Sources: 5**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>3</sup>
Goldendale Generating Station	Permit issued. Administrative amendment issued <b>10/23/07</b>	I: <b>1/05/07</b> E: 01/04/12 R: 07/04/10	Administrative amendment (2 months – 0 req. for info). Permit issuance (< 18 months – 1 req. for info).	Insp./5: 3 QNC/3: - SV: no IE/5: - FE/5: unknown
Greater Wenatchee Regional Landfill & Recycling Center	Significant modification application rec'd <b>11/16/07</b> Renewal application rec'd <b>10/02/07</b>	I: 03/08/04 E: 04/02/09 R: 10/02/07	Significant modification (< 4 months – 0 req. for info). Timely renewal application received – 1 req. for info).	Insp./5: 4 QNC/3: 1 SV: no IE/5: 1 FE/5: 1
H.W. Hill Landfill Gas Power Plant	None	I: 08/04/06 E: 08/06/11 R: 02/05/10		Insp./5: 4 QNC/3: 7 SV: no IE/5: 1 FE/5: 1
Roosevelt Regional Landfill	Renewal application rec'd <b>08/27/07*</b>	I: 12/03/03 E: 12/30/08 R: 06/30/07	Timely* renewal application received – 3 requests for information * CRO has indicated that a timely application was received on 06/29/07 and the permit tracking information was a typo.	Insp./5: 4 QNC/3: - SV: no IE/5: 1 FE/5: 1
SDS Lumber	Renewal application rec'd <b>04/09/07</b>	I: 10/06/03 E: 10/09/08 R: 04/09/07	Timely renewal application received – 4 requests for information	Insp./5: 4 QNC/3: - SV: no IE/5: - FE/5: unknown

Number of lapsed<sup>4</sup> permits in 2007: **0**

<sup>3</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);

SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);

FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

<sup>4</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal

(ii) CRO did not disapprove any applications. CRO made a total of 8 requests for additional information during 2007. This information is also maintained in the permit files under correspondence- a practice typical of other AOP programs.

(iii) EPA did not object to any permits issued by CRO during 2006.

(iv) Although all permits are subject to legal/administrative challenge, no CRO issued permits were subject to legal or administrative challenge during 2007.

(v) As a matter of policy, CRO only issues notices of violation (NOV) when a violation is a high priority violation (HPV) as determined by the EPA enforcement policy/agreement. Since EPA tracks enforcement actions over three year periods, it was not possible to determine how many NOVs were issued by CRO in 2007.

(vi) CRO conducts annual unannounced inspections at all five Title V facilities. All five facilities were inspected in 2007.

(vii) During 2007, CRO did not document any accidental releases, as defined in Section 112(r) of the Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: HW Hill Landfill Gas Power Plant***

#### **WAC 173-401-920 (3)(c)...**

(i) - The applicable requirements can be determined from the information available in the permit. All permit terms and conditions are specified in Section 5 of the permit. Conditions 5.1, 5.2 and 5.3 of the permit list the applicable requirements and specify the state/federal enforceability of those conditions.

(ii) – The permit appears to include all applicable requirements.

(iii) – CRO permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point.

(iv) – CRO permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.

(v) - All major emissions points are identified in the permit and/or statement of basis. The HW Hill Landfill Gas Power Plant permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

(vi) - All process and control equipment are identified and described in the permit and/or the statement of basis.

(vii) - The permit contains specific operation and maintenance requirements.

(viii) - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.

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permit.

**(ix)** - There are no alternative operating scenarios specified in the HW Hill Landfill Gas Power Plant permit.

**(x)** - The permit expiration (August 6, 2011) date is noted on the cover of the permit. The responsible officials are listed as Tom D. Svendsen, PE, General Manager, OR Allen Barkley, Power Manager.

**(xi)** - The permit clearly indicates which requirements are enforceable by federal/state mechanisms (Conditions 5.1, 5.2 and 5.3). The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 1.12).

**(xii)** - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.

**(xiii)** - There is no record indicating if or how the permit writer worked with the source to identify and consider opportunities for pollution prevention. No specific pollution prevention measures were implemented. However, the O & M requirements in the permit could be used by agencies to ensure best practices are used to prevent pollution. CRO works with all permitted sources to identify and consider pollution prevention opportunities during construction (NSR) permitting, rather than Title V permitting.

**(xiv)** - Overall, the permit reviewed indicates the permitting program at CRO is functioning well. The permit was complete and understandable. CRO writes complete understandable permits that serve as clear and useable documents for determining a facility's compliance with air pollution regulations, limits, and operating requirements. Additionally, CRO is diligent in following statutory permit issuance procedures.

**Washington Department of Ecology – Eastern Region Office**

[http://www.ecy.wa.gov/programs/air/AOP\\_Permits/ERO\\_Permits/ero\\_aop\\_permits.htm](http://www.ecy.wa.gov/programs/air/AOP_Permits/ERO_Permits/ero_aop_permits.htm)

***Routine Performance Evaluation***

**WAC 173-401-920(3)(b)...**

**(i) Number of Air Operating Permit Sources: 10**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>5</sup>
Avista Corporation (KFGS)	Renewal application rec'd 10/06/06. Determined complete 11/15/06. Permit issued.	<b>I: 10/22/07</b> E: 11/01/12 R: 10/31/11	Prior permit expired 11/01/07	Insp./5: 3 QNC/3: - SV: no IE/5: - FE/5: unknown
Boise Building Solutions – Kettle Falls (Lumber)	Permit issued	<b>I: 12/26/07</b> E: 01/01/13 R: 01/01/12	Prior permit expired 01/01/08	Insp./5: 3 QNC/3: - SV: no IE/5: - FE/5: unknown
Boise Building Solutions – Kettle Falls (Plywood)	Renewal application rec'd 06/29/07. Determined complete 08/27/07.	I: 06/27/03 E: 07/01/08 R: <b>07/01/07</b>		Insp./5: 2 QNC/3: - SV: no IE/5: 1 FE/5: 1
Gas Trans. NW Corp. – Comp. Sta. #7	Permit issued. Renewal application rec'd 10/26/06. Determined complete 03/20/07.	<b>I: 12/26/07</b> E: 01/01/13 R: 01/01/12	Prior permit expired 01/01/08. Renewal permit (14 months)	Insp./5: 4 QNC/3: - SV: no IE/5: - FE/5: unknown
Gas Trans. NW Corp. – Comp. Sta. #8	Renewal application rec'd 05/01/07. Determined complete 06/18/07.	I: 06/27/03 E: 07/01/08 R: <b>07/01/07</b>		Insp./5: 3 QNC/3: - SV: no IE/5: - FE/5: unknown
Guy Bennett Lumber Co.	Renewal application rec'd <b>03/05/07</b> . Determined complete 06/07/07. Permit issued.	<b>I: 12/26/07</b> E: 01/01/13 R: 01/01/12	Permit renewal (9 months.)	Insp./5: 2 QNC/3: - SV: no IE/5: 3 FE/5: 1

<sup>5</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);  
SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);  
FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>5</sup>
Moses Lake Generating	None [permit revoked]	I: 03/29/04 E: 04/01/09 R: 04/01/08	According to ERO staff, this facility was permanently shutdown and the AOP was revoked in 2007.	Insp./5: QNC/3: SV: IE/5: FE/5: <b>Not reported on AFS database - shutdown</b>
PUD No.2 Grant Co – Randolph Rd.	None [permit revoked]	I: 12/12/03 E: 01/01/09 R: 01/01/08	According to ERO staff, this facility was permanently shutdown and the AOP was revoked in 2007.	Insp./5: QNC/3: SV: IE/5: FE/5: <b>Not reported on AFS database - shutdown</b>
Stimson Lumber Co.	Renewal application rec'd 05/31/06. Determined complete 10/06/06. Permit issued <b>05/24/07</b>	I: 05/28/02 E: <b>06/01/07</b> R: 06/01/06	-Timely renewal application rec'd 05/31/06. -Current permit not posted on website as of May 2008.	Insp./5: 2 QNC/3: - SV: no IE/5: 1 FE/5: unknown
Vaagen Bros. Lumber Co.	Renewal application rec'd <b>12/17/07</b> . Determined complete 02/11/08.	I: 12/14/05 E: 01/01/09 R: 01/01/08	Timely renewal application rec'd.	Insp./5: 2 QNC/3: - SV: no IE/5: - FE/5: unknown
Wash. St. U. – Pullman	Permit issued Renewal application rec'd 10/26/06. Determined complete 11/15/06.	<b>I: 07/30/07</b> E: 07/31/12 R: 07/31/11	Prior permit expired 08/01/07 Renewal permit (9 months).	Insp./5: 3 QNC/3: - SV: no IE/5: - FE/5: unknown

Number of lapsed permits in 2007: **0**

(ii) ERO did not disapprove any applications. ERO made a total of 3 requests for additional information during 2007. This information is maintained in the permit files under correspondence- a practice typical of other AOP programs.

(iii) EPA did not object to any permits issued by ERO during 2007.

(iv) Although all permits are subject to legal/administrative challenge, no ERO issued permits were subject to legal or administrative challenge during 2007.

(v) ERO issues notices of violation (NOV) for both high priority violations (HPVs), as determined by the EPA enforcement policy/agreement, and non-HPV violations. Since EPA tracks enforcement actions over three year periods, it was not possible to determine how many NOV's were issued by ERO in 2007.

