

**DRAFT MINUTES
AIR QUALITY ADVISORY COUNCIL
June 10, 2015
TulsaTech
10800 North 140th East Avenue
Owasso, Oklahoma**

Official AQAC Approved
at October 14, 2015 meeting

Notice of Public Meeting – The Air Quality Advisory Council (AQAC) convened for its Regular Meeting at 9:00 a.m. on June 10, 2015, at the TulsaTech, 10800 North 140th East Avenue, Owasso, Oklahoma. Notice of the meeting was forwarded to the Office of Secretary of State on November 17, 2014. The agenda was posted at the DEQ twenty-four hours prior to the meeting. Ms. Beverly Botchlet-Smith, Assistant Division Director of the Air Quality Division (AQD), acted as Protocol Officer and convened the hearings by the AQAC in compliance with the Oklahoma Administrative Procedures Act and Title 40 CFR Part 51 and Title 27A, Oklahoma Statutes, Sections 2-2-201 and 2-5-101 through 2-5-117. She entered the agenda and the Oklahoma Register Notice into the record and announced that forms were available at the registration table for anyone wishing to comment on any of the rules. Mr. Gerald Butcher, Vice-Chair, called the meeting to order. Ms. Quiana Fields called roll and confirmed that a quorum was present.

MEMBERS PRESENT
Gerald Butcher
Montelle Clark
Gary Collins
David Gamble
Jim Haught
Laura Lodes
Robert Lynch

MEMBERS ABSENT
John K. Dunkerley
Sharon Myers

DEQ STAFF PRESENT
Eddie Terrill
Beverly Botchlet-Smith
Cheryl Bradley
Laura Finley
Brooks Kirlin
Cooper Garbe
Mark Gibbs
Scott Thomas
Phillip Fielder
Joyce Sheedy
Nancy Marshment
Quiana Fields

OTHERS PRESENT
Andrea Kemper, Court Reporter

Approval of Minutes – Mr. Butcher called for a motion to approve the Minutes of the October 15, 2015 Regular Meeting. Ms. Lodes made a motion to approve and Mr. Haught made the second.

	<i>See transcript pages 3 - 4</i>		
Gerald Butcher	Yes	Jim Haught	Yes
Montelle Clark	Abstain	Laura Lodes	Yes
Gary Collins	Yes	Robert Lynch	Yes
David Gamble	Yes		

**OAC 252:100-5, Registration, Emission Inventory and Annual Operation Fees
[AMENDED]**

Dr. Joyce Sheedy, Engineer Intern of the AQD, stated the Department is proposing to amend OAC 252:100-5, Registration, Emission Inventory and Annual Operation Fees, for consistency with the U.S. Environmental Protection Agency (EPA) Air Emission Reporting Requirements contained in Subpart A of 40 CFR Part 51. OAC 252:100-5-2.1(a)(3) currently excludes permit exempt facilities from the requirement to submit an annual emission inventory to the Department. Following discussion by the Council and none by the public, Ms. Lodes moved per staff recommendation to continue on OAC 252:100-5 to a subsequent AQAC meeting. Mr. Clark made the second.

	<i>See transcript pages 5 – 12</i>			
Gerald Butcher	Yes	Jim Haught	Yes	
Montelle Clark	Yes	Laura Lodes	Yes	
Gary Collins	Yes	Robert Lynch	Yes	
David Gamble	Yes			

OAC 252:100-7, Permits for Minor Facilities [NEW]

Mr. Cooper Garbe, Environmental Programs Specialist of the AQD, stated the Department is proposing to modify OAC 252:100-7, Permits for Minor Facilities, to add new Permit By Rule (PBR) for emergency engine facilities. The PBR would simplify the permitting process for facilities whose only obligation to obtain a permit is due to the presence of an emergency engine that is subject to a federal standard. The Department is proposing the rules as both permanent and emergency. Following discussion by the Council and the public, Mr. Garbe recommended per staff to carry OAC 252:100-7 to a subsequent AQAC meeting. Mr. Haught made a motion to carry the rule over. Ms. Lodes made the second.

	<i>See transcript pages 12 – 35</i>			
Gerald Butcher	Yes	Jim Haught	Yes	
Montelle Clark	Yes	Laura Lodes	Yes	
Gary Collins	Yes	Robert Lynch	Yes	
David Gamble	Yes			

Ms. Botchlet-Smith announced the conclusion of the hearing portion of the meeting.

See transcript page 35

Presentation – Ms. Botchlet-Smith gave a presentation on the Proposed Standards and the 2015 Ozone Season.

Division Director's Report – Mr. Eddie Terrill, Division Director of the AQD, provided an update on other Division activities.

New Business – None

Adjournment – The next scheduled meeting is on Wednesday, October 14, 2015 in Oklahoma City. Mr. Butcher called for a motion to adjourn the meeting. Ms. Lodes moved to adjourn and Mr. Haught made the second.

Gerald Butcher	Yes	Jim Haught	Yes	
Montelle Clark	Yes	Laura Lodes	Yes	
Gary Collins	Yes	Robert Lynch	Yes	
David Gamble	Yes			

Transcript and attendance sheet are attached as an official part of these Minutes.

