

**AGENDA
STATE OF TENNESSEE
REGULAR MEETING
AIR POLLUTION CONTROL BOARD
312 Rosa L. Parks Avenue
Wednesday February 10, 2021**

9:30 A.M.

Location: Remote, via WebEx

	Item	Presenter	Page
1.	Elect Vice-Chair for 2021		
2.	Roll Call		
3.	Approval of the November 12, 2020 Air Pollution Control Board Meeting Minutes		3
4.	Conflict of Interest	Bill Miller	8
5.	FY2022 Title V Workload Analysis, Board Order 21-025	Jimmy Johnston	14
6.	Eastman Variance-SO2 Ambient Monitoring Board Order 21-014	Travis Blake	59
	General Business		
7.	Division Updates	Mary M. Chandler Jimmy Johnston	61

The meeting will be held in compliance with Tennessee Code Annotated Section 8-44-108, as amended by Chapter 490 of the 1999 Public Acts of the Tennessee General Assembly. The meeting will be conducted permitting participation by electronic or other means of communication. Consequently, some members of the Tennessee Air Pollution Control Board are allowed to and may participate by electronic or other means of communication and may not be physically present at the announced location of the meeting.

The meeting will be held in compliance with Executive Order No. 16, issued by Governor Lee on March 20, 2020 (extended by Executive Orders No. 34, issued by Governor Lee on May 6, 2020; and Executive Order No. 51 issued by Governor Lee on June 29, 2020; and Executive Order No. 60 issued by Governor Lee on August 28, 2020; and Executive Order No. 65 issued by Governor Lee on October 28, 2020; and Executive Order No. 71 issued by Governor Lee on December 22, 2020). As required by Executive Order No. 16, the meeting will comply with Tennessee Code Annotated Section 8-44-108(c). The meeting will be

conducted through Webex and members of the Tennessee Air Pollution Control Board will participate by electronic or other means of communication.

Individuals with disabilities who require special accommodations or alternate communications formats should contact us at the Tennessee Department of Environment and Conservation, William R. Snodgrass Tennessee Tower, Division of Human Resources, 312 Rosa L. Parks Avenue 22nd Floor, Nashville, Tennessee 37243 at (615) 532-0200 (or TDD 1-800-848-0298 for hearing impaired callers) no less than five (5) days prior to the scheduled meeting so reasonable accommodations can be made.

Air Pollution Control Board
of the
State of Tennessee
Regular Meeting

On Wednesday November 12, 2020 at 9:30 A.M., the Air Pollution Control Board of the State of Tennessee, (hereinafter, referred to as the "Board"), began its meeting on the 15th Floor of the Tennessee Tower in Conference Rooms A and B. The following Board members were present via WebEx.

Dr. Ronnè Adkins
Dr. Joshua Fu
Mr. Steve Gossett
Mr. Mike Haverstick
Dr. Shawn Hawkins
Mr. Richard Holland
Dr. Chunrong Jia
Ms. Caitlin Jennings
Mayor Ken Moore
Mayor Larry Waters
Mr. Jimmy West

The following Board members did not join the meeting.

Dr. John Benitez
Ms. Amy Spann
Mr. Greer Tidwell

Ms. Michelle Owenby, Director of Air Pollution Control, served as the Technical Secretary.

At this time the Technical secretary welcomed Board members, presenters and attendees to the board meeting for November 12, 2020 and made the following statement. This meeting of the Tennessee Air Pollution Control Board is being held in compliance with Executive Order 16, issued by Governor Lee on March 20, 2020 (extended by Executive Order 34, issued by Governor Lee on May 6, 2020, extended by Executive Order 51, issued by Governor Lee on June 29, 2020, extended by Executive Order 60, issued by Governor Lee

on August 28, 2020, extended by Executive Order 65, issued by Governor Lee on October 28, 2020, extended by Executive Order 71, issued by Governor Lee on December 22, 2020). In an effort to protect the health, safety and welfare of Tennesseans in light of the COVID-19 outbreak, this meeting is being held electronically via WebEx.

Ms. Owenby welcome Dr. Churong Jia, an Associate Professor of Environmental Health at the University of Memphis, to the Board.

Ms. Owenby then turned the meeting over to the Vice-Chair, Mayor Larry Waters.

Mayor Waters welcomed Dr. Jia to the Board.

Mayor Waters asked for a roll call and the response was as follows:

Dr. Adkins	present	Mr. Holland	present
Dr. Benitez	absent	Ms. Jennings	present
Dr. Jia	present	Mayor Moore	present
Dr. Fu	present	Ms. Spann	absent
Mr. Gossett	present	Mr. Tidwell	absent
Mr. Haverstick	present	Mayor Waters	present
Dr. Hawkins	present	Mr. West	present

Eleven (11) Board members were present.