(vi) ERO conducts bi-annual unannounced inspections at all AOP facilities. All facilities were inspected in 2007.

(vii) During 2007, ERO did not document any accidental releases, as defined in Section 112(r) of the

Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: Washington State University***

#### **WAC 173-401-920 (3)(c)...**

(i) - The applicable requirements can be determined from the information available in the permit. All permit terms and conditions are specified in Section 2 of the permit. Conditions 2.1 through 2.7 of the permit list the applicable requirements and specify the state/federal enforceability of those conditions.

(ii) - The permit appears to include all applicable requirements.

(iii) - ERO permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point.

(iv) - ERO permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.

(v) - All major emissions points are identified in the permit and/or statement of basis. The Washington State University permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

(vi) - Process and control equipment are identified and described in the permit and/or statement of basis.

(vii) - The permit contains specific operation and maintenance requirements.

(viii) - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.

(ix) - There are no alternative operating scenarios specified in the Washington State University permit.

(x) - The permit expiration (July 31, 2012) date is noted on the cover of the permit. The responsible official is listed as Greg Royer, Vice President of Business Affairs.

(xi) - The permit clearly indicates which requirements are enforceable by federal/state mechanisms (Conditions 2.1 through 2.7). The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 1.23).

(xii) - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.

(xiii) - There is no record indicating if or how the permit writer worked with the source to identify and consider opportunities for pollution prevention. No specific pollution prevention measures were implemented. However, the O & M requirements in the permit could be used by agencies to ensure best practices are used to prevent pollution.

(xiv) - Overall, the permit reviewed indicates the permitting program at ERO is functioning well. The permit was generally complete and understandable. One area of general concern is the timeliness of applications for permit renewals. Therefore, we recommend that ERO consider including permit renewal application due dates on the cover page of permits.

**Washington Department of Ecology – Nuclear Waste Program**  
[http://www.ecy.wa.gov/programs/nwp/piarchive12\\_07.htm#Hanford\\_Site\\_Air\\_Operating\\_Permit](http://www.ecy.wa.gov/programs/nwp/piarchive12_07.htm#Hanford_Site_Air_Operating_Permit)

***Routine Performance Evaluation***

**WAC 173-401-920(3)(b)...**

**(i) Number of Air Operating Permit Sources: 1**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>6</sup>
Hanford	Revision B Revision C	I: 12/29/06 E:12/31/11 R: 06/31/11	Revisions B and C were processed in 2007	Insp./5: none listed QNC/3: - SV: no IE/5: - FE/5: unknown

Number of lapsed<sup>7</sup> permits in 2007: **0**

**(ii)** Ecology- Nuclear Waste Program (NWP) did not disapprove any applications. Ecology-Hanford made an unknown number of requests for additional information during 2007. This information is maintained in the permit files under correspondence- a practice typical of other AOP programs. Additionally, Ecology-NWP has developed a very thorough permit tracking database that can readily retrieve information and electronic documents pertaining to the Hanford AOP.

**(iii)** EPA did not object to any permits issued by Ecology-NWP during 2007.

**(iv)** Although all permits are subject to legal/administrative challenge, no Ecology-NWP issued permits were subject to legal or administrative challenge during 2007. A *pro se* appellant challenged renewal 1 of the Hanford AOP in PCHB-07-012. Ecology prevailed in summary judgment on August 22, 2007.

**(v)** Since EPA tracks enforcement actions over three year periods, and the information is not posted on the Ecology-NWP website, it was not possible (under the audit approach taken this year) to determine exactly how many NOV's were issued by Ecology-NWP in 2007. From the Ecology-NWP permit-tracking database, Ecology-NWP issued a Notice of Violation (No. DE 4218) for Hanford tank farm permit violations on April 10, 2007, and a Notice of Violation for Hanford diesel engine violations on October 25, 2007. These violations were for failure to notify and apply for construction authorization and for failure to comply with emission limitations through installation of engines that did not comply with engine certification standards of the permit. Additionally, the Department of Health issued a Notice of Correction to Hanford for improper identification of a major emission unit as a minor emission unit in violation of 40 CFR §61.94(b)(9). No violations were determined to be High Priority Violations.

<sup>6</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);  
 SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);  
 FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

<sup>7</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal permit.

(vi) Ecology-NWP conducts annual unannounced inspections at all AOP facilities. All facilities were inspected in 2007.

(vii) During 2007, Ecology-NWP did not document any accidental releases, as defined in Section 112(r) of the Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: Hanford AOP***

#### **WAC 173-401-920 (3)(c)...**

(i) - The applicable requirements can be determined from the information available in the permit. All permit terms and conditions are specified in the permit.

(ii) – The permit appears to include all applicable requirements.

(iii) – Ecology-NWP permit files are organized by program area (e.g. air, water, solid waste, etc.) and contain information necessary to determine the compliance status for each emissions unit.

(iv) – Ecology-NWP permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.

(v) - All major emissions points are identified in the permit and/or statement of basis. The Hanford permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

(vi) - All process and control equipment are identified and described in the permit and/or the statement of basis.

(vii) - The permit contains specific operation and maintenance requirements.

(viii) - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.

(ix) - There are no alternative operating scenarios specified in the Hanford permit.

(x) - The permit expiration (12/31/11) date is noted on the cover of the permit. The responsible official is not listed on the permit, as the responsible officials are Federally appointed Senior Executive Service persons subject to reassignment and replacement with little notice. The permit names the Department of Energy in the offices of Richland Operations and Office of River Protection as the responsible officials for specific emission sources with joint responsibilities for reporting and certification.

(xi) - The permit clearly indicates which requirements are enforceable by federal/state mechanisms. The permit also states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 3.9).

(xii) - All procedural requirements, including notice to public and affected states, appear to have been satisfied in issuing/modifying the Hanford permit.

(xiii) - There is no record indicating if or how the permit writer worked with the source to identify and consider opportunities for pollution prevention. No specific pollution prevention measures were

implemented. However, the O & M requirements in the permit along with other permitting/licensing procedures may be used to ensure that best practices are used to prevent pollution.

**(xiv)** - Overall, Ecology's AOP program at Hanford is functioning well. The permit appears complete and is becoming much more understandable with improvements to the permit tracking database developed by Ecology staff. Overall, the procedural permit issuance process at Ecology-NWP is adequate.

## Washington Department of Ecology – Industrial Section

<http://apps.ecy.wa.gov/industrial/final.asp?action=sort&type=A>

### *Routine Performance Evaluation*

**WAC 173-401-920(3)(b)...**

**(i) Number of Air Operating Permit Sources: 11 (13 AFS – Chinook Ventures and Evergreen Aluminum are not included on the Industrial Section website but are listed on AFS)**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>8</sup>
Alcoa Works, Wenatchee – Aluminum Smelter		I: 12/18/03 E: 01/01/09 R: Not available		Insp./5: 2 QNC/3: 2 SV: no IE/5: 1 FE/5: 1
Boise Cascade Corporation, Wallula – Pulp and Paper		I: 12/01/04 E: 12/01/09 R: Not Available		Insp./5: 2 QNC/3: - SV: no IE/5: 1 FE/5: unknown
Columbia Gorge Aluminum, Goldendale – Aluminum Smelter		I: 10/06/04 E: 11/01/09 R: Not available		Insp./5: 2 QNC/3: - SV: no IE/5: 2 FE/5: 2
Fort James, Camus – Pulp and Paper Mill		I: 03/23/06 E: 04/01/11 R: Not available		Insp./5: 2 QNC/3: - SV: no IE/5: 2 FE/5: 2
Intalco, Ferndale – Aluminum Smelter		I: 04/15/04 E: 04/15/09 R: Not available		Insp./5: 2 QNC/3: - SV: no IE/5: 1 FE/5: 4

<sup>8</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);

SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);

FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>8</sup>
Kimberly-Clark, Everett – Pulp and Paper		I: 08/31/05 E: 10/01/10 R: Not available		Insp./5: 3 QNC/3: - SV: no IE/5: 5 FE/5: 4
Longview Fibre Paper and Packaging, Longview – Pulp and Paper Mill	Permit issued	I: <b>02/23/07</b> E: 03/01/12 R: Not available		Insp./5: 2 QNC/3: 2 SV: no IE/5: 9 FE/5: 5
Port Townsend Paper, Port Townsend – Pulp and Paper Mill	Permit issued	I: <b>01/17/07</b> E: 01/31/12 R: Not available		Insp./5: 2 QNC/3: - SV: no IE/5: 8 FE/5: 4
Simpson Kraft Co., Tacoma – Pulp and Paper Mill		I: 07/27/05 E: 08/01/10 R: Not available		Insp./5: 2 QNC/3: - SV: no IE/5: 2 FE/5: 2
Weyerhaeuser, Cosmopolis – Pulp and Paper Mill	Permit issued	I: <b>07/27/07</b> E: 08/01/12 R: Not available		Insp./5: 2 QNC/3: - SV: no IE/5: 2 FE/5: 2
Weyerhaeuser, Longview – Pulp and Paper		I: 03/16/01 E: 03/16/06 R: Not available	Note on website indicates this permit has been “extended” Lapsed in 2007	Insp./5: 2 QNC/3: - SV: no IE/5: - FE/5: unknown

Number of lapsed<sup>9</sup> permits in 2007: **1** (Possibly more depending on expiration dates of permits issued in 2007.