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<p>1 2 3 4 TRANSCRIPT OF PROCEEDINGS OF THE 5 6 AIR QUALITY ADVISORY COUNCIL MEETING 7 8 TAKEN JUNE 10, 2015 9 10 AT 9 00 A.M. 11 12 IN OWASSO, OKLAHOMA 13 14 15 16 17 18 19 20 21 22 23 24 REPORTED BY ANDREA L. KEMPER, CSR #1695 25</p>	<p>1 2 3 **PROCEEDINGS** 4 5 MR. BUTCHER: Good morning. We'll call the 6 meeting to order and we'll start with roll call. 7 MS. FIELDS: Mr. Butcher? 8 MR. BUTCHER: Here. 9 MS. FIELDS: Mr. Clark? 10 MR. CLARK: Present. 11 MS. FIELDS: Mr. Collins? 12 MR. COLLINS: Here. 13 MS. FIELDS: Mr. Dunkerley is absent. 14 Mr. Gamble? 15 MR. GAMBLE: Here. 16 MS. FIELDS: Mr. Haught? 17 MR. HAUGHT: Here. 18 MS. FIELDS: Ms. Lodes? 19 MS. LODES: Here. 20 MS. FIELDS: Mr. Lynch? 21 MR. LYNCH: Here. 22 MS. FIELDS: Ms. Myers is absent. 23 We have a quorum. 24 MR. BUTCHER: The next item is the approval of 25 minutes. Do we have any discussion about minutes or a motion. MS. LODES: I make a motion that we approve the</p>
<p>1 ** MEMBERS OF THE COUNCIL ** 2 3 Gerald A. Butcher 4 Montelle Clark 5 Gary Collins 6 David Gamble 7 Jim Haught 8 Laura Lodes 9 Robert Lynch 10 John K. Dunkerley 11 Sharon Myers 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p>1 minutes. 2 MR. HAUGHT: I'll second it. 3 MR. BUTCHER: We have a motion and a second. 4 Can we have a roll call. 5 MS. FIELDS: Mr. Butcher? 6 MR. BUTCHER: Yes. 7 MS. FIELDS: Mr. Clark? 8 MR. CLARK: Abstain. 9 MS. FIELDS: Mr. Collins? 10 MR. COLLINS: Yes. 11 MS. FIELDS: Mr. Gamble? 12 MR. GAMBLE: Yes. 13 MS. FIELDS: Mr. Haught? 14 MR. HAUGHT: Yes. 15 MS. FIELDS: Ms. Lodes? 16 MS. LODES: Yes. 17 MS. FIELDS: Mr. Lynch? 18 MR. LYNCH: Yes. 19 MS. FIELDS: Motion passes. 20 MR. BUTCHER: Thank you. And now we'll get 21 into the rulemaking hearing. Ms. Botchlet-Smith will 22 be addressing that. 23 MS. BOTCHLET-SMITH: Good morning. I'm Beverly 24 Botchlet-Smith, I'm the Assistant Director of the Air 25 Quality Division and as such I will serve as the</p>

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<p style="text-align: right;">5</p> <p>1 protocol officer for today's hearing.</p> <p>2 The hearings will be convened by the Air</p> <p>3 Quality Council in compliance with the Oklahoma</p> <p>4 Administrative Procedures Act and Title 40 of the Code</p> <p>5 of Federal Regulations, Part 51, as well as the</p> <p>6 authority of Title 27A of the Oklahoma Statutes,</p> <p>7 Section 2-2-201 and Sections 2-5-101 through 2-5-117.</p> <p>8 Notice of the June 10th, 2015, hearings were</p> <p>9 advertised in the Oklahoma Register for the purpose of</p> <p>10 receiving comments pertaining to the proposed OAC</p> <p>11 Title 252 Chapter 100 rules as listed on the Agenda</p> <p>12 and will be entered into each record along with the</p> <p>13 Oklahoma Register filing. Notice of the meeting was</p> <p>14 filed with the Secretary of State on November 17th,</p> <p>15 2014, and the agenda was posted 24 hours prior to the</p> <p>16 meeting at this facility and at the DEQ.</p> <p>17 If you wish to make a statement it's very</p> <p>18 important that you complete one of the forms that are</p> <p>19 found at the registration table and you'll be called</p> <p>20 upon at the appropriate time. Audience members please</p> <p>21 come to the podium at my left when you make your</p> <p>22 comments and please state your name.</p> <p>23 At this time we'll proceed with what's marked</p> <p>24 as Agenda Item number 4A on the Hearing Agenda, that</p> <p>25 is OAC 252:100 Subchapter 5. And that is</p>	<p style="text-align: right;">7</p> <p>1 and the de minimis facilities category as defined in</p> <p>2 Section 7-1.1 of Subchapter 7 for minor source</p> <p>3 permitting. Paragraph 5-2.1(a)(3) exempts the owners</p> <p>4 or operators of sources qualifying for the de minimis</p> <p>5 facilities status or permit exempt facilities category</p> <p>6 from the requirements to submit an emission inventory</p> <p>7 to the DEQ.</p> <p>8 To remedy this situation, the Department</p> <p>9 proposes to add the following language to the emission</p> <p>10 inventory reporting exemption at the end of paragraph</p> <p>11 5-2.1(a)(3): "...unless annual emissions from the</p> <p>12 facility exceed any of the emission thresholds listed</p> <p>13 in Table 1 in the Appendix A to Subpart A of 40 CFR,</p> <p>14 Part 50. In that event, the emission inventory shall</p> <p>15 be submitted according to the schedule contained in</p> <p>16 that Table." In conjunction with this amended</p> <p>17 language the Department proposed to incorporate Table</p> <p>18 1 in Appendix A – I'm sorry, Table 1 by reference in</p> <p>19 Appendix Q which is our reference Appendix.</p> <p>20 Although Section 5-2.1 currently exempts de</p> <p>21 minimis facilities and permit exempt facilities from</p> <p>22 the requirement to submit an annual emission inventory</p> <p>23 the Department believes that all facilities that emit</p> <p>24 0.5 tons or more of lead per year are already</p> <p>25 submitting emission inventories due to other</p>
<p style="text-align: right;">6</p> <p>1 Registration, Emission Inventory and Annual Operating</p> <p>2 Fees.</p> <p>3 Dr. Joyce Sheedy will make the presentation.</p> <p>4 MS. SHEEDY: Thank you.</p> <p>5 Mr. Chairman, Members of the Council, ladies</p> <p>6 and gentlemen, I'm Joyce Sheedy with the Rules and</p> <p>7 Planning Section. The Department is proposing to</p> <p>8 amend OAC 252-100-5; Registration, Emission Inventory</p> <p>9 and Annual Operating Fees by revising Section</p> <p>10 2.1(a)(3) for consistency with the EPA Air Emission</p> <p>11 Reporting Requirements or AERR. In an amendment to</p> <p>12 the federal emission inventory reporting thresholds</p> <p>13 contained in Table 1 of Appendix A of Subpart A of 40</p> <p>14 CFR, Part 51, that was published in the Federal</p> <p>15 Register on February 19, 2015, EPA lowered the</p> <p>16 threshold for reporting lead emission sources to 0.5</p> <p>17 tons per year. While the requirements of 40 CFR, Part</p> <p>18 51, Part A contains the State requirement to report</p> <p>19 emissions to the EPA, DEQ must obtain these emissions</p> <p>20 reports from the sources.</p> <p>21 So, upon reviewing this February 19, 2015,</p> <p>22 amendment to Table A we became aware that the new</p> <p>23 federal emission inventory reporting threshold was</p> <p>24 lower than the highest emission allowed for sources</p> <p>25 that qualify for the permit exempt facilities category</p>	<p style="text-align: right;">8</p> <p>1 requirements. At this time lead is the only pollutant</p> <p>2 listed in Table 1 that has an emission reporting</p> <p>3 threshold that is lower than the emission limits for</p> <p>4 permit exempt facilities and de minimis facilities.</p> <p>5 So this is really just more of a difference on paper</p> <p>6 than in reality and we just need to fix it.</p> <p>7 So, we received a letter of comments from EPA</p> <p>8 dated June 3rd, 2015 from Guy Donaldson of Region 6</p> <p>9 stating that they had no adverse comments to this</p> <p>10 revision.</p> <p>11 This is the first time that we are proposing</p> <p>12 this amendment to the Council and we are evaluating</p> <p>13 additional rule changes that may impact the same</p> <p>14 section in Subchapter 5 and we want to coordinate</p> <p>15 these changes with any change that comes out of that</p> <p>16 evaluation. So the staff is recommending that the</p> <p>17 Council continue this hearing to a subsequent Air</p> <p>18 Quality Advisory Meeting. That's it. Thank you.</p> <p>19 MS. BOTCHLET-SMITH: Thank you, Joyce.</p> <p>20 At this time we can take comments and questions from</p> <p>21 the Council for Dr. Sheedy.</p> <p>22 MR. HAUGHT: I have a question. In the</p> <p>23 presentation it is stated that it was expected that</p> <p>24 the number of facilities it would impact would be</p> <p>25 minimal. I was trying to think what facilities would</p>