The first item on the agenda was the approval of the August 12, 2020 Board Meeting Minutes. Mayor Moore made a motion to approve and Dr. Fu seconded. The August 12, 2020 minutes were approved as written.

The Vice-Chair called for a roll call and the votes were as follows:

Dr. Adkins	yes	Mr. Holland	yes
Dr. Jia	yes	Dr. Fu	yes
Mr. Haverstick	yes	Mr. Gossett	yes

Ms. Jennings	yes	Mayor Waters	yes
Dr. Hawkins	yes	Mr. West	yes
Mayor Moore	yes		

The motion carried with eleven (11) affirmative votes.

Mr. Travis Blake with the Division presented the Board with a variance request from Eastman Chemical, Board Order 20-073. After his presentation Mr. Blake answered questions from the Board. Mayor Moore made a motion to approve the request and Mr. West seconded the motion.

The Vice-Chair called for a roll call and the votes were as follows:

Dr. Adkins	yes	Mr. Holland	yes
Mr. Haverstick	yes	Dr. Fu	yes
Dr. Jia	yes	Mr. Gossett	Abstain
Ms. Jennings	yes	Mayor Waters	yes
Dr. Hawkins	yes	Mr. West	yes
Mayor Moore	yes		

The motion carried with ten (10) affirmative votes.

Mr. Travis Blake with the Division presented the Board with Amendments to 1200-03-14-.06. After discussion Mr. Holland made a motion to approve the Amendments and Mr. Haverstick seconded the motion.

The Vice-Chair called for a roll call and the votes were as follows:

Dr. Adkins	yes	Mr. Holland	yes
Mr. Haverstick	yes	Dr. Fu	yes
Dr. Jia	yes	Mr. Gossett	yes
Ms. Jennings	yes	Mayor Waters	yes

Dr. Hawkins	yes	Mr. West	yes
Mayor Moore	yes		

The motion carried with eleven (11) affirmative votes.

Mr. Mark Reynolds with the Division presented the Board with Amendments to 1200-03-09 and 21 Part 51 Appendix W Rule Revisions. After discussion Mr. Gossett made a motion to approve the revisions and Dr. Fu seconded the motion.

The Vice-Chair called for a roll call and the votes were as follows:

Dr. Adkins	yes	Mr. Holland	yes
Mr. Haverstick	yes	Dr. Fu	yes
Dr. Jia	yes	Mr. Gossett	yes
Ms. Jennings	yes	Mayor Waters	yes
Dr. Hawkins	yes	Mr. West	yes
Mayor Moore	yes		

The motion carried with eleven (11) affirmative votes.

Mr. Travis Blake with the Division briefed the Board on proposed amendments to 1200-03-10-.02(1)(b)1. Mr. Blake answered question from the Board.

There being no further business to discuss Mr. Gossett made a motion to adjourn and Mr. Haverstick seconded the motion.

The meeting adjourned at 10:30 am.

TENNESSEE AIR POLLUTION CONTROL BOARD

Disclosure of Financial Interests or Other Potential Conflicts of Interest

Pursuant to the terms of Tenn. Code Ann. § 68-201-105(e) and Tenn. Comp. R. & Regs. 0400-30-17-.05(2), the undersigned member of the Air Pollution Control Board ("Board") discloses financial interests as of the date below that are or have the potential to become a conflict of interest (in terms of "significant portion of income") in handling a matter that may arise before the Board. The undersigned also discloses any other potential conflicts of interest (as of the date below) with regard to matters that may come before the Board.

DIRECTIONS: Check the appropriate response(s), provide any required explanation(s) in the lines below, and sign and date.

The undersigned member has none of the financial interests listed below that are or could have the potential to be a conflict of interest.

The undersigned member falls into one or more of the following financial categories that does or could pose a conflict of interest with a particular source because the member derives a "significant portion of income" from a particular source, as defined in rule 0400-30-17-.02(b).

*Please identify all of the following which are applicable and in the space below identify the name of the source(s) in which there is financial interest. Note the exception for mutual funds and other diversified investments.**

Receives 10% or more of gross personal income for a calendar year, including retirement benefits, consultant fees, and stock dividends, from persons subject to Division of Air Pollution Control permits or enforcement orders (or 50% or more of gross personal income for a calendar year if the recipient is over 60 years of age and receiving such portion pursuant to retirement, pension, or similar arrangement).

Receives more than \$5,000 annually in investment income from a source. Said investment is limited to those that arise from the purchase of shares of stock in the source that were purchased on the open market and generally available to any person at that price.

Receives more than \$100 annually due to a private investment made in a source. Said private investment is one where the purchase of stock or interest in a partnership was made directly with the source and such opportunity was not generally available to the public as a whole.

() Receives a salary in any amount from a source for services rendered.