(ii) Industrial Section did not disapprove any applications in 2007. Industrial Section made an unknown number of requests for additional information during 2007. This information is maintained in the permit files under correspondence- a practice typical of other AOP programs.

(iii) EPA did not object to any permits issued by the Industrial Section during 2007.

(iv) Although all permits are subject to legal/administrative challenge, no Industrial Section issued permits were subject to legal or administrative challenge during 2007.

(v) Industrial Section issues notices of violation (NOV) whenever a violation is discovered. Industrial Section management determines whether the violation is a high priority violation (HPV). Since information retrieved through EPA’s ECHO website only looked at enforcement actions over three year periods, it was not determined how many NOVs were issued by Industrial Section in 2007.

<sup>9</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal permit.

(vi) Industrial Section conducts annual unannounced inspections at all AOP facilities. All facilities were inspected in 2007.

(vii) During 2007, Industrial Section did not document any accidental releases, as defined in Section 112(r) of the Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: Weyerhaeuser Longview Pulp and Paper***

#### **WAC 173-401-920 (3)(c)...**

(i) – It is difficult to determine all applicable requirements from the information available in the permit. All permit terms and conditions appear to be referenced in the permit. However, most applicable requirements are listed as references to other documents; the specific operating terms, conditions, monitoring, recordkeeping, and reporting requirements are not, in many cases, spelled out in the permit. The permit lists the applicable requirements and specifies some conditions as “state-only” requirements. Therefore, it is assumed, but not specified in the permit, that all other conditions are federally enforceable.

(ii) – The permit appears to address all applicable requirements. However, there are numerous applicable requirements that are only included by reference. For example, the permit contains a “NSPS General Requirements” section, which simply lists the NSPS that apply to this facility. Specific NSPS terms and conditions are not listed in the permit- only the requirement that the facility comply with the applicable requirement(s).

(iii) – Industrial Section permit files are organized by facility and appear to contain information necessary to determine the compliance status for each facility and emission point.

(iv) – Industrial Section permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.

(v) - All major emissions points are identified in the permit and/or statement of basis. The Weyerhaeuser permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

(vi) - Process and control equipment are identified and described in the permit and/or statement of basis.

(vii) - The permit does not contain specific operation and maintenance requirements.

(viii) - The permit does not contain (specify) all monitoring, recording, reporting and certification requirements to which this source is subject. Many, if not all of these requirements are, however, included by reference. The problem with this approach is that it is difficult to determine what monitoring, recordkeeping, and reporting requirements to which this source is subject.

(ix) - There are no alternative operating scenarios specified in the Weyerhaeuser permit.

(x) - The permit expiration (March 16, 2006) date is noted on the cover of the permit. The responsible official is not listed on the permit or the support document (statement of basis).

(xi) - The permit indicates which requirements are enforceable only by state enforcement mechanisms. The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 46).

**(xii)** – A review of the permit files indicates that all procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.

**(xiii)** - There is no record indicating if or how the permit writer worked with the source to identify and consider opportunities for pollution prevention. No specific pollution prevention measures were implemented. However, the O & M requirements in the permit could be used by agencies to ensure best practices are used to prevent pollution.

**(xiv)** - Overall, the permit reviewed indicates the Industrial Section permitting program is functioning well. The permit was generally complete and understandable. However, due to the extensive use of cross-referencing, it is difficult to determine whether all applicable requirements are satisfied without examining numerous off-permit documents such as NOCs, PSD permits and numerous federal regulations. The Industrial Section could benefit from looking at how other Washington AOP programs write permits. Specifically, the clarity of Industrial Section permits may be improved by following one of the many AOP permit formats used by other Washington AOP programs.

## Northwest Clean Air Agency (NWCAA)

[www.nwcleanair.org](http://www.nwcleanair.org)

### *Routine Performance Evaluation*

**WAC 173-401-920(3)(b)...**

**(i) Number of Air Operating Permit Sources: 18**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>10</sup>
BP West Coasts Products, LLC	Renewal application rec'd <b>12/14/07</b>	I: 09/06/06* <b>E: Unknown</b> R: 12/16/07	Late Renewal Application *Modification	Insp./5: 2 QNC/3: 12 SV: yes IE/5: 14 FE/5: 11
ConocoPhillips	Renewal application rec'd <b>11/20/07</b>	I: 05/20/03 E: 05/20/08 R: 11/20/07	Timely renewal application received.	Insp./5: 2 QNC/3: 12 SV: yes IE/5: 13 FE/5: 11
Ershigs, Inc.	Renewal application rec'd <b>07/27/07</b>	I: 02/04/03 E: 02/04/08 R: 08/04/07	Timely application received.	Insp./5: 6 QNC/3: - SV: no IE/5: 2 FE/5: 1
General Chemical Corp.	Processing renewal application	I: 03/18/02 <b>E: 03/18/07</b> R: 09/18/06	Lapsed in 2007	Insp./5: 4 QNC/3: 10 SV: no IE/5: 8 FE/5: 8
MAAX – Hydroswhirl	None	I: 10/17/06 E: 10/17/11 R: 04/17/11		Insp./5: 5 QNC/3: - SV: no IE/5: 3 FE/5: 3
March Point Cogeneration	None	I: 12/01/05 E: 12/01/10 R: 06/01/10		Insp./5: 5 QNC/3: 2 SV: no IE/5: 1 FE/5: 1

<sup>10</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);

SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);

FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>10</sup>
Naval Air Station Whidbey	None	I: 05/17/05 E: 05/17/10 R: 11/17/09		Insp./5: 4 QNC/3: - SV: no IE/5: 4 FE/5: 2
Nordic Tugs	None	I: 12/14/06 E: 12/14/11 R: 06/14/10		Insp./5: 3 QNC/3: - SV: no IE/5: 4 FE/5: 3
Northwest Pipeline – Mount Vernon	Permit issued	<b>I: 01/01/07</b> R: 01/01/12 E: 07/01/11		Insp./5: 5 QNC/3: - SV: yes IE/5: 2 FE/5: unknown
Northwest Pipeline – Sumas	None	I: 08/18/06 E: 08/18/11 R: 02/18/11		Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: 1
Pacific Woodtech	Initial Permit application rec'd <b>08/29/07</b>	I: 03/17/08 E: 03/17/13 R: 09/17/12	7 mos. (application to issuance)	Insp./5: 2 QNC/3: - SV: no IE/5: 1 FE/5: unknown
Puget Sound Energy – Encogen	None	I: 03/07/05 E: 03/07/10 R: 09/7/10	<i>SOB indicates renewal application due after expiration date</i>	Insp./5: 5 QNC/3: 10 SV: no IE/5: 3 FE/5: 3
Puget Sound Energy – Fredonia	None	I: 03/07/05 E: 03/07/10 R: 09/07/10	<i>SOB indicates renewal application due after expiration date</i>	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Puget Sound Energy – Whitehorn	None	I: 02/03/05 E: 02/03/10 R: 08/03/10	<i>SOB indicates renewal application due after expiration date</i>	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Puget Sound Refinery (Shell)	Renewal App. Rec'd <b>05/24/07</b>	I: 11/26/02 <b>E: 11/25/07</b> R: 05/25/07	Lapsed in 2007. Timely application received.	Insp./5: 2 QNC/3: 12 SV: yes IE/5: 11 FE/5: 11
Sierra Pacific	Initial Permit App Rec'd <b>12/31/07</b>	I: NA E: NA R: NA	Initial permit application review in process...	Insp./5: 1 QNC/3: - SV: no IE/5: 4 FE/5: 2

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>10</sup>
Tenaska Wash. Partners	Sig. Mod. App Rec'd <b>01/18/07</b>	I: 04/22/05 E: 04/22/10 R: 10/22/09	7 mos. (application to issuance) 04/29/08	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Tesoro Refining Northwest Co.	Renewal App. Rec'd <b>05/18/07</b>	I: 11/25/02 <b>E: 11/25/07</b> R: 05/25/07	Lapsed in 2007. Timely renewal application received.	Insp./5: 4 QNC/3: 12 SV: yes IE/5: 15 FE/5: 14

Number of lapsed<sup>11</sup> permits in 2007: **3**

Explanation: Lapses due to insufficient permit staff resources. NWCAA hired two additional permit engineers during 2007.

(ii) NWCAA received 8 applications in 2007- five renewal applications, two initial permit applications, and one significant modification application. The average permit processing time for completed permits is approximately 8 months. NWCAA did not disapprove any application in 2007. NWCAA does not track requests for additional information. However, this information can be located in permit files, when it is not routinely tracked by permit agencies. Nearly all permit applications involve requests for additional information- both prior and subsequent to completeness determinations. This information is maintained in the permit files under correspondence- a practice typical of other AOP programs.

(iii) EPA did not object to any permits issued by NWCAA during 2007.

(iv) Although all permits are subject to legal/administrative challenge, no NWCAA issued permits were subject to legal or administrative challenge during 2007.

(v) Since EPA tracks enforcement actions over three and five year periods, it was not possible to determine from the records audited this year how many NOV's were issued by NWCAA in 2007.