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<p style="text-align: right;">9</p> <p>1 be impacted at all. Do we expect that there would be 2 any that would be impacted by this rule? 3 MS. SHEEDY: I don't think that we are. Mark 4 Gibbs our inventory manager is here. Would you like 5 to say anything, Mark? 6 MR. GIBBS: Yes. 7 MS. SHEEDY: But we think it's really more a 8 paper thing that when EPA looks at our regulations in 9 our SIP it says they don't have to and that bothers 10 them. Even though in reality we believe they are 11 reporting so we just want to clear that up. 12 Mark, could you talk to that better than I can? 13 MR. GIBBS: Mark Gibbs, Emissions Inventory 14 Manager. There's other thresholds that facilities 15 need to report so hundred tons of NOx or hundred tons 16 of SO2 or whatever. So, all the facilities already 17 have over half a ton of lead already meet all of those 18 thresholds. We couldn't identify any other facilities 19 that may be brought in on what we are having to 20 report. 21 MS. LODES: The only ones I can think of would 22 be some of these machine shop welding operations where 23 they've got the welding and they are not going to 24 generate (inaudible). So they are not going to be in 25 compliance right now anyway whether or not they should</p>	<p style="text-align: right;">11</p> <p>1 the -- sorry. Okay maybe I can make this simpler. 2 I tend to be detail oriented so sometimes it gets away 3 from me. 4 We are proposing that you recommend this change 5 to Subchapter 5 to the Board as a permanent rule 6 change as in the rule that you have in your -- 7 MS. LODES: I think I know what we need to say. 8 I'll make it easy on you. 9 MS. SHEEDY: Would you please carry it over to 10 the next meeting? 11 MS. LODES: Per staff recommendation I move 12 that we continue on OAC 252:100-5 to a subsequent Air 13 Quality Council meeting. 14 MR. CLARK: Second. 15 MR. BUTCHER: We have a motion and a second. 16 Can we have a roll call. 17 MS. FIELDS: Mr. Butcher? 18 MR. BUTCHER: Yes. 19 MS. FIELDS: Mr. Clark? 20 MR. CLARK: Yes. 21 MS. FIELDS: Mr. Collins? 22 MR. COLLINS: Yes. 23 MS. FIELDS: Mr. Gamble? 24 MR. GAMBLE: Yes. 25 MS. FIELDS: Mr. Haught?</p>
<p style="text-align: right;">10</p> <p>1 be under any of the area source GACT so how would we 2 find them, you know. But I know that there are some 3 of those little shops out there -- I know there are 4 various shops out there that are doing the welding 5 operations and letting off the lead off welding rods. 6 It's not significant but I don't know if we would get 7 to the half ton or not. 8 MR. GIBBS: I find it very hard to believe they 9 would get to the half ton of lead. 10 MS. LODES: There's a few of them that might. 11 I would think that maybe some of these little paint 12 operations and stuff like that that might have lead in 13 there for some of that stuff but I think that would be 14 about it. It would be stuff that's pretty far below 15 the radar right now anyway. 16 MS. BOTCHLET-SMITH: Any other questions from 17 the Council? I didn't receive a notice of oral 18 comment on this rule from the public but does anyone 19 have a comment or a question? 20 Okay. Hearing none, Gerald, do you need Joyce 21 to restate her recommendation? 22 MR. BUTCHER: Yeah, Joyce that might be a good 23 idea and we would get a motion. 24 MS. SHEEDY: Okay. We're proposing that we add 25 language to the 252 100-5-2.1 (a)(3) at the end of</p>	<p style="text-align: right;">12</p> <p>1 MR. HAUGHT: Yes. 2 MS. FIELDS: Ms. Lodes? 3 MS. LODES: Yes. 4 MS. FIELDS: Mr. Lynch? 5 MR. LYNCH: Yes. 6 MS. FIELDS: Motion passes. 7 MS. SHEEDY: Now that I've finished with the 8 comic relief I will just go and slip quietly if 9 possible into my chair. 10 MS. BOTCHLET-SMITH: The next item on the 11 Agenda is 4B. This is OAC 252:100-7, Permits for 12 Minor Facilities. Mr. Cooper Garbe of our staff will 13 give the presentation. 14 MR. GARBE: Thank you, Beverly, 15 Mr. Chairman, Members of the Council, ladies 16 and gentleman, good morning, I am Cooper Garbe I'll 17 present the Department's proposed revision to 18 Subchapter 7, specifically Part 9, Permits By Rule. 19 Recently the Department has issued a large 20 number of permits for facilities with only emergency 21 generators. These units typically operate less than 22 100 hours a year and emit less than 200 pounds of 23 emissions. 24 The engines that power these generators are 25 subject to federal regulations such as New Source</p>

