

Brian Accardo, Director  
Division of Air Resource Management  
Florida Department of  
Environmental Protection  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

Dear Mr. Accardo:

This correspondence is being sent to provide you with a final copy of the U.S. Environmental Protection Agency Region 4 report, which was completed as a result of the EPA Title V program evaluation conducted on March 28, 2012 (see Enclosure). The purpose of this program review was to evaluate the status and the ability of the Florida Department of Environmental Protection, Division of Air Resource Management (DARM) to carry out the duties and responsibilities required to effectively run the title V program, as well as find out how the EPA can best assist the DARM in meeting these commitments.

I would like to thank you and your staff for your cooperation throughout the evaluation. Your staff responded to the questionnaires and provided all requested material in a timely and professional manner. In addition, the EPA believes that the DARM is operating the title V program at a high level of proficiency and looks forward to continuing to working with the DARM to maintain a high quality title V program.

If you have any questions regarding the report, please do not hesitate to contact me or have your staff contact Randy Terry of the EPA Region 4 staff at (404) 562-9032.

Sincerely,

Beverly H. Banister  
Director  
Air Pesticides and Toxics  
Management Division

Enclosure

# Florida Title V Program Review

## Executive Summary

The Florida Department of Environmental Protection (FDEP), Division of Air Resource Management (DARM) initial program review was conducted the week of March 29 through April 1, 2004, and is kept on file at the U.S. Environmental Protection Agency Region 4 office in Atlanta, Georgia. Based on the information gathered from the initial round of title V program evaluations and the implementation of new title V permit requirements, the EPA committed to conduct a second round of title V program reviews for all state and local programs that had at least 20 title V major sources within their jurisdiction by the end of CY 2010.

The second program evaluation of the DARM title V program was conducted on July 11-12, 2007, in Tallahassee, Florida. The evaluation report was organized into the five sections reviewed during the on-site visit: Resources and Internal Management; Public Participation; District and Local Offices Review; Permit File Review; and Initial Program Evaluation Follow Up. An additional section, Program Improvements, identified an area of significant concern with regard to the amount of title V fees being appropriated to the Florida general treasury fund. Subsequent discussions with FDEP officials were successful in resolving this issue. The final report from this evaluation was issued on November 13, 2007.

The EPA conducted a third program evaluation of the Florida title V program on March 28, 2012. This evaluation consisted of a review of the title V budgeting and accounting process, permit file review, public participation and follow-up from previous evaluations. Highlights of the program evaluation include the timely issuance of title V permits resulting in no significant backlog of title V actions (title V applications in-house older than 18 months). At the time of the 2007 program evaluation, DARM had a small backlog of three title V applications and since that time has reduced that number down to one title V application. An additional highlight includes the DARM's utilization of their website as a resource in ensuring public awareness. Overall, the EPA believes that the DARM is meeting the requirements of 40 CFR Part 70. Upon finalization, this report will be kept on file at the EPA Region 4 office.

## **A. Resources and Internal Management**

The DARM was reorganized during the summer of 2011. The former Bureau of Air Regulation is now the Office of Permitting and Compliance, and is organized into three key industrial sections: (1) Power Plants; (2) Chemicals and Combustion; and (3) Minerals and Metals. Each key industry group is responsible for providing oversight of the permitting issues related to their specific industries. The title V permit for all sources that contain Acid Rain units and all sources that were subject to power plant siting (i.e. steam power plants and resource recovery facilities) are processed by DARM. All other title V permits are processed by their six District offices and six contracted Local Program offices, based on permit location. Florida has 48 total permit writers on staff. This total does not include any management or administrative staff personnel. There are 12 permit writers in the DARM-Tallahassee office, 23 permit writers in the 6 District offices and 13 permit writers at the 6 Local offices.

Title V permit writers split their time between title V and non-title V permitting activities. Members of each section also have responsibilities for air construction permit development and issuance, development of industry specific expertise for proper rule and permit interpretation, and mediation of compliance-related concerns between industry and the compliance offices. These additional responsibilities should strengthen the permit writer's knowledge of the individual title V sources and lead to more efficient permit processing. Beginning in CY 2011, DARM revised their tracking system for permit processing time. Each permitting project is assigned a time-keeping module to track individual permit processing time on the time sheets. Management can now pull monthly summary reports to see how long it takes to process an application and the impact of using "teams" to process permits. For CY 2011, DARM charged 46 percent of the permit writer's time to title V. This number has decreased to 41.5 percent at the time of the program evaluation and is projected to be further reduced to 25.87 percent for CY 2013. The District Offices also use a timekeeping module to track title V permit processing. Each Local Office has its own system to track time and is reimbursed through contract approved reimbursements.

Turnover within the FDEP has been low, and has had a minimal impact on permit issuance. When vacancies arise, the remaining staff and managers pick up the workload until a new employee has been hired and has completed training. At the time of the program evaluation, the DARM had two vacant permit positions within their power plants section. However, these positions may be eliminated due to the economy, workload, and commitment to improving their overall permit processing efficiency. On average, DARM permit writers issue eight title V permits annually. Some staff exceeded this number due to the special industry sectors they have been assigned, while others have fewer depending on other job duties and assigned location.