(vi) NWCAA conducts annual unannounced inspections at all AOP facilities. All facilities were inspected in 2007.

(vii) During 2007, NWCAA did not document any accidental releases, as defined in Section 112(r) of the Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### **Random Permit Review: Pacific Woodtech**

**WAC 173-401-920 (3)(c)...**

(i) - The applicable requirements can be determined from the information available in the permit. All

<sup>11</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal permit even in legally operating under the permit or application shield.

permit terms and conditions are specified in Section 2 of the permit. Conditions 2.1 and 2.2 of the permit list the applicable requirements and specify the state/federal enforceability of those conditions.

**(ii)** – The permit appears to include all applicable requirements.

**(iii)** – NWCAA permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point.

**(iv)** – NWCAA permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.

**(v)** - All major emissions points are identified in the permit and/or statement of basis. The Pacific Woodtech permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

**(vi)** - All process and control equipment are identified and described in the permit and/or the statement of basis.

**(vii)** - The permit contains specific operation and maintenance requirements.

**(viii)** - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.

**(ix)** - There are no alternative operating scenarios specified in the Pacific Woodtech permit.

**(x)** - The permit expiration (March 17, 2013) date is noted on the cover of the permit. The responsible official is listed as Robert B. Schroeder, Vice President of Operations.

**(xi)** - The permit clearly indicates which requirements are enforceable by federal/state mechanisms (Conditions 2.1 and 2.2). The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 1.16).

**(xii)** - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.

**(xiii)** - There is no record indicating if or how the permit writer worked with the source to identify and consider opportunities for pollution prevention. No specific pollution prevention measures were implemented. However, the O & M requirements in the permit could be used by agencies to ensure best practices are used to prevent pollution. NWCAA works with all permitted sources to identify and consider pollution prevention opportunities during construction (NSR) permitting, rather than Title V permitting.

**(xiv)** - Overall, the permit reviewed indicates the permitting program at NWCAA is functioning well. The permit was generally complete and understandable. In summary, NWCAA writes complete understandable permits that serve as clear and useable documents for determining a facility's compliance with air pollution regulations, limits, and operating requirements. Additionally, NWCAA is very diligent in following statutory permit issuance procedures.

## Olympic Regional Clean Air Agency (ORCAA)

[www.orcaa.org](http://www.orcaa.org)

### *Routine Performance Evaluation*

WAC 173-401-920(3)(b)...

(i) Number of Air Operating Permit Sources: **15**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), and Renewal Application (R) Dates	Comments	Compliance and Enforcement <sup>12</sup>
Amtech		I: 03/03/06 E: 03/03/06 R: 09/04/10		Insp./5: 6 QNC/3: - SV: no IE/5: 2 FE/5: 2
Crown Cork & Seal		I: 09/25/06 E: 09/25/11 R: 03/29/11		Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: 1
Grays Harbor Paper LP		I: 12/01/98 E: <b>12/01/03</b> R: 06/04/03	Lapsed in 2007	Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: 1
Imperium Renewables	Initial Permit	I: NA E: NA R: NA	Initial permit application review	Insp./5: QNC/3: SV: IE/5: FE/5: New source. Not yet reporting to AFS.
K Ply Inc		I: 04/26/04 E: 04/26/09 R: 10/28/08		Insp./5: 5 QNC/3: - SV: no IE/5: 4 FE/5: 4
Lasco Bathware		I: 07/25/05 E: 07/25/10 R: 01/26/10	Permit information on website does not match information from audit records	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown

<sup>12</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);

SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);

FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

Permit	2007 Permit Activity	Issuance (I), Expiration (E), and Renewal Application (R) Dates	Comments	Compliance and Enforcement <sup>12</sup>
Morton International (Rohm & Haas)		I: 12/06/06 E: 12/06/11 R: 06/09/11		Insp./5: 6 QNC/3: - SV: no IE/5: 2 FE/5: 2
Nippon Paper Industries		I: 08/04/06 E: 08/04/11 R: 02/05/11	Website shows Draft AOP dated 05/23/06	Insp./5: 4 QNC/3: - SV: no IE/5: - FE/5: unknown
Olympic Panel Products		I: 02/03/05 E: 02/03/10 R: 08/03/09		Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: 1
Paneltech International, LLC	Permit issued	I: <b>05/14/07</b> E: 05/13/12 R: 11/15/11		Insp./5: 6 QNC/3: - SV: no IE/5: - FE/5: unknown
SPI – Cogeneration Facility	Permit issued	I: <b>07/13/07</b> E: 07/12/12 R: 01/14/12		Insp./5: 5 QNC/3: - SV: no IE/5: 2 FE/5: 1
Simpson Door Co.		I: 05/18/05 E: 05/18/10 R: 11/19/09		Insp./5: 6 QNC/3: 3 SV: no IE/5: 2 FE/5: 2
Simpson Timber	None	I: 02/03/05 E: 02/03/10 R: 08/07/09		Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Westport Shipyard	Renewal application rec'd <b>12/21/07</b>	I: 07/16/00 E: 07/15/08 R: 01/17/08		Insp./5: 5 QNC/3: - SV: no IE/5: 18 FE/5: 1
Weyerhaeuser Co.	Permit issued 01/29/08	I: 03/08/00 E: <b>03/08/05</b> R: 09/09/04	Lapsed in 2007 (39 months processing time)	Insp./5: 5 QNC/3: - SV: no IE/5: 2 FE/5: 2

Number of lapsed<sup>13</sup> permits in 2007: **2**

<sup>13</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal permit even in legally operating under the permit or application shield.

Explanation: Lapses due to limited permitting staff resources and the need to distribute those resources among various permitting priorities.

(ii) ORCAA received 1 renewal application in 2007. ORCAA did not disapprove any application in 2007. ORCAA does not track requests for additional information. However, this information can be located in permit files, when it is not routinely tracked by permit agencies. Nearly all permit applications involve requests for additional information- both prior and subsequent to completeness determinations. This information is maintained in the permit files under correspondence- a practice typical of other AOP programs.

(iii) EPA did not object to any permits issued by ORCAA during 2007.

(iv) Although all permits are subject to legal/administrative challenge, no ORCAA issued permits were subject to legal or administrative challenge during 2007.

(v) Since EPA tracks enforcement actions over three and five year periods, it was not possible to determine from the records audited this year how many NOV's were issued by ORCAA in 2007.

(vi) ORCAA conducts annual unannounced inspections at all AOP facilities. All facilities were inspected in 2007.

(vii) During 2007, ORCAA did not document any accidental releases, as defined in Section 112(r) of the Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: K-Ply***

#### **WAC 173-401-920 (3)(c)...**

(i) - The applicable requirements can be determined from the information available in the permit. All permit terms and conditions are specified in Section 4 of the permit. The tables containing applicable requirements specify those conditions state-only ("local only") enforceable conditions.

(ii) - The permit appears to include all applicable requirements.

(iii) - ORCAA permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point.

(iv) - The ORCAA permit files include: Full Compliance Evaluation summaries, technical reviews, source tests, CEM performance specification tests (where applicable), permit applications, records of citizen complaints (and comments), correspondence with facility and other supporting documentation. The files also indicate that all procedural requirements, including notice to public and affected states were satisfied in issuing and modifying the K-Ply permit.

(v) - All major emissions points are identified in the permit and/or statement of basis. The K-Ply permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

(vi) - All process and control equipment are identified and described in the permit and/or the statement of basis.

(vii) - The permit contains specific operation and maintenance requirements.

**(viii)** - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.

**(ix)** - There are no alternative operating scenarios specified in the K-Ply permit.

**(x)** - The permit expiration (April 26, 2009) date is noted on the cover of the permit. The responsible official is not listed in the K-Ply permit.

**(xi)** - The permit clearly indicates which requirements are enforceable by federal/state mechanisms. The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 1.16).

**(xii)** - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.

**(xiii)** - There is no record indicating if or how the permit writer worked with the source to identify and consider opportunities for pollution prevention. No specific pollution prevention measures were implemented. However, the O & M requirements in the permit could be used by agencies to ensure best practices are used to prevent pollution. ORCAA works with all permitted sources to identify and consider pollution prevention opportunities during construction (NSR) permitting, rather than Title V permitting.

**(xiv)** - Overall, the permit reviewed indicates the permitting program at ORCAA is functioning well. The permit was generally complete and understandable. Overall, the procedural permit issuance process at ORCAA is adequate. ORCAA writes complete understandable permits that serve as clear and useable documents for determining a facility's compliance with air pollution regulations, limits, and operating requirements. ORCAA is very diligent in following statutory permit issuance procedures.

## Puget Sound Clean Air Agency (PSCAA)

<http://www.pscleanair.org/announce/permits/titlev.aspx>

### *Routine Performance Evaluation*

WAC 173-401-920(3)(b)...