() Sells or is about to sell property or equipment to a source. For the purposes of this part, equipment does not include consumer goods that are offered to the public at the same price offered to the source.

() Buys or is about to buy property or equipment from a source. For the purposes of this part, equipment does not include consumer goods that can be purchased by the public at the same price the source offered to the Technical Secretary or Board Member.

() Has taken out a loan from a source in any amount unless:

(i) The loan is from a financial institution whose deposits are insured by an entity of the federal government, or such loan is made in accordance with existing law and is made in the ordinary course of business. A loan is made in the ordinary course of business if the lender is in the business of making loans, and the loan bears the usual and customary interest rate of the lender for the category of loan involved is made on a basis which assures repayment, is evidenced by a written instrument, and is subject to a due date or amortization schedule;

(ii) The loan is secured by a recorded security interest in collateral, bears the usual and customary interest rate of the lender for the category of loan involved, is made on a basis which assures repayment, is evidenced by a written instrument, and is subject to a due date or amortization schedule.

*For purpose of the categories above, income derived from mutual-fund payments, or from other diversified investments as to which the recipient does not know the identity of the primary sources of income, shall be considered part of the recipient's gross personal income but shall not be treated as income derived from persons subject to permits or enforcement orders under this rule division 0400-30 or rule division 1200-03 (i.e., shall not be treated as a "significant portion of income"). Tenn. Comp. R. & Regs. 0400-30-17-.02(b).

Name of Source(s): _____

() The undersigned has the following other potential conflicts of interest:

() The undersigned has no other potential conflicts of interest.

Signature of Board Member

Date

Please Print Name

TENNESSEE AIR POLLUTION CONTROL BOARD

Acknowledgement -

Policy of Ethics and Conflicts of Interest Rule

Pursuant to Tenn. Code Ann. § 68-201-105(e) and Tenn. Comp. R. & Regs. 0400-30-17-.05(2), the undersigned member of the Air Pollution Control Board ("Board") acknowledges that, as of the date below, he or she has read and understands all aspects of the Board's Policy of Ethics and the Avoidance of Conflicts of Interest rule, found at Tenn. Comp. R. & Regs. 0400-30-17-.05 (the "Rule"). The undersigned also states, as a condition to serving on the Board, that he or she is not in conflict with the conditions of the Rule.

Signature of Board Member

Please Print Name

Date

TENNESSEE AIR POLLUTION CONTROL BOARD

Board Member Determination - Representing the Public Interest

To enable the Air Pollution Control Board ("Board") to determine whether a majority of Board members "represent the public interest", as required by Tenn. Comp. R. & Regs. 0400-30-17-.02(1), the undersigned board member indicates whether, as of the date below, he or she "represents the public interest."*

DIRECTIONS: Check the appropriate response and sign and date below.

I do () / I do not ():

Own a controlling interest in;

Have 5% or more of capital invested in;

Serve as an attorney for;

Act as a consultant for;

Serve as an officer or director of; or

Hold any other official or contractual relationship with :

- (1) Either a person subject to permits or enforcement orders under this rule division, 0400-30- or rule division 1200-03**; or
- (2) Any trade or business association of which such person is a member.

Signature of Board Member

Date

Please Print Name

*“Represent the public interest” means not owning a controlling interest in, having 5% or more of his or her capital invested in, serve as attorney for, act as a consultant for, serve as officer or director of, or hold any other official or contractual relationship with, either a person subject to permits or enforcement orders under this rule division, 0400-30 or rule division 1200-03, or a trade or business association of which such a person is a member. Tenn. Comp. R. & Regs. 0400-30-17-.02(2)(a)

**“Persons subject to permits or enforcement orders under this rule division, 0400-30 or rule division 1200-03” or a “source,” as used in this chapter, includes any individual, corporation, partnership, or association who holds, is an applicant for, or is subject to any permit, or who is or may become subject to any enforcement order under this rule division, 0400-30 or rule division 1200-03, except that it does not include:

1. An individual who is or may become subject to an enforcement order by reason of his or her ownership or operation of a motor vehicle,
2. Any department or agency of a state, local, or regional government; or
3. Any individual who is involved in the program of an institute of higher learning whose duties do not include the institute’s compliance with this rule division, 0400-30 or rule division 1200-03. Tenn. Comp. R. & Regs. 0400-30-17-.02(2)(c).

TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
 BUREAU OF ENVIRONMENT
 DIVISION OF AIR POLLUTION CONTROL

IN THE MATTER OF)
)
)
 2022 Title V Workload Analysis) Order Number: 21-025
)
)
)
)
)
)

BOARD ORDER

The 2021-2022 Workload Analysis, as prepared by the Division of Air Pollution Control, was approved by the following Board Members on February 10, 2021. The Workload Analysis is the mechanism used by the Division of Air Pollution Control to determine the Title V annual fees needed to operate the Title V operating permit program in compliance with federal law for recommendation to the Air Pollution Control Board. This Workload Analysis provides an estimate of the manpower and funding needed to support the Title V program in state fiscal year 2021-2022 to ensure compliance with federal law.