Following the internal reorganization within DARM, several employees were shifted to permitting and were still being trained at the time of the program evaluation. However, applications received over the previous 18 months were close to the lowest levels ever because of the economic downturn, so production has not decreased during this period. Moving forward, DARM is placing a priority on improving permit processing and linking this to the performance expectations of the permitting staff. The Department is also developing a new tool to focus on mission critical areas, including improving permit processing times. DARM is working to enhance its day-to-day relationships with the District and Local Offices to improve permit processing statewide.

Florida utilizes a title V reserve account within their Air Pollution Control Trust Fund to track title V revenue. In addition DARM receives a statement of revenue from the FDEP Bureau of Finance and Accounting each month. The title V revenue component of that statement has a unique code attached to identify title V funds. To track title V expenses, DARM and the District offices use title V modules to track work on daily timesheets in the People First system. Data from this system can be merged and pulled within the state's accounting system (FLAIR). Local offices use their own time accounting systems and bill DARM for any work performed in accordance with specific title V contracts.

The DARM charges fees consistent with the title V fee structure in the Clean Air Act Amendments. For CY 2011, the fee was \$30.00 per allowable ton of pollutant, up to a cap of 4000 tons for each pollutant. All sources are subject to a minimum annual fee of \$250. Florida currently has a surplus of title V funds. For the CY 2012 title V fees, DARM expects to offer a discount of up to \$5000 for smaller businesses. In addition, the title V fee for CY 2012 was expected to be the same as CY 2011; however, rulemaking was being explored to reduce the fees to between \$25 and \$27 per ton due to an anticipated surplus.

Since 2008 the DARM has collected the following title V revenue:

CY2008 - \$8,857,501.00  
CY2009 - \$8,067,400.00  
CY2011 - \$7,870,984.00

The DARM projects their title V revenue for the following years

CY2012 - \$6,441,900.00  
CY2013 - \$6,200,000.00

FDEP has communicated to the EPA that they are able to continue to meet all program requirements despite the reduction in title V revenue by negotiating reduced contract totals with the Local Programs of close to \$500,000, reducing direct program expenses of over \$300,000 annually (from a high of \$399,000 in CY 2009) to an expected \$89,727.00 in CY 2013, and reduction of indirect title V expenses from a high of \$1,713,028 in CY 2011 to \$1,073,238 in CY 2012 (a reduction of over \$600,000 annually). In addition, the DARM has built a title V surplus account of approximately \$4,000,000, which is expected to peak at almost \$4,500,000 by 2013, at which time the reduction in title V fees should gradually begin to reduce the surplus.

## **B. Public Participation and Affected State Review**

FDEP meets the title V requirements for public participation. FDEP utilizes the internet as a means for notifying the public of draft permits, but does not consider this method an official method of notifying the public. The public can access all the actions relating to a permitting action on the website. All title V applications, correspondence, draft, proposed and final permits are posted on the FDEP website. The official method of public notice is for FDEP to draft the public notice and send it to the source. The source must have it published, at their expense, in the local paper of general circulation of the area. The source must then send FDEP a copy of the notice in the paper, along with proof of publication verifying that it has been published. In addition to these methods, FDEP developed the Permit Application

Subscription Service (PASS) website: <http://pass.dep.state.fl.us/DepPass/>. Members of the public can register their email address and pick a series of filters to identify their interests e.g., air/waste/water, geographic location, etc.) The service will provide the public with information about environmental permit applications received by FDEP. When permit applications are received that match a person's selection criteria, the FDEP sends them an email with a link to additional information. FDEP maintains a mailing list for each project, which is used to notify persons interested in the title V permit. Any persons registered with PASS who have requested notification of any actions on a permit will receive the complete permitting package, which includes the intent to issue with public notice, and the draft, proposed, and final title V permits.

### **C. Renewal Permits and File Review**

The DARM has issued 100 percent of their initial title V permits and is in the process of issuing renewal title V permits. In the past 12 months the DARM has received 12 initial and 39 renewal title V applications and has issued 81 title V permits. This brings the overall total of applications in house, at the time of the program evaluation to 72 title V applications. Of the applications in-house, only one was older than 18 months. Compliance issues with the Hospital/Medical/Infectious Waste Incinerators (HMIWI) regulations delayed issuance of the draft permit, but a proposed permit has been submitted to the EPA for review. The 45 day review period ended on April 11, 2012.

As part of the program evaluation, the EPA conducted an administrative review of 10 title V permit files. The files reviewed included files from both the DARM and District programs. No title V files from Local programs were reviewed as a part of the program evaluation. The administrative review was to determine if all the appropriate content was available in the files and the ease of access to the files should a person request to see the file. Information located in the file should consist of any comments submitted during the public comment period, any responses by the DARM to comments received, copies of the draft, and proposed permits, proof of publications, statement of basis and public notices. All the necessary information was in the files.

### **Conclusion**

Overall, the EPA believes that the DARM is meeting the federal requirements of the title V program and looks forward to continuing to work with the DARM and their permitting program in the future.