(i) Number of Air Operating Permit Sources: **35 (Arclin Surfaces)**

Permit	2007 Permitting Activity	Issuance (I), Expiration <sup>14</sup> (E), Renewal Application (R) Dates	Comments	Compliance and Enforcement <sup>15</sup>
Ash Grove Cement Co.	Significant Modification <b>(05/17/07)</b> Administrative Amendment <b>(07/13/07)</b>	I: 05/14/04 E: 05/15/09 R: 05/15/08		Insp./5: 5 QNC/3: 1 SV: no IE/5: 4 FE/5: 1
Ball Metal Beverage Container Corp.	Application review	I: 01/13/99 E: <b>01/13/04</b> R: 01/13/03	Lapsed in 2007	Insp./5: 4 QNC/3: - SV: no IE/5: 1 FE/5: unknown
Boeing (Auburn)	None	I: 02/03/04 E: 02/02/09 R: 02/02/08	Issuance date on website differs by 1 day from issuance date on permit	Insp./5: 6 QNC/3: - SV: no IE/5: 1 FE/5: unknown
Boeing (Everett)	Application review	I: 06/19/02 E: <b>06/19/07</b> R: 06/19/06	Lapsed in 2007	Insp./5: 5 QNC/3: - SV: no IE/5: 2 FE/5: unknown
Boing (Fredrickson)	Application review	I: 06/20/02 E: <b>06/20/07</b> R: 06/20/06	Lapsed in 2007	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown

<sup>14</sup> According to PSCAA AOP Condition VI.A, renewal applications are due 12 months prior to the permit expiration date. [Condition VI.A. Renewal Applications]

<sup>15</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);

SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);

FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

Permit	2007 Permitting Activity	Issuance (I), Expiration <sup>14</sup> (E), Renewal Application (R) Dates	Comments	Compliance and Enforcement <sup>15</sup>
Boeing (NBF_Plant 2, combined)	Application review	I: 05/20/02 E: <b>05/20/07</b> R: 05/20/06	Lapsed in 2007	Insp./5: 6 QNC/3: - SV: no IE/5: 5 FE/5: 1
Boeing (Renton)	Significant Modification ( <b>05/02/07</b> )	I: 02/02/04 E: 02/02/09 R: 02/02/08		Insp./5: 5 QNC/3: - SV: no IE/5: 2 FE/5: unknown
<b>Brunswick Family Boat Co.</b>	Permit issued	I: <b>03/30/07</b> E: 03/30/12 R: 03/30/11	Prior expiration date unknown	Insp./5: 5 QNC/3: - SV: no IE/5: 2 FE/5: unknown
Dynea Overlays, Inc.	Application review	I: 05/01/02 E: <b>05/01/07</b> R: 05/01/06	Lapsed in 2007	Insp./5: 6 QNC/3: 7 SV: no IE/5: 6 FE/5: 2
Glacier Bay Catamaran	-Renewal application rec'd <b>02/13/07</b> -Administrative Modification application rec'd <b>06/20/07</b>	I: 02/12/03 E: 02/12/08 R: 02/12/07		Insp./5: 5 QNC/3: - SV: no IE/5: 15 FE/5: 3
Graymont Western US Inc	Permit issued	I: <b>05/04/07</b> E: 05/04/12 R: 05/04/11	Prior expiration date unknown	Insp./5: 5 QNC/3: 12 SV: no IE/5: 1 FE/5: 1
Hampton Lumber Mills	Initial Permit Application rec'd <b>07/09/07</b>	I: NA E: NA R: NA		Insp./5: 4 QNC/3: - SV: no IE/5: 20 FE/5: 2
Kenworth Truck Co. (Renton)	Permit issued	I: <b>02/22/07</b> E: 02/22/12 R: 02/22/11	Prior expiration date unknown	Insp./5: 6 QNC/3: - SV: no IE/5: - FE/5: unknown
King Co. Solid Waste Op Sec (Cedar Hills)	Application review	I: 01/04/01 E: <b>01/04/06</b> R: 01/04/05	Lapsed in 2007	Insp./5: 5 QNC/3: 3 SV: no IE/5: 1 FE/5: unknown

Permit	2007 Permitting Activity	Issuance (I), Expiration <sup>14</sup> (E), Renewal Application (R) Dates	Comments	Compliance and Enforcement <sup>15</sup>
KC Natl Res. Wastewater Treatment (West Point)	- Application review - Administrative Modification application rec'd <b>06/20/07</b>	I: 08/17/01 E: <b>08/17/06</b> R: 08/17/05	Lapsed in 2007	Insp./5: 5 QNC/3: - SV: no IE/5: 3 FE/5: 3
Lafarge North America, Inc	None	I: 05/15/04 E: 05/15/09 R: 05/15/08		Insp./5: 6 QNC/3: 12 SV: yes IE/5: 69 FE/5: 35
Moulding & Millwork Inc.	Permit issued	<b>I: 07/01/07</b> E: 07/01/12 R: 07/01/11	Prior expiration date unknown	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Mutual Materials Co	Permit issued	<b>I: 05/08/07</b> E: 05/08/12 R: 05/08/11	Prior expiration date unknown	Insp./5: 4 QNC/3: 3 SV: no IE/5: 3 FE/5: 2
Nucor Steel	Significant Modification application rec'd <b>09/14/07</b>	I: 04/12/06 E: 04/12/11 R: 04/12/10	Significant Modification completed on 03/04/08 (approx. 6 mos. processing)	Insp./5: 6 QNC/3: - SV: no IE/5: - FE/5: unknown
Pliant Corporation	Application review	I: 04/21/99 E: <b>04/21/04</b> R: 04/21/03	Lapsed in 2007	Insp./5: 4 QNC/3: - SV: no IE/5: 2 FE/5: 2
Premier Industries Inc	Application review	I: 09/23/02 E: <b>09/23/07</b> R: 09/23/06	Lapsed in 2007	Insp./5: QNC/3: SV: IE/5: FE/5:
Professional Coatings Inc	Application review	I: 07/30/02 E: <b>07/30/07</b> R: 07/30/06	Lapsed in 2007	Insp./5: 4 QNC/3: 12 SV: yes IE/5: 3 FE/5: 3
Puget Sound Energy	Permit issued	<b>I: 05/15/07</b> E: 05/15/12 R: 05/15/11		Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Puget Sound Naval Shipyard	Renewal application rec'd <b>11/26/07</b>	I: 12/31/03 E: 12/31/08 R: 12/31/07	Timely application received	Insp./5: 5 QNC/3: 4 SV: no IE/5: 4 FE/5: 1

Permit	2007 Permitting Activity	Issuance (I), Expiration <sup>14</sup> (E), Renewal Application (R) Dates	Comments	Compliance and Enforcement <sup>15</sup>
Rexam Beverage Can Co	Application review	I: 05/16/00 E: <b>05/16/05</b> R: 05/16/04	Lapsed in 2007	Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: 1
Saint-Gobain Containers LLC	Permit issued	I: <b>06/06/07</b> E: 06/06/12 R: 06/06/11		Insp./5: 6 QNC/3: 12 SV: yes IE/5: 99 FE/5: 40
Seattle Steam	Application review	I: 06/24/02 E: <b>06/24/07</b> R: 06/24/06	Lapsed in 2007	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Toray Composites Inc.	Application review	I: 06/11/02 E: <b>06/11/07</b> R: 06/11/06	Lapsed in 2007	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Todd Pacific Shipyards	Renewal application rec'd <b>02/05/07</b>	I: 02/04/03 E: 02/04/08 R: 02/04/07		Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: 2
US Oil & Refining Co	Application review	I: 12/31/02 E: <b>12/31/07</b> R: 12/31/06	Lapsed in 2007	Insp./5: 4 QNC/3: 8 SV: yes IE/5: 35 FE/5: 10 -Full Compliance Evaluation 11/14/07 - 13 NOVs issued in 2007 - 2 Written warnings issued in 2007 -\$5000 in Civil Penalties in 2007
United States Bakery, Franz Northern Div. (6 <sup>th</sup> Ave.)	Renewal application rec'd <b>08/10/07</b>	I: 12/18/02 E: <b>12/18/07</b> R: 12/18/06	Late renewal application. Lapsed in 2007	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
United States Bakery, Franz Northern Div. (Weller Street)	Renewal application rec'd <b>05/30/07</b>	I: 06/11/03 E: 06/11/08 R: 06/11/07	Timely renewal application	Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: unknown



**(i)** - The applicable requirements can be determined from the information available in the permits. For the Brunswick Boat permit, all permit terms and conditions are specified in Section 1 of the permit. Tables 1, 2, and 3 of the permit list the applicable requirements and specify the state/federal enforceability of those conditions. For the US Bakery permit, all permit terms and conditions are specified in Section I of the permit. Tables A and B list the applicable requirements and specify the state/federal enforceability of those conditions.

**(ii)** – The permits appear to include all applicable requirements.

**(iii)** – PSCAA permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point.

**(iv)** – PSCAA permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.

**(v)** - All major emissions points are identified in the permit and/or statement of basis. Both permits are organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

**(vi)** - All process and control equipment are identified and described in the permits and/or the statements of basis.

**(vii)** - The permits contain specific operation and maintenance requirements.

**(viii)** - The permits contain all monitoring, recording, reporting and certification requirements to which this source is subject.

**(ix)** - There are no alternative operating scenarios specified in the either permit.

**(x)** - The permit expiration dates are noted on the cover of the permits. The responsible officials are listed as Stephen Dusold, Plant Manager (Brunswick Family Boat Company), and Barry Ware, General Manager (United States Bakery).

**(xi)** - The permits clearly indicate which requirements are enforceable by federal/state mechanisms. The permits state the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition V.H. for both permits.).