This Workload Analysis projects that 51.9 full-time employee hours and \$6,972,904 will be needed to conduct Title V-related work in fiscal year 2021-2022.

Category	Projected FY22 Title V Expenses
Regular Salaries, Longevity, and Bonuses	\$3,585,787
Benefits	\$1,551,542
Air Pollution Control General and Administrative Expenses	\$762,575
TDEC General and Administrative Expenses	\$1,073,000
Total	\$6,972,904

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Dr. Ronne Adkins Commissioner's Designee, Dept. of Environment and Conservation					
Dr. John Benitez Licensed Physician with experience in health effects of air pollutants					
Stephen Gossett Working for Industry with technical experience					
Dr. Shawn A. Hawkins Working in field related to Agriculture or Conservation					
Richard Holland Working for Industry with technical experience					
Caitlin Roberts Jennings Small Generator of Air Pollution representing Automotive Interests					
Dr. Chunrong Jia Environmental Interests					
Ken Moore Working in Municipal Government					
Dr. Joshua Fu Involved with Institution of Higher Learning on air pollution evaluation and control					
Mike Haverstick Working in management in Private Manufacturing					
Amy Spann, PE Registered Professional Engineer					
Greer Tidwell Conservation Interests					
Larry Waters County Mayor					
Jimmy West Commissioner's Designee, Dept. of Economic and Community Development					



Department of
**Environment &
Conservation**

Title V Workload Analysis

February 10, 2021

Overview

- 1200-03-09-.02(9)(d)(iv): “The emission fee rates enumerated in subpart (iii) [dollar per ton rates] of this part must be supported by the Division’s annual workload analysis that is approved by the Board.”
- Not subject to rulemaking requirements of Uniform Administrative Procedures Act
 - Intend to make draft workload analysis available during public participation process for Title V fee rule, but workload analysis not subject to public comment or hearing requirements.
- Fiscal Year FY2022 (July 1, 2021 to June 30, 2022)

Workload Estimates (FTEs)

- Overall Workload Based on Actual Activity from FY2020 and Planned Activity for FY2022
- Title V Portion of Work Based on:
 - Actual Title V/Non-Title V Ratio from Edison, or
 - Title V Specific Activity Information (e.g., number of Title V inspections, number of Title V permits and modifications)
- One FTE = 1609 hours per year
 - Considers Holidays, Sick Leave, and Annual Leave

FY2022 Workload Estimates (FTEs)

Functional Unit	FY2020 Title V FTEs
Administrative Services	3.7
Director's Office	3.2
Small Business Environmental Assistance Program	2.0
Compliance Validation Program	4.0
Enforcement Program	2.5
Field Services Program	11.3
Permitting Program	13.8
Regulatory Development Program	3.7
Emissions Inventory and Special Projects Program	2.8
Technical Services Program	2.5
Quality Assurance Program	2.1
Total	51.9

Estimated FY2022 Title V Expenses

Category	Projected FY2022 Expenses
Regular Salaries, Longevity, & Bonuses	\$3,585,787
Benefits	\$1,551,542
Air Pollution Control General & Administrative Expenses	\$762,575
TDEC General & Administrative Expenses	\$1,073,000
Total	\$6,972,904

Questions



Title V

Workload Analysis

Fiscal Year 2021-2022



Division of Air Pollution Control
February 10, 2021

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Executive Summary

Title V Workload Analysis
By the
State of Tennessee
Department of Environment and Conservation
Division of Air Pollution Control

Title V of the Clean Air Act (CAA) and its implementing regulations in 40 CFR Part 70 require the Division of Air Pollution Control to operate a Title V Operating Permit Program. Paragraph 502(b)(3) of the CAA and 40 CFR 70.9 require the collection of fees sufficient to fully fund the program. The proposed methods for implementation and the evidence of financial adequacy to implement and operate a federally approved CAA Title V Operating Permit Program (Title V Program) are described herein.

The CAA Amendments of 1990 included many changes and substantive differences in the body of regulations that comprise the CAA. None are as far reaching in effect as the regulations that detail the procedures for an operating permit program for air contaminant sources and for assessment and collection of fees to allow the regulated sources to pay for the permitting related activities. Each permitting authority identifies, inventories, assesses, and issues permits to all affected sources. Title V fee collection must provide the means for each state air pollution program or permitting authority to fully fund Title V work efforts.

