MEMORANDUM

Date: May 20, 2016

To: Ted Schooley, Permit Programs Manager, AQB

Through: Robert Samaniego, Major Source Program Manager, AQB

From: Cember Hardison, PSD Section Manager, AQB

Subject: Greenhouse Gas Permitting Issues and Answers

This memorandum provides information regarding when greenhouse gas emissions should be included in air permit applications and public notices. It also summarizes the sections of the Prevention of Significant Deterioration (PSD) regulation that do not apply to GHGs.

1. Inclusion of Greenhouse Gas (GHG) emissions in permit application and public notices

    Permit applications must include greenhouse gas emission rates in the application and public notice. Please refer to the permit application forms and Public Notice Guidance. These documents are found on the Air Quality Bureau's Permit Section website under Permit Application Forms and Permitting Section Procedures and Guidance.

2. PSD Regulation [20.2.74 NMAC] requirements that may be ignored for GHG emissions

    20.2.74.303 NMAC, Ambient Impact Requirements: The section is not applicable because there are no ambient air quality standards for GHG.

    20.2.74.304 NMAC, Additional Impact Requirements: In the preamble to the Tailoring rule [page 31520], EPA stated that the requirements to analyze impacts on visibility, soil, and vegetation are not applicable because there are no ambient air quality standards for GHG. In the March 2011 update to the EPA permitting guidance for GHG, EPA addresses these requirements on pages 48 and 49, saying that compliance with BACT is the best technique to satisfy the additional impacts analysis. Also, the NAAQS has secondary standards that set limits to protect public welfare, including protection against

decreased visibility, damage to animals, crops, vegetation, and buildings, but there are no such standards for GHG.

20.2.74.305 NMAC, Ambient Air Quality Modeling: The section is not applicable because there are no ambient air quality standards for GHG.

20.2.74.306 NMAC, Monitoring Requirements: The section is not applicable, per sub-paragraph B because there are no ambient air quality standards for GHG.

20.2.74.403 NMAC, Additional Requirements for Sources Impacting Class 1 Federal Areas: The application materials will be sent to the federal land managers if the PSD permitting action is subject to this section.

From page 31520 of the pre-amble to the Tailoring rule:

> In addition to performing BACT, the source must analyze impacts on ambient air quality to assure that no violation of any NAAQS or PSD increments will result, and must analyze impacts on soil, vegetation, and visibility. In addition, sources or modifications that would impact Class I areas (*e.g.* national parks) may be subject to additional requirements to protect air quality related values (AQRVs) that have been identified for such areas. Under PSD, if a source's proposed project may impact a Class I area, the Federal Land Manager is notified and is responsible for evaluating a source's projected impact on the AQRVs and recommending either approval or disapproval of the source's permit application based on anticipated impacts. There are currently no NAAQS or PSD increments established for GHGs, and therefore these PSD requirements would not apply for GHGs, even when PSD is triggered for GHGs. However, if PSD is triggered for a GHG emissions source, all regulated NSR pollutants which the new source emits in significant amounts would be subject to PSD requirements. Therefore, if a facility triggers review for regulated NSR pollutants that are non-GHG pollutants for which there are established NAAQS or increments, the air quality, additional impacts, and Class I requirements would apply to those pollutants.