**(xii)** - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying the permits.

**(xiii)** - There is no record indicating if or how the permit writers worked with the sources to identify and consider opportunities for pollution prevention. No specific pollution prevention measures were implemented. However, the O & M requirements in the permits could be used by agencies to ensure best practices are used to prevent pollution.

**(xiv)** - Overall, the permits reviewed indicate the permitting program at PSCAA is functioning well. The permits were generally complete and understandable. Overall, the procedural permit issuance process at PSCAA is adequate.

## Spokane Regional Clean Air Agency (SRCAA)

[http://www.spokanecleanair.org/air\\_operating\\_permits.asp](http://www.spokanecleanair.org/air_operating_permits.asp)

### *Routine Performance Evaluation*

**WAC 173-401-920(3)(b)...**

**(i) Number of Air Operating Permit Source: 11**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>17</sup>
CDC Mead, LLC – Aluminum Smelter		I: 03/01/04 E: 03/01/09 R: 09/01/08		Insp./5: 1 QNC/3: 7 SV: no IE/5: 1 FE/5: 1
Avista NE Turbine		I: 07/21/04 E: 07/20/09 R: 07/20/08		Insp./5: 4 QNC/3: - SV: no IE/5: - FE/5: unknown
City of Spokane – Northside Landfill – Municipal Solid Waste Landfill	Application review. Application received 12/29/06.	I: 01/02/03 E: 01/01/08 R: <b>01/01/07</b>		Insp./5: 3 QNC/3: - SV: no IE/5: 1 FE/5: 1
<b>Fiber-Tech – FR Plywood Mfg.</b>	Renewal application received <b>01/03/07</b> . Deemed complete 01/16/07.	I: 02/22/08 E: 02/21/13 R: 02/21/12	Timely permit issued in 2008. Renewal application processed in approximately 12 months. Prior permit expired 01/29/08.	Insp./5: 4 QNC/3: - SV: no IE/5: 1 FE/5: 1
TransCanada Gas Transmission	Renewal application received <b>01/24/07</b> . Deemed complete 03/02/07.	I: 04/14/08 E: 04/13/13 R: 04/13/12	Timely permit issued in 2008. Renewal application processed in approximately 14 months. Prior permit expired 05/01/08.	Insp./5: 2 QNC/3: 3 SV: no IE/5: 2 FE/5: 2
Inland Empire Paper Company	Renewal permit issued	I: <b>10/01/07</b> E: 09/30/12 R: 09/30/11		Insp./5: 5 QNC/3: - SV: no IE/5: 2 FE/5: 2

<sup>17</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);

SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);

FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>17</sup>
Kaiser Trentwood – Aluminum Rolling Mill		I: 05/19/08 E: 05/18/13 R: 05/18/12		Insp./5: 6 QNC/3: - SV: no IE/5: 4 FE/5: 3
Melcher Mfg. Co, Inc.	Permit revised <b>01/05/07</b>	I: 05/18/04 E: 05/17/09 R: 05/17/08	Re-opened for cause to incorporate new applicable requirement	Insp./5: 3 QNC/3: - SV: no IE/5: - FE/5: unknown
Mutual Materials Company	Renewal application received <b>12/17/07</b> . Deemed complete 01/07/08.	I: 03/01/04 E: 02/28/09 R: 02/28/08		Insp./5: 4 QNC/3: - SV: no IE/5: 1 FE/5: 1
Waste-to-Energy Plant		I: 10/30/06 E: 10/29/11 R: 10/29/10		Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: 1

Number of lapsed<sup>18</sup> permits in 2007: **0**

In 2007, SRCAA regulated 11 Title V sources. None of these permits lapsed during 2007. This means no Title V permits, regulated by SRCAA expired, or were expired, prior to being renewed during calendar year 2006.

(ii) SRCAA received 3 renewal applications in 2007. The average permit processing time for completed permits is approximately 13 months. SRCAA did not disapprove any application in 2007. SRCAA does not track requests for additional information. However, this information can be located in permit files, when it is not routinely tracked by permit agencies. Nearly all permit applications involve requests for additional information- both prior and subsequent to completeness determinations. This information is maintained in the permit files under correspondence- a practice typical of other AOP programs.

(iii) EPA did not object to any permits issued by SRCAA during 2007.

(iv) Although all permits are, by law, subject to legal/administrative challenge, no SRCAA issued permits were challenged during 2007.

(v) Since EPA tracks enforcement actions over three and five year periods, it was not possible to determine from the records audited this year how many NOV's were issued by SRCAA in 2007.

(vi) SRCAA generally conducts annual unannounced inspections at AOP facilities. However, some facility inspections require short notice due to access and coordination issues. SRCAA conducts biennial inspections at each facility per agreement with EPA. Approximately half of SRCAA's AOP facilities were inspected in 2007.

(vii) During 2007, SRCAA did not document any accidental releases, as defined in Section 112(r) of the

<sup>18</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal permit.

Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: Fiber-Tech***

#### **WAC 173-401-920 (3)(c)...**

(i) - The applicable requirements can be determined from the information available in the permit. All permit terms and conditions are specified in Section 2 of the permit. Conditions 2.1 and 2.2 of the permit list the applicable requirements and specify the state/federal enforceability of those conditions.

(ii) – The permit appears to include all applicable requirements.

(iii) – SRCAA permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point.

(iv) – SRCAA permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.

(v) - All major emissions points are identified in the permit and/or statement of basis. The Fiber-Tech permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit.

(vi) - Process and control equipment are identified and described in the permit and/or statement of basis.

(vii) - The permit contains specific operation and maintenance requirements.

(viii) - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.

(ix) - There are no alternative operating scenarios specified in the Fiber-Tech permit.

(x) - The permit expiration (February 21, 2013) date is noted on the cover of the permit. The responsible official is listed as Harris W. Armstrong, President.

(xi) - The permit clearly indicates which requirements are enforceable by federal/state mechanisms (Conditions 2.1 and 2.2). The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 1.16).

(xii) - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.

(xiii) – The permit and statement of basis do not specify how the permit writer worked with the source to identify and consider opportunities for pollution prevention. SRCAA staff have indicated, however, that SRCAA worked for several years with Fiber-Tech through a NOC approval process to require the facility to implement several pollution prevention measures, including non-atomized (impingement) spray technology for applying gel coat, lower styrene content materials, etc.

(xiv) - Overall, the permit reviewed indicates the permitting program at SRCAA is functioning well. The permit was generally complete and understandable. Overall, the procedural permit issuance process at SRCAA is adequate.

## Southwest Clean Air Agency (SWCAA)

<http://www.swcleanair.org/permitsstitev.html>

### *Routine Performance Evaluation*

WAC 173-401-920(3)(b)...

(i) Number of Air Operating Permit Sources: **11 (16 sources listed on AFS)**

Permit	2007 Permit Activity (websites and other records)	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>19</sup>
Attbar, Inc.	Permit issued 12/12/07. Expires: 02/12/12	I: 08/14/97 E: 08/14/02 R: 02/14/01	Audit records indicate this permit was re-issued in 2007. <i>Website information is not current</i> as of May 2008. (Lapsed in 2007)	Insp./5: 5 QNC/3: 12 SV: no IE/5: 1 FE/5: 1
Cardinal Pacific FG	Application received <b>09/26/07</b>	I: NA E: NA R: NA	New facility.	
Hampton Lumber Mills, Inc. – Morton	Application review	I: 01/28/98 E: 01/28/03 R: 01/28/02	Renewal application received 01/28/02. Deemed complete 02/14/02. (Lapsed in 2007)	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
<b>Hampton Lumber Mills, Inc. – Randle</b>	None	I: 01/10/05 E: 01/10/10 R: 07/10/09		Insp./5: 5 QNC/3: - SV: no IE/5: 1 FE/5: 1
Clark Public Utilities	None	I: 08/11/04 E: 08/11/09 R: 02/11/08	Renewal application received 02/01/08.	Insp./5: 5 QNC/3: 12 SV: no IE/5: - FE/5: unknown
Emerald Kalama Chemical, LLC	Application review	I: 12/04/01 E: 12/04/06 R: 06/04/06	Renewal application received 06/05/06. No record (data) of completeness. (Lapsed in 2007)	Insp./5: 4 QNC/3: 2 SV: no IE/5: 9 FE/5: 13

<sup>19</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);

SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);

FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

Permit	2007 Permit Activity (websites and other records)	Issuance (I), Expiration (E), Renewal Application Dates (R)	Comments	Compliance and Enforcement <sup>19</sup>
NW Pipeline, Chehalis	None	I: 04/05/00 E: 04/05/05 R: 04/05/04	Audit records indicate this permit was re-issued 03/31/06. <i>Website information is not current</i> as of May 2008.	Insp./5: 6 QNC/3: - SV: no IE/5: - FE/5: unknown
NW Pipeline, Washougal	None	I: 04/05/00 E: 04/05/05 R: 04/05/04	Audit records indicate this permit was re-issued 03/31/06. <i>Website information is not current</i> as of May 2008.	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
TransAlta Centralia Generation, LLC	Permit modified	I: 08/06/04 E: 08/06/09 R: 02/06/09		Insp./5: 5 QNC/3: 1 SV: no IE/5: 4 FE/5: 4
TransAlta Centralia Mining, LLC	Permit issued	<b>I: 01/10/07</b> E: 01/10/12 R: 07/10/11		Insp./5: 5 QNC/3: - SV: no IE/5: 5 FE/5: 5
Mint Farm Energy Center LLC	New source assistance	I: NA R: NA E: NA	New facility. Application not yet due.	Insp./5: 5 QNC/3: - SV: no IE/5: - FE/5: unknown
Sierra Pacific Industries – Centralia	None	I: NA E: NA R: NA	Future Title V facility due to increase in emissions. Application not yet due.	Insp./5: QNC/3: SV: IE/5: FE/5:
Pacific Mountain Energy			Withdraw Title V permit application.	Insp./5: QNC/3: SV: IE/5: FE/5:

Number of lapsed<sup>20</sup> permits in 2007: **3**

(ii) In 2007, SWCAA regulated 11 AOP sources (9 active, 2 pending). Three of these permits lapsed during 2007. The lapsed permits were Attbar, Inc., Emerald Kalama Chemical, LLC, and TransAlta Centralia Mining, LLC. SWCAA received on initial permit application and two applications for permit modification/amendment during 2007. SWCAA did not disapprove any applications. SWCAA does not track requests for additional information prior to determining application completeness. However, this information can be located in permit files, when it is not routinely tracked by permit agencies. Nearly all permit applications involve requests for additional information- both prior and subsequent to completeness determinations. This information is maintained in the permit files under correspondence- a practice typical of other AOP programs.