The Division of Air Pollution Control (the Division or APC) within the Tennessee Department of Environment and Conservation (TDEC or the Department) is responsible for permitting air contaminant sources in Tennessee. Upon review and acceptance of the Title V permitting program by the United States Environmental Protection Agency (EPA) on August 28, 1996, the Division became the State's major source Title V permitting authority in 91 of 95 counties in Tennessee. Davidson, Hamilton, Knox and Shelby counties have local air pollution control programs that operate under Certificates of Exemption from the Tennessee Air Pollution Control Board. These agencies regulate the Title V sources within their jurisdictions that are not owned by the State of Tennessee. Local air program activities are not addressed in this plan. TDEC retains the permitting authority for state-owned sources in these counties.

Title V related activities are projected to require 51.9 full-time equivalent (FTE) positions in fiscal year 2021-2022 (FY2022).

This Implementation Plan consists of eleven (11) separate functional units within the Division, plus the Small Business Environmental Assistance Program¹, which has various responsibilities and functions related to Title V. Briefly, these units are:

- Administrative Services
- Director's Office
- Small Business Environmental Assistance
- Compliance Validation
- Enforcement
- Field Services
- Permitting
- Regulatory Development
- Emissions Inventory and Special Projects
- Technical Services
- Quality Assurance

The activities of each of these units are described in this Workload Analysis. Each functional unit has identified that portion of its total workload that can be attributed to Title V activities. In addition to the activities described in this plan, support services are provided to the Division by other bureaus, divisions, and offices within TDEC and the Bureau of Environment (BOE). Each of the divisions and offices within TDEC are charged for these services in accordance with formulae established by TDEC and BOE. A portion of these TDEC General and Administrative (G&A) expenses are charged to Title V fees. Further descriptions of these support services are described in the section of this plan entitled "TDEC General and Administrative Expenses".

The part 70 presumptive fee rate (\$/ton) effective for the 12-month period of September 1, 2020 through August 31, 2021 is \$52.79. This fee rate represents an increase of 1.45834% (or \$0.76) from the fee rate in effect for the prior 12-month period (\$52.03). This increase is based on a calculation of the average monthly change in the Consumer Price Index (All Urban Consumers) for the 12-month period of September 2019 through August 2020 as reported by the U.S. Bureau of Labor Statistics. This information is included for reference purposes only, since Tennessee's Title V fees are not currently based on the federal presumptive minimum fee rate.

¹ Subparagraph 502(b)(3)(A) of the CAA requires that the costs of programs established to fulfill the requirements of section 507 of the CAA (i.e., small business stationary source technical and environmental compliance assistance programs) be funded by Title V fees.

INTRODUCTION

Title V of the CAA mandates that states develop a major source operating permit program, commonly called the Title V Operating Permit Program. The CAA further mandates that the program be funded solely through fees collected from affected sources. Additionally, the CAA requires that the activities of a Small Business Assistance Program must be paid through these fee collections. Subparagraph 502(b)(3)(A) of the CAA requires that a state must establish a fee schedule that results in the collection and retention of revenues sufficient to cover the permit program costs. Subparagraph 502(b)(3)(B) of the CAA states that a fee program shall be deemed adequate if the amount of fees collected is no less than \$25 per ton of actual emission, as adjusted by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of such year exceeds the Consumer Price Index for the calendar year 1989 (i.e., the “presumptive minimum” fee). Should a state elect to establish a fee schedule that would result in the collection and retention of an amount less than the amount that would be presumed to be adequate using the presumptive minimum fee approach, the state must provide a detailed accounting that its fee schedule meets the requirements of 502(b)(3)(A). The Tennessee Air Pollution Control Board has historically elected to prepare an annual workload analysis and set the fees for the current and upcoming year(s) instead of using the presumptive minimum approach.

EPA regulations promulgated to implement and more thoroughly describe Title V may be found at 40 CFR Part 70. Section 70.9 of the federal regulations describes the requirements for the fees in detail.

The workload analysis is prepared in accordance with Tennessee Air Pollution Control Regulation (TAPCR) 1200-03-26-.02(9)(d) to provide justification of fees to the public, the regulated community and the EPA. Additionally, disclosure of this information leads to the development of informed consent and, therefore, acceptance of the program by stakeholders.

On December 11, 2019, the Division issued a Title V workload analysis that covered fiscal year 2020-2021 (FY2021). This workload analysis reflects projected workload for fiscal year 2021-2022 (FY2022).

Many complex requirements are mandated in the CAA and the Part 70 regulations that serve to demonstrate that the state permitting agency will be able to carry out its responsibilities. Section 70.4(b)(8) calls for a description of the program, a demonstration of fiscal soundness of the planned program based on fee projections, and planning for adequate personnel to administer the program.