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<p style="text-align: right;">13</p> <p>1 Performance Standard Subpart 4(j) or 4(l) and National 2 Emission Standard for Hazardous Air Pollutants Subpart 3 4(z). 4 With equipment subject to federal regulations 5 these facilities that would otherwise be permit exempt 6 are required to obtain an air quality permit from the 7 Department. 8 With the intention of reducing the regulatory 9 burden on these facilities the Department is proposing 10 the addition of a new Permit By Rule to Part 9 of 11 Subchapter 7. 12 A Permit By Rule is an easier, more streamlined 13 avenue for qualifying facilities to obtain the 14 necessary permit. The ability of owners and operators 15 of these low-emitting sources to acquire a permit via 16 a Permit By Rule would save them time and money. 17 Additionally, the requirement to submit an emission 18 inventory would go from yearly to once every 3, or 19 more likely in this scenario every 6 years. 20 The proposed new rule, as published in the 21 Oklahoma Register on May 1 and included in the Council 22 member's packet would be available to minor sources 23 whose only obligation to obtain an air permit is due 24 to the installation and/or operation of an emergency 25 generator.</p>	<p style="text-align: right;">15</p> <p>1 give the proposed Permit By Rule further 2 consideration. 3 In an effort to work toward an agreeable 4 solution today the Department respectfully requests 5 that this rule proposal be carried over to a 6 subsequent meeting while staff continues to analyze 7 the best method to handle these sources. 8 The Department would also like to solicit 9 comments that would assist staff in characterizing 10 this source category of emergency generators, 11 specifically if facilities of a particular size or 12 location should qualify for an exemption. 13 Thank you. I'll be happy to take questions. 14 MS. BOTCHLET-SMITH: At this time we'll take 15 questions from Council. 16 MR. HAUGHT: So, the recommendation is to carry 17 this over? 18 MR. GARBE: Yes, sir. 19 MS. LODES: I thought the recommendation on 20 this one was to pass it as an emergency rule? 21 MR. GARBE: We made updates in the last week 22 after we published the packets in the memo and we 23 decided that we would like to carry this over. 24 MR. TERRILL: Let me clarify what happened. We 25 just made this decision yesterday or day before</p>
<p style="text-align: right;">14</p> <p>1 After consideration of a comment from Trinity 2 Consultants the Department has decided to update the 3 proposed rule. Council members have a revised version 4 of the proposed rule in their folder. The 5 aforementioned comment suggests that the new Permit By 6 Rule be made available to facilities with any type of 7 emergency engines not just generators. 8 The comments specifically noted fire water pump 9 engines. The Department agrees that the proposed 10 Permit By Rule would be useful for these situations 11 and staff has revised the applicability from 12 "emergency generators" to "emergency engines." 13 The change definition now reads: 14 "Emergency engine" means when used in OAC 15 252.100-7-60.6, a stationary engine used to resume 16 essential operations or ensure safety during sudden 17 and unexpected occurrences including but not limited 18 to loss of electrical power, fire and/or flood. 19 In a separate comment the Electric Cooperatives 20 of Oklahoma expressed concern that the level of 21 regulation posed by a Permit By Rule is not 22 commensurate with the environmental risk of these 23 sources. 24 The Electric Cooperatives of Oklahoma asked the 25 Department to consider a registration approach and</p>	<p style="text-align: right;">16</p> <p>1 yesterday I guess it was. We did have time to give 2 Gerald a heads up since he was running the show but I 3 didn't get a chance to visit with all of you guys. 4 We have received some information that we kind 5 of knew all along but we didn't realize the extent of 6 the number of these small generators that are out 7 there in homes, small businesses that never run that 8 are hooked by this rule. We originally thought what 9 we would do is ask for this to be passed as an 10 emergency so that those sources who knew that they 11 were going to need a permit regardless of what we did 12 with this could go ahead and get it through PBR and 13 then we would ask for the permit to be held over while 14 we tried to figure out how to do some sort of 15 registration process. 16 I'm not sure that registration is the way to go 17 because we need to think about that in a larger 18 context than just this particular issue. We think the 19 better way to go is probably to tweak the PBR and have 20 some sort of exemption in that PBR that if you are 21 below a certain horsepower threshold you are exempted 22 from permitting and inventory at that point. We think 23 that might be a cleaner way to go about this than 24 trying to do an exemption. 25 So, we are going to continue to hold those</p>