<sup>20</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal permit.

- (iii) EPA did not object to any permits issued by SWCAA during 2007.
- (iv) Although all permits are, by law, subject to legal/administrative challenge, no SWCAA issued permits were challenged during 2007.
- (v) Since EPA tracks enforcement actions over three and five year periods, it was not possible to determine from the records audited this year how many NOVs were issued by SWCAA in 2007. The number of NOVs issued and penalties assessed by SWCAA during 2007 was not determined.
- (vi) SWCAA conducts annual unannounced inspections at all AOP facilities. All facilities were inspected in 2007.
- (vii) During 2007, SWCAA did not document any accidental releases, as defined in Section 112(r) of the Federal Clean Air Act.
- (viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: Hampton Lumber Mills - Randle***

#### **WAC 173-401-920 (3)(c)...**

- (i) - The applicable requirements can be determined from the information available in the permit. All permit terms and conditions are specified in Sections IV, V, and VI of the permit. The regulatory authority cited along with each requirements indicates whether the applicable requirement enforceable under state and/or federal law.
- (ii) - The permit appears to include all applicable requirements.
- (iii) - SWCAA permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point. The files also indicate that all procedural requirements, including notice to public and affected states were satisfied in issuing and modifying the Hampton Lumber Mills permit.
- (iv) - SWCAA permit files include full compliance evaluation summaries, technical reviews, source tests, CEM performance specification tests (where applicable), permit applications, records of citizen complaints (and comments), correspondence with facility and other supporting documentation.
- (v) - All major emissions points are identified in the permit and/or statement of basis. The Hampton Lumber Mills - Randle permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit. More detail on emissions units could be useful for emissions inventory and modeling purposes.
- (vi) - The permit for Hampton Lumber Mills identifies all major emission points and pieces of control equipment.
- (vii) - The permit contains specific operation and maintenance requirements where applicable.
- (viii) - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.
- (ix) - There are no alternative operating scenarios specified in the Hampton Lumber Mills - Randle permit.
- (x) - The permit expiration (January 10, 2010) date is noted on the cover of the permit. The permit renewal application is due July 10, 2009- six months prior to permit expiration.

**(xi)** - The permit clearly indicates which requirements are enforceable by federal/state mechanisms (Table A). The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition P1.i.).

**(xii)** - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.

**(xiii)** - There is no record indicating if or how the permit writer worked with the source to identify and consider opportunities for pollution prevention. Although the permit may not list specific pollution prevention measures, the O & M requirements in the permit could be used by agencies to ensure best practices are used to prevent pollution. SWCAA, like other agencies, may work with permitted sources to identify and consider pollution prevention opportunities during construction (NSR) permitting, rather than during the Title V permitting process.

**(xiv)** - Overall, the permit reviewed indicates the permitting program at SWCAA is functioning well. The permit was generally complete and understandable. Overall, the procedural permit issuance process at SWCAA is adequate. In summary, SWCAA writes complete understandable permits that serve as clear and useable documents for determining a facility's compliance with air pollution regulations, limits, and operating requirements. Additionally, SWCAA is very diligent in following statutory permit issuance procedures.

## Yakima Regional Clean Air Agency (YRCAA)

<http://www.co.yakima.wa.us/cleanair/>

### *Routine Performance Evaluation*

WAC 173-401-920(3)(b)...

(i) Number of Air Operating Permit Sources: **7 (6 – AFS)**

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application (R) Dates	Comments	Compliance and Enforcement <sup>21</sup>
Pactiv	None	I: 05/24/04 E: 05/24/09 R: 11/24/08		Insp./5: 2 QNC/3: - SV: no IE/5: 1 FE/5: unknown
Shields Bag & Printing	None	I: 02/25/05 E: 02/25/10 R: 08/25/09		Insp./5: 2 QNC/3: - SV: no IE/5: - FE/5: unknown
Terrace Heights Landfill	Renewal application rec'd <b>07/16/07</b>	I: 07/18/02 E: <b>07/17/07</b> R: 07/18/06	Late renewal application. Lapsed in 2007	Insp./5: 2 QNC/3: - SV: no IE/5: - FE/5: unknown
Canam Steel	None	I: 09/08/06 E: 09/08/11 R: 09/08/10		Insp./5: 1 QNC/3: - SV: no IE/5: - FE/5: unknown
Yakima Resources	Permit issued	I: <b>05/09/07</b> E: 05/09/12 R: 05/09/11	Prior permit expired 10/02/05. Lapsed in 2007	Insp./5: 3 QNC/3: - SV: no IE/5: - FE/5: unknown
Western RV	Permit issued.	I: <b>11/21/07</b> E: 11/21/12 R: 11/21/11	Prior permit expired 07/10/06. Application rec'd 07/07/06. Lapsed in 2007	Insp./5: 1 QNC/3: - SV: no IE/5: 3 FE/5: unknown

<sup>21</sup> EPA Echo (AFS) database [<http://www.epa-echo.gov/echo/>]. (January 2008).

Insp./5 = Inspections\_(5yrs); QNC = Qtrs\_Alleged\_Non\_Compliance\_(3yrs);

SV = Alleged\_Current\_Significant\_Violations; Inf. IE/5 = Informal\_Enforcement\_Actions\_(5yrs);

FE/5 = Formal\_Enforcement\_Actions\_(5yrs)

Permit	2007 Permit Activity	Issuance (I), Expiration (E), Renewal Application (R) Dates	Comments	Compliance and Enforcement <sup>21</sup>
Trail Wagon – Chinook (Closed Facility)	None	I: 03/06/01 E: 03/07/06 R: 03/06/05	Facility permanently shutdown as of 10/05/05	Insp./5: QNC/3: SV: IE/5: FE/5: Not reported on AFS

Number of lapsed<sup>22</sup> permits in 2007: 3

Explanation: YRCAA previously required permit holders to submit renewal applications six months prior to expiration. This has been changed to one year. There is also some indication from YRCAA permit tracking records that some sources did not submit timely permit renewal applications.

(ii) YRCAA received 1 permit renewal applications in 2007. YRCAA did not disapprove any application in 2007. YRCAA does not track requests for additional information. However, this information can be located in permit files, when it is not routinely tracked by permit agencies. Nearly all permit applications involve requests for additional information- both prior and subsequent to completeness determinations. This information is maintained in the permit files under correspondence- a practice typical of other AOP programs.

(iii) EPA did not object to any permits issued by YRCAA during 2007.

(iv) Although all permits are (by law) subject to legal/administrative challenge, no YRCAA issued permits were subject to legal or administrative challenge during 2007.

(v) Since EPA tracks enforcement actions over three and five year periods, it was not possible to determine from the records audited this year how many NOV's were issued by YRCAA in 2007.

(vi) YRCAA conducts annual unannounced inspections at all AOP facilities. All facilities were inspected in 2007.

(vii) During 2007, YRCAA did not document any accidental releases, as defined in Section 112(r) of the Federal Clean Air Act.

(viii) This audit did not address financial issues such as cost of permit issuance. That information will be assessed and reported by the state fiscal auditor.

### ***Random Permit Review: Western RV***

#### **WAC 173-401-920 (3)(c)...**

(i) - The applicable requirements can be determined from the information available in the permit. All permit terms and conditions are specified in Section II of the permit. Table A of the permit list the applicable requirement and specifies those conditions which are only enforceable under state law.

(ii) – The permit appears to include all applicable requirements.

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<sup>22</sup> A lapsed permit is one that expired, or was expired, during 2007 prior to the issuance of the renewal permit.