Several things could happen to require that the workload analysis be revised and subsequently modified. These possibilities include but are not limited to:

- Changes in the actual or allowable emissions base upon which the fee rate was calculated;
- Changes in the air contaminant source population will alter both the emission base and the workload. Many sources have obtained “conditional major” status wherein they opt out of Title V by limiting their potential to emit via a federally enforceable limitation. The Division views the work effort to make a Title V source a conditional major source as Title V work. These sources require more frequent inspections and record reviews to verify that they are operating below the Title V thresholds; and
- Changes in applicable requirements mandated by EPA will also alter the workload.

The workload analysis is provided for each functional unit of the Division. The work of each unit plus the Title V work from the Small Business Environmental Assistance Program is described as it relates to the requirements of Title V. Estimated hours necessary to accomplish the task and, for some functional units, the numbers of tasks to be completed per year are projected.

Combining the hours projected to complete the Title V work and dividing it by 1,609 hours per employee available work time yields the total number of full-time equivalents (FTEs) needed to conduct Title V work.

The 1,609 hours of work time per employee was derived as follows:

Scheduled Payroll Hours per Year	=	1950
Less: Holiday, Vacation & Sick Leave Hours (12.5 Days + 21 Days + 12 Days) X 7.5 hrs./day	=	<u>- 341</u>
Total Work Hours per Employee	=	<u>1609</u>

For many of the work units described in the following sections, the Title V eligible work associated with members of each work unit are estimated as a percentage of total time. All employees are required to enter work time into the Department's personnel management system known as Edison for payroll purposes. Starting with FY2018, the Division made changes to the Edison system that tied all time and other expenses, such as travel expenses, directly to the appropriate funding source. For the Division of Air Pollution Control, available funding types include Title V, non-Title V², and EPA's fine particulate matter grant. This new system also allows the Division to track time and expenses on a program and location level. For all work activities that could not be directly related to a funding type, such as training, administrative functions, and leave, time is charged to a pre-set Title V/non-Title V "split" ratio. The split ratio has initially been set based on a historical ratio of 52% Title V/48% non-Title V. For most of the work units described in this workload analysis, Title V and non-Title V workload estimates for FY2022 are based on actual data obtained during FY2020 as specified in following sections of this analysis. These changes to Edison have resulted in a significant improvement in assessing the percentage of each work unit's time, Title V work, and, as a result, a better estimate of future Title V expenses.

In addition to Edison, most of these work units track Title V and non-Title V time on a daily basis using the Division's database known as Smog Log. Smog Log allows some work units to track time spent on specific projects, such as a permit or inspection.

² Non-Title V funding includes annual emissions fees paid by non-Title V facilities, construction permit application fees, modification permit application fees, motor vehicle emissions inspection and maintenance fees, visible emissions certification fees, section 105 air quality grant funds received from EPA, state appropriations, and civil penalties.

ADMINISTRATIVE SERVICES

Administration involves activities both directly and indirectly associated with support of the Title V Program. These activities include permit and report tracking, issuance of Notices of Authorization to construct and operate under permits-by-rule, training coordination, processing travel claims, website management, APC board support, fee support, procurement, database management and support, and customer inquiries. The Administrative Services section also provides general administrative support for the entire Division including personnel activities, grants support, management of supplies, reception desk, etc.

Workload supports 3.7 FTEs of Title V work for Administrative Services.

CALCULATION BASIS

Because the nature of administrative work is varied and often very short in duration on task by task basis, it is not practical for these staff to track their work for billing purposes. Therefore, except for work that is directly related to the motor vehicle inspection and maintenance program and the Permit-by-Rule program (which encompasses only non-Title V sources), Title V administrative activities are based on the default Title V (52%)/non-Title V (48%) billing ratio.

ASSUMPTIONS

Not applicable.

Table 1 – Administrative Services Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
APC Data Management – Smog Log	1784	1.11
Administrative Support & Management	2808	1.75
Product Procurement	468	0.29
Office Supply Management	333	0.21
Record Maintenance	494	0.31
Training	49	0.03
TOTAL	5936	3.70

DIRECTOR'S OFFICE

The office of the Director is responsible for overseeing the operation of the functions necessary for the development and performance of the Division, including the Title V Program. The Director serves as the Technical Secretary of the Air Pollution Control Board and carries out all the statutory and regulatory responsibilities of the Technical Secretary. The Director's Office is also responsible for coordinating and providing technical support to the Air Pollution Control Board, as well as providing support to the Tennessee Emergency Management Agency during emergency events, both natural and manmade, that impact ambient air quality. The Director's office provides program direction and oversight, coordinating Departmental goals with Division programs and providing reporting, support documents and informational documents for the Department and legislature concerning the operation of the Division. The Director's Office is also responsible for the financial performance of the Division and all associated grant management and support. Included in the Director's Office are individuals who provide management and technical support for multiple programs within the Division. The Director's Office includes the Director, the Deputy Director of Permitting and Regulatory Development, the Deputy Director of Environmental Measurement and Compliance Assurance, the technical lead for Environmental Measurement and Compliance Assurance, the Environmental Fellow, and the Business Administrator. Activities of the Deputy Director for Field Services are included in the Field Services portion of this analysis. Activities of the technical lead for Permitting and Regulatory Development are included in the Permitting portion of this analysis.