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<p style="text-align: right;">17</p> <p>1 permits that are in house that are waiting for the PBR 2 and just let those folks continue to operate like they 3 are and we'll be a permit shield if you will until we 4 get this thing sorted out hopefully in October. And 5 we'll come back to you all with a PBR that's got the 6 exemptions at whatever level we believe that to be 7 most appropriate and then ask for you guys to pass it 8 at that point. So, that's how we arrived at where we 9 are.</p> <p>10 MS. LODES: So, I'm gathering that someone with 11 like personal generators like the one I have sitting 12 outside of my house --</p> <p>13 MR. TERRILL: It needs a permit.</p> <p>14 MS. LODES: Yeah, I know that. Do you want to 15 be official and make physical contact at my household?</p> <p>16 MR. TERRILL: That's the reason we kind of 17 would like to exempt.</p> <p>18 MS. LODES: Yeah, I would love that, too. But 19 my main point of curiosity is the way OAC 252.100-7 in 20 that first part where any source subject to emission 21 standard or work practice standard known to NESHAP has 22 to get a construction permit.</p> <p>23 I know we've asked before about reopening that 24 part. How can we do that? I guess you then kick it 25 to the Permit By Rule and let the Permit By Rule</p>	<p style="text-align: right;">19</p> <p>1 rules have been permitting them over time, cell towers 2 and different things like that.</p> <p>3 So, this is definitely -- I mean, I like the 4 thought you can get rid of those general permits and 5 be able to get them through the PBR but if we could 6 even get them exempted because a lot of those 7 proposals truly qualify.</p> <p>8 MR. TERRILL: But I think that's going to be 9 the challenge is to hit that sweet spot so that we do 10 exempt those that really nobody envisioned being 11 caught by this but don't exempt so many that it draws 12 attention from folks who would like to see them all 13 permitted if you get my drift.</p> <p>14 MR. LODES: I get your drift.</p> <p>15 MR. TERRILL: And that is the challenge. 16 That's what we're going to be working toward in the 17 next few weeks so that we can bring some 18 recommendations back to you guys to see what we have 19 before the October meeting.</p> <p>20 MR. HAUGHT: Is there some opportunity instead 21 of having them in the system and then exempting them 22 to get at it through the facility and, you know, it's 23 exclusion for residential or not necessarily 24 through -- you are in the system but you are going to 25 be exempt.</p>
<p style="text-align: right;">18</p> <p>1 handle it or how does that work?</p> <p>2 MR. TERRILL: That's kind of what we're 3 thinking about. We still haven't -- like I said, we 4 just thought about this angle and we're not 5 100 percent sure that it'll work but it'll be a lot 6 cleaner if we can make it work through the PBR since 7 they are going to be doing it anyway. So, those are 8 the kinds of things that we need to think through and 9 we would like to get comments on as well as what that 10 target should be below which we're going to exempt 11 these sources from doing anything. But you are right, 12 right now the way they wrote the rule -- and to be 13 honest with you we really thought the EPA would come 14 back and clarify that they really didn't mean for any 15 emergency generator to have to be subject to these 16 requirements but they never did do that. And it 17 doesn't look like they are going to at least in a 18 timely fashion. So, we've got to address this.</p> <p>19 We've got to get them out of our system, 20 Because we don't have a way of dealing with the 21 numbers and there's no environmental benefit to be had 22 by requiring these sources to get a permit.</p> <p>23 MS. LODES: Well, I know there's a number that 24 have that area source general permit. So, some of the 25 bigger industrial facilities that are aware of the</p>	<p style="text-align: right;">20</p> <p>1 MR. TERRILL: We're going to look at all of 2 that but you've got so many unintended consequences. 3 And what I really don't want to do is get in a 4 situation where the EPA could say what you are doing 5 is the relaxation of your SIP, you've got to do a SIP 6 demonstration. I absolutely want to avoid that.</p> <p>7 MS. LODES: And I know that's maybe the issue 8 with that wording in Subchapter 7 that says any source 9 subject to emission limit or the work practice 10 standard under a NSPS or NESHAP has to get a 11 construction permit. I know that's been our 12 fundamental problem all along and the EPA says to 13 change that.</p> <p>14 MR. TERRILL: And you remember the reason we 15 left that in there like that was kind of a tradeoff 16 for the permit exempt.</p> <p>17 MS. LODES: Right.</p> <p>18 MR. TERRILL: And we still haven't gotten it 19 approved as a SIP change. By the time they get around 20 to it we may have moved on to something else and that 21 goes away altogether.</p> <p>22 But that's the reason that we really need some 23 additional time to think about this because we want to 24 make sure that we don't do anything that has 25 unintended consequences but we also don't see the</p>

