

Myra C. Reece, Chief  
Bureau of Air Quality Control  
South Carolina Department of  
Health and Environmental Control  
2600 Bull Street  
Columbia, South Carolina 29201

Dear Ms. Reece:

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 May 2, 2011 (see Enclosure). The purpose of this program review was to evaluate the status and the ability of the South Carolina Department of Health and Environmental Control, Bureau of Air Quality (the Bureau) to carry out the duties and responsibilities required to effectively run the title V program, as well as find out how EPA can best assist the Bureau in meeting these commitments

We would like to take this opportunity to commend the Bureau staff for the effective implementation of the title V program. EPA Region 4 looks forward to continuing to work closely with the Bureau to maintain an effective 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

# South Carolina Title V Program Review

## Executive Summary

The South Carolina Department of Health and Environmental Control, Bureau of Air Quality (the Bureau) initial program review was conducted the week of July 20 - 23, 2003, and is kept on file at the U.S. Environmental Protection Agency Region 4 office in Atlanta, GA. Based on the information gathered from the initial round of title V program evaluations and the implementation of new title V permit requirements, 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 FY 2010.

The second program evaluation of the South Carolina title V program was conducted on June 13-14, 2007, in Columbia, SC. This evaluation consisted of four separate sections: resources and internal management, including a title V funds review; public participation; permit file review; and, updates on suggested improvements from the Initial Evaluation. The final report was issued on October 31, 2007.

EPA conducted a third program evaluation of the South Carolina title V program on May 2, 2011. 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 reduction of the title V backlog (title V applications in-house older than 18 months) from a high of 80 title V applications at the time of the 2007 program evaluation to the current level of 61 as noted during the 2011 program evaluation. EPA will continue to track the reduction of the title V backlog through the title V operating permits system (TOPS). Additional highlights include the Bureau's utilization of their website as a resource in ensuring public participation. Overall, EPA believes that the Bureau 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**

South Carolina utilizes a financial management system to track title V funds. Each fund (fee, grant, or state appropriation) has unique accounting codes to enable tracking the revenues and expenditures for each funding source. Title V revenues are maintained within a separate account in the agency's accounting system and have not been used for any non title-V expenses. This account allows for any unexpended funds remaining in the title V account at the end of the fiscal year to be carried forward for the next fiscal year.

The Bureau charges fees consistent with the title V fee structure in the Clean Air Act Amendments. These fees are tied to the consumer price index. For fiscal year 2011, the fee is \$43.83 per ton.

Since FY2008, the title V fee has increased from \$41.02 per ton to \$41.96 per ton in FY2009 and to \$43.75 per ton in FY2010.

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

FY2008 - \$9,459,900.91  
FY2009 - \$9,391,470.77  
FY2010 - \$9,094,308.65

The Bureau utilizes the Personnel Cost Accounting System (PCAS) to apportion personnel resources between title V and non-title V resources. Payroll adjustments are made as necessary to match the cost reflected in PCAS to the actual title V costs. Travel is paid based upon the PCAS coding of actual time worked. Equipment and supplies are paid based upon projected usage. Where expenditures are shared among several funding or program areas, title V funds are allocated their appropriate share. Costs can be split as needed between funds based upon the financial management codes. Office space, utilities, and other general expenses are paid under a process that has been approved by EPA for program grant administration and are charged to all environmental funds.

The Bureau has 28.66 full time equivalent positions, shared by 35 permit writers, 5 permit managers and 2 public notice staff positions. Since 2007, the Bureau has hired 21 permit writers, but has experienced a turnover of 14 permit writers. At the time of the program evaluation, the Bureau had four vacant permit writer positions and one section manager. The turnover rate and a hiring freeze due to state budget cuts as of May 2, 2011 have been the primary contributing factors in the accrual of a significant title V renewal application backlog. The Bureau has dedicated a significant amount of time and resources in getting a large number of new staff adequately trained to perform permitting duties. In an effort to reduce turnover, the Bureau offers telecommuting, alternative work schedules, short term enrichment program, and salary adjustments when possible. On average, Bureau permit writers have 14 title V permits for which they are responsible. Some staff exceed this number due to the special industry sectors they have been assigned, while others have fewer depending on other job duties.

The Bureau has developed a detailed list of courses for its employees to take along with a timeframe for when they should take them. These courses are designated as either mandatory or desirable. After a year, most permit writers are proficient enough in title V to develop title V permits on their own. The Bureau

strongly believes that EPA can best assist them with regards to training by continuing to send EPA staff over to provide staff training.

The Bureau utilizes quarterly reports to its Agency Board and to EPA to keep them updated on permit issuance. South Carolina believes that the biggest internal roadblock to permit issuance is a workload that has increased more rapidly than have the resources allocated to execute workload tasks. One way the Bureau has tried to streamline permit issuance is to redesign their Environmental Facility Information System (EFIS) database software over the last few years to allow it to generate the title V permits. The Bureau has generated several permits through the EFIS but is still working through production issues before mass production of title V permits can be generated.

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

Title V public participation requirements mandate that public notices be published in a newspaper of general circulation and that the permit applications, draft permits, statement of basis, and all relevant supporting materials be made available for review by interested parties. The Bureau is exceeding public participation requirements by providing access to all public notices via their website at <http://www.scdhec.gov/environment/baq/PublicNotice.asp> as well in local newspapers. Because South Carolina does not have one newspaper that covers the entire State so in order to notify the public of a new permit action, the Bureau often utilizes a local newspaper of general circulation in the area of the facility. Average costs for publishing a public notice in the newspaper is \$360.00. In addition, during the public comment period, the public can obtain permit related information such as the public notice, permit applications, draft permits, and statement of basis, either from the DHEC website or visit the Bureau office to review the files. Additional ways the Bureau notifies the public is by listing all actionable permits on their web site and by mailing, free of charge, notification to those groups or citizens that have requested inclusion on their mailing list. The Bureau has received very few comments on the title V renewals and has noted that the mailing lists and the website are the areas found to be most effective in notifying the public of an impending permitting action. The Bureau schedules title V hearings only upon request and hearings are required to be noticed for at least thirty days. The Bureau accepts comments for up to two weeks after hearing.

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

The Bureau 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 Bureau has received 40 title V applications and has issued 21 title V permits. This brings the overall total of applications in house, at the time of the program evaluation, to 116 title V renewals and 19 initial issuance title V applications. Of the applications in-house, 61 were older than 18 months. These totals are a significant reduction from the total number of renewals in-house and renewals that were older than 18 months that were reported to EPA during the last program evaluation. Title V renewals have decreased by over 10% and the backlog of title V renewals have decrease by almost 25%. The Bureau has developed a plan that will continue to decrease the title V backlog. EPA will continue to monitor the backlog through semi-annual TOPS updates from the Bureau. In addition, the Bureau had received three title V significant modifications in the past 12 months and had issued two within that same timeframe. The overall total of significant modifications in-house is eight with seven of the significant modifications being older than 18 months.

As part of the program evaluation, EPA conducted an administrative review of three title V permit files. The administrative review was to determine if all the appropriate content was available in 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 Bureau to comments received, copies of the draft, and proposed permits, proof of publications, statement of basis and public notices. All the necessary information was found in the files. EPA recommends the Bureau document for the file instances when public comments are not received and the draft/proposed title V permit is issued as the final permit without change.

### **Conclusion**

Overall, EPA believes that the Bureau is meeting the federal requirements of the title V programs and looks forward to continuing to working with the Bureau in the future.