Workload supports 3.2 FTEs of Title V work for the Director's Office.

CALCULATION BASIS

Title V workload was calculated by the number of existing staff assigned to the Director's Office in this Workload Analysis times the percentage of their workload that is estimated to be Title V related. Percent Title V workload for the Deputy Director for Permitting and Regulatory Development is the average of the three programs he manages (Permitting, Regulatory Development, and Emissions Inventory; average = 50.7%) and the Deputy Director and the technical lead (EC4) for Environmental Measurement and Compliance Assurance (Technical Services, Quality Assurance, Compliance Validation, and Enforcement; average = 54.0%). The Title V percentage for each of these programs is based on billing data gathered during FY2019 and FY2020. Title V time for all other positions is based on the billing default of 52%.

ASSUMPTIONS

It is assumed that the Title V activities of the Deputy Director of Permitting and Regulatory Development are the same percentage as the average of the Permitting, Regulatory Development, and Emissions Inventory program. It is assumed that the Title V activities of the Deputy Director and the technical lead of the Environmental Measurement and Compliance Assurance programs are the same percentage as the average of the Compliance Validation, Enforcement, Technical Services, and Quality Assurance programs. For all other positions, 52% of Director's Office time is assumed to be Title V.

Table 2 – Director’s Office Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Deputy Director of Permitting and Regulatory Development	815	0.51
Deputy Director and Technical Lead of Environmental Measurement and Compliance Assurance	1738	1.08
Three Other Director’s Office Positions	2510	1.56
TOTAL	5063	3.15

SMALL BUSINESS ENVIRONMENTAL ASSISTANCE PROGRAM

Program Overview

Section 507 of the CAA requires an environmental compliance assistance program in each state to support small businesses in understanding and complying with air quality regulations. The CAA also requires that this program be funded entirely with Title V fees. Tennessee's program provides confidential assistance free of charge to small businesses. Services include permitting assistance, onsite visits, training, a toll-free hotline, regulatory notifications, outreach, and guidance in preventing and eliminating non-compliance situations. A small business is defined as one that has 100 or fewer employees, is not a major stationary source, and meets the federal Small Business Act's definition of a small business. TDEC policy has expanded the definition of Small Business to include any source that does not have an employee dedicated to environmental compliance.

Required Program Components

(1) State Ombudsman

The Small Business Ombudsman represents small business in regulatory matters, identifies, and proposes solutions to small business technical and compliance problems.

(2) Environmental Technical Assistance

Staff members provide technical, administrative, and permitting assistance. Staff members inform businesses of regulatory requirements in easy-to-understand language. When needed, staff members conduct on-site visits and provide training opportunities.

(3) Compliance Advisory Panel (CAP)

An advisory panel comprised of individuals appointed by the Governor and the legislature, plus one Department representative, is required. The Panel advises and provides technical, administrative and evaluation assistance to the program. The CAP is a seven-member panel.

Program Activities

New Regulations/Sources

- Staff members review regulations, determine potentially impacted sources, develop a strategy for notification and assistance, develop compliance assistance tools, conduct training programs, and work with regulatory programs on outreach activities.
- Staff members assist the Division of Air Pollution Control in developing regulations and programs that impact small businesses.
- Staff members assist potential new companies in understanding regulatory requirements.
- Staff members participate in monthly conference calls on regulations with other SBEAPs and EPA.

Existing Sources

- Staff members respond to small business compliance and permitting questions.
- Staff members monitor enforcement reports to determine sectors with compliance problems and develop compliance assistance strategies.
- Staff members assist companies in meeting permit conditions, including developing tools to meet recordkeeping requirements.
- Staff members assist companies in resolving non-compliance issues, as well as assisting companies in utilizing the Department's self-disclosure audit policy.

Workload supports 2.0 FTEs of Title V work for the Small Business Environmental Assistance Program.

CALCULATION BASIS

Title V of the Clean Air Act requires that activities of the small business assistance programs and the small business ombudsman be funded by Title V fees. Thus, the number of FTEs is based on the current staffing levels of the SBEAP program.

ASSUMPTIONS

It is assumed that the SBEAP is fully staffed and that workload reflects historical levels.

Table 3 – Small Business Environmental Assistance Program Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Compliance assistance	1609	1.00
Workshops/training events	805	0.50
Material development	402	0.25
Regulatory Development/Notification	201	0.125
Administration/Other	201	0.125
TOTAL	3218	2.0

COMPLIANCE VALIDATION

The Compliance Validation Program is an enforcement tool for the Division. Compliance Validation provides a key component in the Division of Air Pollution Control’s quality assurance program that ensures the accuracy of the data being submitted by Title V facilities certifying compliance.