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<p style="text-align: right;">21</p> <p>1 value in having these sources in our system. It just 2 doesn't make any sense. 3 So, we are hoping that you guys will provide us 4 with good comments, public will give us some good 5 comments and we'll come out of this with a rule that 6 makes some sense. 7 MR. HAUGHT: I also live in a rural area and 8 have one also. My lawn mower has more horsepower than 9 the generator does and the lawn mower is not 10 permitted. 11 MS. LODES: That's what I mean. I'm at an area 12 where if I don't have power I don't have water. 13 MR. TERRILL: And to be honest with you we just 14 really didn't have any idea that there were that many 15 out there. 16 MS. LODES: There's a lot. I think my whole 17 neighborhood after the wildfires came close to our 18 neighborhood with the water keeping the fires from 19 actually hitting the neighborhood everybody went and 20 installed them. So, I mean, I think our whole area 21 has them. 22 So, I think that's great to do something about 23 it because I agree totally that I know they are out 24 there. 25 MS. BOTCHLET-SMITH: Montelle.</p>	<p style="text-align: right;">23</p> <p>1 about it have been doing it. But as far as hospitals 2 and everybody else, there's probably one for this 3 building and there's probably not a permit. 4 MR. TERRILL: This originally came up a month 5 or so ago, a couple of months ago where we had a 6 discussion with someone about the number of homes that 7 are being built and as part of the general 8 construction they had an emergency generator that 9 kicks in automatically and they just roll it into the 10 price of the home. And of course we never really felt 11 that those folks were even paying for this but when 12 you think about it, yeah, they are. 13 And we really thought about taking a don't ask, 14 don't tell policy towards this but there are so many 15 others out there that there was this confusion and we 16 would have to do some sort of outreach to tell them, 17 yeah, you should have one but you don't need to get 18 one. So, we just need to fix this so we can get them 19 out of there. 20 The comments that Pioneer Telephone made and 21 then that Mr. Sparks made kind of crystallized the 22 registration process may not be the best way to go 23 either but then the staff had a good idea well maybe 24 we could fix it in the PBR so we're going to take a 25 look at that. That may not be the route we end up</p>
<p style="text-align: right;">22</p> <p>1 MR. CLARK: Have you had any discussions 2 with – we have a couple of comments from folks? 3 Beelie Biehler and Kenny Sparks raised some questions 4 and I actually had some of the same questions that 5 they have to see if they are going to resolve 6 initially today. I don't know if they are here today 7 but I didn't know if anybody had spoken to them or 8 responded to their questions about thresholds – 9 threshold requirements, triggering requirements on 10 this. 11 And also one person had spoken with it sounds 12 like dozens of people and perhaps caused confusion out 13 there and I just want to make sure we are clarifying 14 for those folks that might have spoke with 15 Communications, Electrical Home Builders, Banking, IT, 16 Oil & Gas, Agricultural Industry, Private Citizens, 17 Home Improvement retail chain. There is quite a bit 18 of confusion out there. 19 MS. LODES: Well, I think that's what we're 20 talking about. I mean, I've got one that fits this. 21 Almost every business has one. And I've known and I 22 thought doing stuff for them I'll tell them as a 23 consultant, you know, as a friend that we've permitted 24 for years, a lot of them are in the area source 25 general permit. I mean, those facilities that know</p>	<p style="text-align: right;">24</p> <p>1 going but that's the route we're thinking about right 2 now. But either way we need to figure out a way to 3 get these very, very small sources out of our system 4 altogether because they really don't need – shouldn't 5 have to get a permit. 6 MS. LODES: I've just gone for the I don't 7 think Rhonda or anybody else will actually show up at 8 our house to look for it. But Lance and I are fully 9 aware and have been since we installed it. We 10 pre-plumbed it with the natural gas line and it kicks 11 on automatically if our power goes out because we are 12 without water. 13 MR. TERRILL: Someone could raise the issue it 14 is a requirement of the rules and you are not 15 enforcing your own rules. So, it's something that's 16 out there and someone could raise this issue that 17 would create problems for us and there's no need for 18 that if we can figure out a way to solve it. Like I 19 said, I was hoping the EPA would do this for us but 20 they are not going to so we've got to do it ourselves. 21 MR. HAUGHT: I consider mine emergency. We 22 live in a rural area also and have a basement with a 23 sump and with all the rain the pump has been pumping 24 constantly to keep it from flooding. So, that's the 25 reason for it.</p>

