Acid Rain Permitting Fact Sheet

Every emissions source affected by the Acid Rain Program must have a permit. Each acid rain permit specifies the Title IV requirements that apply to each affected unit at a the affected source. All affected sources must submit acid rain permit applications to an EPA-approved state or local Title IV permitting authority, which in turn issues and administers the permit. Every acid rain permit is a portion of a larger Title V permit. The acid rain permit specifies each unit's allowance allocation and NOx limitation (if applicable), and also specifies compliance plan(s) for the affected source.

Frequently Asked Questions on Acid Rain Permitting

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Which Affected Sources Must Obtain Permits?

Every affected source must obtain an Acid Rain Permit. However, two types of affected utility units that are not required to be covered by an acid rain permit are small new units burning clean fuels and retired units. These types of units are automatically exempted from the requirement to be covered by an acid rain permit, but must submit an exemption notice to the permitting authority & EPA headquarters.

Who Represents Affected Sources in Acid Rain Permitting Matters?

The owners and operators of each source must select one person to represent them in matters pertaining to the Acid Rain Program and may select a second person to act as an alternate for the first. These people are known as the Designated Representative and
Alternate Designated Representative, respectively. Both people must be identified in a Certificate of Representation, submitted to EPA headquarters, as having been selected by an agreement binding on the owners and operators of a source.

The Designated Representative is responsible for submitting to EPA and permitting authorities all Acid Rain Program submissions for the source, including allowance transfers, emission monitoring reports, compliance certifications, Excess Emissions Offset Plans, permit applications, and permit revisions. The Designated Representative must sign and attest to the truth and accuracy of each submission. Permits are only issued to a source if EPA has received a Certificate of Representation for the designated representative. The Designated Representative may be changed at any time by the source’s owners and operators by submitting a revised Certificate of Representation to EPA.

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**What Information Must Be Included in Acid Rain Permit Applications?**

The source must submit a complete acid rain permit application to apply for an acid rain permit. Simple and standardized acid rain permitting forms request information about the affected source & affected units, and provide for the selection of compliance plan(s) for each affected unit.

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**What are Compliance Plans?**

Each affected source must have a compliance plan covering each affected unit. For every affected unit, the plan indicates that the unit will hold enough allowances to cover its annual SO2 emissions and that it will be operated in compliance with the its NOx emissions limits, if applicable.

**SO2 Compliance Plans**

Beginning January 1, 2000, all affected units must hold sufficient SO2 allowances by the allowance transfer deadline to account for SO2 emissions for each calendar year. This is the only SO2 compliance option in Phase II of the Acid Rain Program, & is automatically denoted in the acid rain permit application.

**NOx Compliance Plans**

For affected units subject to an acid rain NOx emission limitation, there are four compliance options:

*Standard Emission Limitations:* Each boiler subject to a NOx emissions limitation may choose to individually meet the standard annual NOx emission limitation for that boiler type. The boiler types and their respective NOx limits are as follows: Phase I Group 1 dry bottom wall-fired boilers; 0.50 lb/mmBtu, Phase I Group 1 tangentially fired boilers; 0.45 lb/mmBtu, Phase II Group 1 dry bottom wall-fired boilers; 0.46 lb/mmBtu, Phase II Group 1 tangentially fired boilers; 0.40 lb/mmBtu, cell burner boilers; 0.68 lb/mmBtu, cyclone boilers; 0.86 lb/mmBtu, vertically fired boilers; 0.80 lb/mmBtu, and for wet bottom boilers, 0.84 lb/mmBtu.

*NOx Emissions Averaging:* Any boilers subject to a NOx emissions limitation that are
under the control of the same owner or operator and that have a common designated representative may average their NOx emissions with an approved NOx averaging plan. Every unit in an averaging plan is deemed to be in compliance with its NOx emissions limitation if, as a group, the actual Btu-weighted NOx emissions rate for a calendar year is less than or equal to the rate the group would have had if each unit had emitted at its standard limit rate.

*Alternative Emission Limitations*: If a boiler is unable to meet its standard limit after properly installing and operating the appropriate NOx emissions reduction technology for that boiler type, the owners and operators may petition EPA and the permitting authority for a less stringent NOx emissions limitation that is referred to as an AEL. Approval of an AEL is contingent upon a demonstration by the owners and operators that the NOx emissions control equipment was properly designed, installed, and operated during a designated demonstration period.

*Early Election*: A Phase II affected unit with a Group 1 boiler that complied with the appropriate Phase I NOx emission limit by January 1, 1997 is exempt from the more stringent Phase II Group 1 limit until 2008. By encouraging affected sources to comply early with the Phase I limits, emission reductions are achieved early and the utilities can ensure themselves of greater certainty in their long-range planning and electric grid system reliability.

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**What Does the Permitting Authority Do with the Acid Rain Permit Application?**

State or local title IV permitting authorities administer acid rain permitting programs under both Titles IV and V of the Clean Air Act. States process acid rain permit applications, issue draft acid rain permits for public comment, and submit proposed acid rain permits to EPA for review. Final acid rain permits are then issued by the permitting authorities.

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**When Are the Acid Rain Permit Applications & NOx Compliance Plans Due?**

- Initial acid rain permit applications were due by January 1, 1996
- Initial NOx compliance plans were due by January 1, 1998
- Acid rain permit applications for new units are due 24 months before the unit commences operation
- Renewal acid rain permit applications & NOx compliance plans are submitted to the permitting authority at the same time as the associated Title V permit renewal applications

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**How is the Acid Rain Permit Revised?**

Four types of acid rain permit revision procedures are specified in the rule: permit modifications, fast-track permit modifications, administrative permit amendments, and automatic permit amendments.

Permit modification procedures apply to, among other things, the inclusion of compliance plans in the acid rain permit that weren't included when the permit was issued. Permit
modifications involve the same public notice and comment procedures as those involved in the issuance of a permit.

The fast-track modification may be used, at the option of the Designated Representative, for incorporation of new compliance options, as well. With fast-track modifications, the permittee gives notice of the proposed permit modification in a newspaper near the area where the source is located and gives notice to interested parties. The public has 30 days to comment. The permittee submits its proposed modification to the permitting authority, which has 90 days after the close of the comment period to act on the proposed modification.

The administrative permit amendments procedure applies to simple alterations to an acid rain permit, such as corrections of typographical errors, and name and address changes. Administrative amendments are made by the permitting authority without public notice.

An automatic permit amendment occurs whenever an emissions allowance transaction is recorded by EPA in the Allowance Tracking System. An acid rain permit is deemed to automatically include these amendments.