- (iii)** – YRCAA permit files are organized by facility and contain information necessary to determine the compliance status for each facility and emission point.
- (iv)** – YRCAA permit files include technical reviews, source tests, CEM performance specification tests, permit applications, record of citizen complaints, correspondence with facility and other supporting documentation.
- (v)** - All major emissions points are identified in the permit and/or statement of basis. The Western RV permit is organized according to emissions units rather than emissions points, but the statement of basis contains descriptions of the points in each unit. More detail on emissions units could be useful for emissions inventory and modeling purposes.
- (vi)** - All pieces of control equipment are identified in the permit.
- (vii)** - The permit contains specific operation and maintenance requirements.
- (viii)** - The permit contains all monitoring, recording, reporting and certification requirements to which this source is subject.
- (ix)** - There are no alternative operating scenarios specified in the Western RV permit.
- (x)** - The permit expiration (Nov. 21, 2012) date is noted on the cover of the permit as is the renewal application due date (Nov. 21, 2011).
- (xi)** - The permit clearly indicates which requirements are enforceable by federal/state mechanisms (Table A). The permit states the existence of opportunity for PCHB and other judicial review and opportunity to petition EPA (Condition 13).
- (xii)** - All procedural requirements, including notice to public and affected states, were satisfied in issuing/modifying permit.
- (xiii)** - There is no record indicating if or how the permit writer worked with the source to identify and consider opportunities for pollution prevention. No specific pollution prevention measures were implemented. However, the O & M requirements in the permit could be used by agencies to ensure best practices are used to prevent pollution.
- (xiv)** - Overall, the permit reviewed indicates the permitting program at YRCAA is functioning well. The permit was generally complete and understandable. While the permit is complex, this complexity is largely driven by the relevant MACT standards. The permit could have been written more clearly, but this would likely result in a much larger permit. One area of concern is the timeliness of applications for permit renewal. Therefore, it is encouraging that YRCAA has begun putting expiration dates on permits and started requiring renewal applications 12 months prior to permit expiration. These administrative additions to permits, along with application shield provisions will likely reduce the number lapsed permits. Overall, the procedural permit issuance process at YRCAA is adequate. One area identified for possible improvement (the agency website) is currently undergoing an upgrade, scheduled for completion in the first half of 2008.

## **Compliance and Enforcement Tracking Systems**

For this year's AOP performance audit and permit review, we attempted to collect the information about Washington's AOP programs from "existing" program reports. To do this, we used information previously compiled, posted to a website, or otherwise readily available to auditors. Information received from each program office was used to verify this information to the extent possible.

In taking this approach, we tested whether information collected by EPA about compliance and enforcement activities of state AOP programs could serve as a source of information about AOP programs. Specifically, since EPA and AOP programs sign annual compliance and enforcement agreements, and programs provide quarterly compliance activity reports to EPA, we wanted to see if that information would be useful in conducting AOP program performance audits and preparing these reports.

What we found is that the EPA's AFS reporting system provides accessible information about Washington's AOP programs through its ECHO website. During this year's AOP audits, however we only queried the ECHO website and did not attempt to access data directly through EPA's AFS database. Therefore, the data retrieved for this year's audits was only for 3- and 5-year periods. The WAC rules require annual data. Therefore, we incorrectly assumed the ECHO website would not support AOP audits.

In soliciting comments on this report, we learned that our query of the ECHO website may have been too narrow. Therefore, this year's audits may not have utilized the full potential of the EPA's resource and future AOP audits may find EPA's ECHO website useful, provided the database is properly queried for annual data. In the alternative, and since the ECHO website takes information from EPA's AFS reporting database, it may be possible during future audits to access the compliance and enforcement activity information about AOP programs directly through the AFS database.

## **Permit Reviews**

Washington's AOP audits continue to support efforts to improve statewide consistency in how permitting programs are implemented in the ever-changing world of environmental regulations. As EPA and Ecology continue to develop new air quality regulations and policies, it is inevitable that permit writers as well as regulated entities will arrive at differing interpretations of those regulations. These differing interpretations can lead to confusion among agency personnel as well as throughout the regulated community. This confusion in turn can lead to a reduction in the efficiency and effectiveness of AOP programs. Therefore, some form of "independent" review of Title V permits provides a useful tool in efforts to maintain consistency in how permit conditions and requirements are interpreted and written.

Furthermore, where EPA has significantly reduced its review of proposed Title V permits, absent specific requests to do so, an independent review can serve to fill the procedural gap left by EPA's "disinvestment" in Title V permit reviews. EPA conducted a review (audit) of most of Washington's Title V permitting programs in 2006. EPA is only expected to audit Ecology programs and local programs with more than 20 AOP sources in the future. The next EPA audit of Ecology's AOP program is tentatively scheduled to occur in 2010. Therefore, EPA should not be relied on to satisfy Washington's AOP audit requirements.

For purposes of this audit however, EPA's recent program review provides an example of where information about the Title V programs exists, and therefore need not be duplicated by this audit report. Where financial information is audited by Washington's State Auditor it is not repeated in this report. Similarly, this audit will not duplicate the comments found in EPA's recent Title V Program Reviews.

This year, we attempted to utilize EPA's TOPPS reporting data to supplement this AOP audit. The information provided by EPA however added little to our understanding of Washington's AOP programs beyond what is available on most program websites and what program managers can easily provide. Nearly all AOP program offices maintain accurate and up-to-date permit information on their websites and program managers maintain permit-tracking systems. Information obtained from agency websites and program managers made up the majority of information used in this audit.

## **5.0 CONCLUSIONS**

Washington's AOP program continues to be functioning well as a mechanism for regulating major sources of air pollution throughout the State. State and local agencies are clearly committed to continuously improving the AOP program.

Work by state and local air program managers to improve how these audits are conducted is one of many examples of how Washington's AOP program continues to improve. Other examples included increased attention on inter-program consistency, while meeting the needs of local constituencies, as well as ongoing efforts to improve management systems and public participation through appropriate use of technology and the Internet.

In previous audit reports, a "lack of a clear program-unifying overall philosophy and communication channel between the local agencies and Ecology" was noted. This year, we continue to observe an increase in efforts to improve inter-agency coordination, but reiterate the need for ongoing inter-agency communication and coordination.

Although differences will always exist between individual AOP programs, continuing efforts to improve permit consistency and to develop uniform approaches to application processing, permit formatting, compliance verification procedures, cost tracking, and fee determinations will continue to improve overall AOP program performance.

One area where inter-agency coordination may improve the AOP program is in permit formatting. While nearly all AOP programs across the state appear to be converging on a general uniformity in permit format and content, the Industrial Section stands out as having a unique permit format that relies heavily on cross-referencing of applicable requirements. Furthermore, of all the permits reviewed for this report, the Industrial Section permit appears the most unique in format and overall permitting approach.

As was noted in last year's audit report, several of the agencies maintain their AOP data on multiple systems in multiple formats. While this is not a problem where information was readily retrieved, it appeared that only certain individuals could access some of the data. These "user-dependent" data management practices can lead to problems if key personnel leave the agency or are otherwise unavailable when data is needed.

Office space configurations, filing systems, records management systems, and levels of administrative staff support continue to vary widely across AOP programs. Those programs with limited administrative support resources may face challenges caused by the resulting inefficiencies. Furthermore, the cost to provide adequate space and personnel to manage these systems are recoverable under AOP fee statutes. Agencies should continue considering the sufficiency of their administrative support resources during annual fee calculations.

In addition to our many positive observations, we found some areas where the overall AOP program or individual AOP programs have opportunities to improve their overall performance. Many of these are also mentioned in the section above. Our recommendations to address these issues are presented below.

Finally, the scope of these audits may not cover all AOP programs requiring an audit under WAC 173-401-920. Specifically, in reviewing the Department of Ecology website we noticed that the Energy Facility Site Evaluation Council (EFSEC) appears to be a permitting authority that issues and administers AOPs in Washington. If this is correct, and if Washington law requires an AOP audit of EFSEC, Ecology should revise the scope of future audits should to include the EFSEC.

## **6.0 RECOMMENDATIONS**

TechLaw makes the following program-wide recommendations:

- 1) Ecology and local AOP programs should continue their efforts to improve how AOP program performance is demonstrated. One way to do this may be through posting and maintaining on their agency websites:
  - a. A permit tracking table with information about permit actions and key permitting dates, requests for information, compliance certifications, and public notices;
  - b. A compliance tracking table that demonstrates the programs' ongoing efforts to verify compliance.
  - c. Workload and fee analysis
- 2) Since a number of programs have revised permits to change the responsible official designation, all permit programs should review the rules related to responsible official designation and the requirements related to Title V document certification by the responsible official. This is necessary to ensure all persons certifying AOP documents meet the statutory requirements for responsible official, and that all documents requiring responsible official are in fact certified as required by the regulations.
- 3) While most AOP programs in Washington are appropriately utilizing the Internet, all permit programs should continue efforts to increase public involvement through agency websites.
- 4) To help reduce the number of lapsed permits, all programs should continue requiring complete AOP renewal applications no less than 12 months prior to permit expiration. Furthermore, agencies should review permit and application shield requirements to ensure that shield provisions are not being over-used and causing delays in permit issuance.
- 5) Ecology should review the scope of these audits to determine whether the Energy Facility Site Evaluation Council is a state delegated AOP program that should be audited under WAC 173-401-920 or another Washington statute or rule.
- 6) YRCAA and BCAA should make their AOPs available to the public through their agency websites.
- 7) Ecology's Industrial Section should utilize permit formats (templates) used by other Ecology permitting offices to improve the consistency and overall quality ("user-friendliness") of the AOPs issued by the Industrial Section.