<p style="text-align: right;">25</p> <p>1 But in Mr. Sparks' letter from yesterday the 2 next to the last sentence in the second paragraph 3 says, "before you assume generators are used for lower 4 control and demand manager would be exempt." I think 5 that was in the scope of what was proposed, isn't it 6 at this point? 7 MR. TERRILL: Not at this point. Well take a 8 look at that and I don't blame folks who are asking 9 for everything and then compromising at some point in 10 the middle. But, you know, it's raised the issue and 11 we'll look at all that. The issue for us is going to 12 be trying to figure out what's that sweet spot below 13 that really doesn't make that much difference but 14 above that it's something the EPA would be concerned 15 with, private citizens might be concerned about it, 16 environmentalists might be concerned about it. So, we 17 don't want to offend those and cause unwanted 18 attention to what we're trying to do a good thing for 19 those that don't need to be regulated. 20 So, we're taking the comments that Mr. Sparks 21 made under advisement and we'll have some discussion 22 with them. And anybody else that has comments on how 23 to move forward then to try to take that and move 24 forward. 25 MR. CLARK: Is there any potential for</p>	<p style="text-align: right;">27</p> <p>1 MS. BOTCHLET-SMITH: Any other questions from 2 the Council on this particular question? 3 Okay. Mr. Biehler, do you want to make 4 comments? 5 MR. BIEHLER: Well, the question about mobile. 6 The mobile discussion comes from a different EPA 7 standard. What they've discovered was that a fixed 8 engine wasn't covered by that standard even though 9 it's the same engine. So, that's why they come up 10 with a standard for the fixed engine and then required 11 the states to come out with the four principles that 12 they wanted to get out to the people who bought a 13 fixed engine and placed it, in that they had to not 14 mess with the controls, use the proper fuel, service 15 the engines and keep records. So but that's why the 16 mobile ones are not covered in this is that they were 17 actually covered by a different standard to the 18 manufacturers of mobile devices. 19 MR. BOTCHLET-SMITH: Okay. For the record 20 those comments that were just made are from 21 Mr. Biehler. 22 MR. BIEHLER: I'm Beellie Biehler and I'm here 23 on behalf of Pioneer telephone. I kind of got some of 24 this messed up. We heard about this at your seminar 25 back in January and it was a total surprise to us</p>
<p style="text-align: right;">26</p> <p>1 confusion over what's — this section first is 2 stationary, but is there any confusion over whether 3 some of these units might be mobile? 4 MR. TERRILL: Mobile wouldn't be covered 5 anyway, these would be stationary. 6 MR. CLARK: Right. Mobile would be de minimis 7 but some of these generators that I've seen on wheels 8 or are towable or sometimes that you can tow yet they 9 are parked and left in the same spot for perhaps years 10 on end. I just wonder if there's a potential for 11 confusion because of that. When it refers to I think 12 stationary versus portable generators that are 13 moveable by hand. I'm not precisely sure. 14 MS. LODES: There is — I think 4(j) and 4(i) 15 both kick you back to the non-mobile source rule which 16 has a definition of a source may remain on site for 17 less than 12 months then it becomes a mobile source. 18 Our rules don't cover mobile sources. 19 MR. CLARK: Right. I agree with you. I'm just 20 talking about it is a wheeled unit and is moveable by 21 hand I just wonder if there's any confusion based on 22 that. Does that cause any confusion for anyone? 23 MR. TERRILL: Well, we haven't heard anything 24 yet. That will be what we will work through before we 25 come back to you.</p>	<p style="text-align: right;">28</p> <p>1 because we had no idea that we were supposed to be 2 permitting our generators. We have a lot of them 3 because we are in the cell business. And I'm excited 4 about what you are doing and we are really interested 5 in hearing where you are going with this. 6 But the most important thing is that going 7 forward, you know, the rule that we have today is the 8 best kept secret in Oklahoma. Nobody knows about it. 9 And there are thousands and thousands of these 10 generators out there. 11 And so, number one, you've got to find a way if 12 you expect people to register these or permit these 13 there's got to be a method for them to know about it 14 and the best point would be at the point of sale so 15 they can consider that in the total cost of operations 16 particularly if you are going to require emissions 17 inventories. Because just doing an emissions 18 inventory on one of these — and I've done emissions 19 inventories on 200 of ours — they do produce 20 somewhere between 200 and 252 pounds of total 21 emissions per year on what we are operate them. But 22 that emissions inventory costs us around \$300 to do. 23 You are not going to get any money from 24 emissions from this because that's far below the 25 threshold but it's going to cost us to submit that to</p>

<p style="text-align: right;">29</p> <p>1 you and then your staff is going to have to wade 2 through thousands and thousands of these emissions 3 inventories for these products that used to be 4 considered de minimis and that's why they are de 5 minimis because they really don't have much of an 6 effect on the total emissions. 7 But we are excited in what you are doing, we're 8 really interested in hearing what you have in mind and 9 hopefully we can come up with something that is not a 10 humongous economic burden on either the companies or 11 the citizens of Oklahoma. 12 You know, compared to what the states around us 13 do it just was not acceptable. Thank you. 14 MS. BOTCHLET-SMITH: Thank you for your 15 comments Mr. Biehler. 16 I didn't have notice of anyone else who wished 17 to comment on this rule but there has been quite a bit 18 of discussion. Has anyone else decided that they 19 would like to ask a question or make a comment from 20 the audience? 21 MR. GROUND: I would like to ask a question. 22 MS. Botchlet: Bud, would you please step to 23 the podium so everyone can hear you. 24 MR. GROUND: Bud Ground of the Environmental 25 Federation of Oklahoma. And after Mr. Biehler spoke</p>	<p style="text-align: right;">31</p> <p>1 question. Do you have any idea on the size of engine 2 you are talking about? 5 horsepower, 10? 3 MR. TERRILL: No, that's one of the things that 4 we've got to work through. Our permitting folks may 5 know about where that should be but that'll be a lot 6 of what we would like to get the feedback from 7 audience and the folks who made comments and from your 8 members if they have ideas about where that ought to 9 be. And then we'll bring that back as part of the 10 discussion to the Council of what we looked at and why 11 we arrived at whatever it is we put to the PBR. 12 MR. GROUND: Then would it make a difference on 13 the size and the amount of time they actually ran the 14 unit? You know, you have very large units that don't 15 run but an hour a month. 16 MR. TERRILL: Well yeah. And again we need to 17 think about all of that. And I don't want to say how 18 we're going to end up, what we're going to end up 19 proposing to do. I don't think we've really spent the 20 time, we really didn't think through that. Like I 21 said, it really didn't crystalize that this was a 22 better way to do it until Mr. Sparks made his comments 23 and he and I had a conversation about the number of 24 these home sources that were out there. And then in 25 talking with our staff we said, you know, there's</p>
<p style="text-align: right;">30</p> <p>1 do you know what other states do in the region for 2 this type of emergency engine? 3 MR. TERRILL: I imagine some of them have got a 4 registration process where all they do is send some 5 sort of notification in and then some permits. They 6 are probably all over the board. That's one thing 7 we'll probably do. I don't know that we want to go to 8 a registration process for this. If we are going to 9 consider a registration process we need to think about 10 that in the overall context of our program and what 11 else would fit within that category. 12 Again, that's a whole other set of things that 13 we have to think about and things that we have to 14 justify to the EPA as part of the process. And if we 15 can get this issue through the PBR without looking at 16 registration then to me that makes a lot better sense 17 and it's more likely that we can get it done in a lot 18 shorter time frame without registration. 19 If registration is something that the Council 20 or we decide is a way we need to go it really needs to 21 be in the context of folding that into our permitting 22 process and making that a part of how we do that it 23 would be a lot -- I think would be a bigger 24 undertaking than just looking at emergency generators. 25 MR. GROUND: Then I did have one other</p>	<p style="text-align: right;">32</p> <p>1 probably a better way to do this. 2 But we're just really at the stage where we are 3 just starting to think about a pen to paper if you 4 will to try to arrive at that. So, I wouldn't want to 5 say where we're going to go with it because I don't 6 know. 7 MS. LODES: I honestly think -- and I was 8 trying to look but I can't find it easily -- Kansas 9 rules are very similar to ours where anything that's 10 the subject of a NESHAP is supposed to be registered. 11 They kind of do a if it's a quad engine and all you 12 are doing is moving it then they've kind of got a memo 13 where they say, well, we don't really want you to 14 submit a registration for it. I just want to say I 15 would have to look back at Kansas and kind of maybe do 16 a don't ask, don't tell about all those small little 17 ones like that as well. But their rule is very 18 similar to ours in the fact you are really supposed to 19 get it the way the rules work. 20 MR. GROUND: And the don't ask, don't tell is 21 like a small at-home type. 22 MS. LODES: I mean, that's where it's like is 23 it going to be found. Nobody -- the agency doesn't 24 have the resources or the time to sit there and go 25 after every house when realistically -- I mean, I</p>

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<p style="text-align: right;">33</p> <p>1 think our gas stations should -- all gas stations 2 should be registered if you look at the way our rules 3 are because they are all subject to an area source 4 gas. 5 How many applications have we gotten for gas 6 stations? Have we gotten any gas station 7 applications? Have you gotten any, Phillip, for a gas 8 station? 9 MR. FIELDER: Yeah, a few. 10 MS. LODES: I mean, there are other fish out 11 there as well. So, I think -- I mean, I like the idea 12 of us cleaning it up because it is an area where it is 13 an issue where we're not enforcing our own rules. 14 MR. TERRILL: You know, to be honest about it 15 we really should do a re-right, de-wrong of all of our 16 rules. It's time to do that again. But I have zero 17 desire to do that in this legislative climate. When 18 you start looking at your rules you get all kinds of 19 unintended consequences even if you are trying to do 20 positive things. It could be a lot simpler other than 21 the way it is now but there's so much overlap. 22 The EPA needs to step back and think about what 23 they are doing in the overall context of the Clean Air 24 Act. 25 MR. GROUND: Thank you.</p>	<p style="text-align: right;">35</p> <p>1 MR. GAMBLE: Yes. 2 MS. FIELDS: Mr. Haught? 3 MR. HAUGHT: Yes. 4 MS. FIELDS: Ms. Lodes? 5 MS. LODES: Yes. 6 MS. FIELDS: Mr. Lynch? 7 MR. LYNCH: Yes. 8 MS. FIELDS: Motion passes. 9 MS. BOTCHLET-SMITH: This concludes the hearing 10 portion of today's meeting. 11 (Meeting adjourned at 10:40 a.m.) 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
<p style="text-align: right;">34</p> <p>1 MS. BOTCHLET-SMITH: Thank you for your 2 comments. Anyone else from the public wish to comment 3 on this rule? Okay. Hearing no others one last 4 chance for the Council and then, Gerald, it's yours. 5 MS. BOTCHLET-SMITH: Cooper, did you want to 6 restate the staff recommendation, please? 7 MR. GARBE: Sure. The staff would like to 8 recommend that we carry this rule proposal over to a 9 subsequent meeting. 10 MR. BUTCHER: So, I'll ask the Council is there 11 a wish to make a motion to that effect? 12 MR. HAUGHT: Yeah, I make a motion that we 13 carry it over. 14 MS. LODES: I'll second. 15 MR. BUTCHER: We have a motion and second to 16 carry the rule over. Now we're going to take some 17 time for discussion from Council if needed. Hearing 18 none then we'll ask for the vote. 19 MS. FIELDS: Mr. Butcher? 20 MR. BUTCHER: Yes. 21 MS. FIELDS: Mr. Clark? 22 MR. CLARK: Yes. 23 MS. FIELDS: Mr. Collins? 24 MR. COLLINS: Yes. 25 MS. FIELDS: Mr. Gamble?</p>	<p style="text-align: right;">36</p> <p>1 **CERTIFICATE** 2 3 4 STATE OF OKLAHOMA) 5) SS: 6 COUNTY OF OKLAHOMA) 7 8 I, Andrea L. Kemper, a Certified Shorthand Reporter 9 within and for the State of Oklahoma, do hereby 10 certify that I reported all of the foregoing 11 testimony, and that I later reduced it to typewritten 12 form, as the same appears herein. 13 I further certify that I am not a relative of, nor 14 attorney for, nor clerk or stenographer for the 15 attorneys, or any party to this litigation, and that I 16 am not otherwise interested in the event of the same. 17 I further certify that the above and foregoing 18 typewritten pages contain a full, true and correct 19 transcript of my stenograph notes so taken during said 20 hearing. 21 WITNESS my hand and seal this 12th day of June, 22 2015. 23 24 <i>Andrea Kemper</i> 25 ANDREA L. KEMPER, CSR Oklahoma Certified Shorthand Reporter Certificate No. 01695 Expiration Date: December 31, 2015</p>



AIR QUALITY COUNCIL

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June 10, 2015

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June 10, 2015

Owasso, Oklahoma

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Kyle Dunn	Trinity
RYAN MOORE	EXPLORER PIPELINE
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