The Compliance Validation Program maintains the capability to conduct stack testing and is currently involved in upgrading the test instrumentation in its testing trailer. The Division retains the capability to: (1) address special situations as directed by higher management, and (2) ensures that all staff conducting stack test observations are adequately trained to competently observe stack testing conducted by contractors or facility personnel. The observing of stack testing to ensure that all proper testing procedures are followed, and that facility operation is representative constitutes a major job function of the group. The observation of stack testing followed by a technical review of the reports of this testing constitutes a major Division effort to validate that the emissions values reported from Title V facilities are as accurate as possible. Continuous Emission Monitoring Systems (CEMS) are utilized by some Title V facilities to determine compliance on an on-going basis. Compliance Validation observes audits of CEMS data to ensure the data submitted is accurate and reviews emissions reports of CEM data to verify compliance with emission standards. Compliance Validation conducts Visible Emission Evaluator Certification (VEE) schools to train state and industry personnel to certify compliance with visible emission standards. The majority of the work done by this group involves facilities subject to Title V.

Responsibility for asbestos renovation and demolition activities was moved to this program in FY2017, but this activity is not considered Title V time. The "Other Compliance Validation Activity" category includes things such as administrative report preparation, file clean-up work, regulatory and SIP work, and assigned special projects previously incorporated into major work duties.

Workload supports 4.0 FTEs of Title V work for this program.

CALCULATION BASIS

Projected workload was estimated based on actual time and activity data for FY2020. One position in the Compliance validation program is primarily dedicated to asbestos demolition and renovation work and is funded entirely by non-Title V funds. Personnel billing data from FY2019 and FY2020 indicates that approximately 62% of the remaining Compliance Validation program work is Title V related.

ASSUMPTIONS

It is assumed that FY2022 workload will be similar to historical workload.

Table 4 – Compliance Validation Program Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
CEMS/COMS Data Validation	399	0.25
Source Test Validation	2662	1.65
CEMS/COMS Report Review	146	0.09
Visible Emissions Evaluation School	726	0.45
Program Management	986	0.61
Training	177	0.11
Other Compliance Validation Activity	1261	0.78
TOTAL	6356	3.95

ENFORCEMENT

The Enforcement program is responsible for processing violations discovered in Tennessee by individuals, government agencies, and facilities. Processing of violations includes responding to the regulated community when a violation occurs, issuing Technical Secretary's Orders, issuing letters resolving noncompliance, and tracking penalties and compliance schedules in orders. Additionally, Enforcement staff track and quality assure (QA) compliance-related data using Smog Log. Much of this data is available to the public via the departmental data-viewer website. Enforcement also serves as a point of contact in enforcement matters between the Division and EPA Region 4.

The Enforcement program is also responsible for management and further development of the Division's Oracle database known as Smog Log. This includes writing and modifying code in development and then implementing revisions with the assistance of the State of Tennessee's Strategic Technology Solutions. Enforcement staff members review requests from Division staff for additional features to help determine which requests should be implemented as time and resources allow.

Enforcement staff members update EPA's Compliance and Enforcement database (Integrated Compliance Information System [ICIS-Air]) on a weekly basis, ensuring the data in the Smog Log database is properly reflected in ICIS-Air. Enforcement is also responsible for entering and quality assuring all data entered in ICIS-Air. The data reported to ICIS-Air includes inspections, report reviews, stack tests, continuous emission monitoring audits, formal and informal enforcement actions, penalties assessed and collected, Federally Reportable Violations, High Priority Violations, facility status (T5, non-T5, CM), applicable air programs, facility operational status, etc. The data reported to ICIS-Air is available to the public via EPA's ECHO website.

Workload supports 2.5 FTEs of Title V work for this program.

CALCULATION BASIS

The total amount of workload for the program is estimated based on historical time and activity from FY2019 through FY2020. To determine what portion of that workload was Title V related, billing data compiled from FY2019 and FY2020 was evaluated and indicated that 50% of the Enforcement program work is Title V related.

ASSUMPTIONS

Much of the Enforcement Program workload is based on violations reported or discovered by the Division. The Division does not project future violations. Therefore, enforcement related activity is assumed to be the same as historical workload. Other activity of the program (such as database and computer-related activity) is assumed to remain unchanged.

Table 5 – Enforcement Program Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Enforcement Related Activities	1721	1.07
ICIS-Air Data Management	598	0.37
Smog Log Development	418	0.26
APC Data Management	165	0.10
Computer Hardware/Software Support	169	0.10
Training	118	0.07
Special Projects	291	0.18
Program Management	608	0.38
TOTAL	4087	2.53

FIELD SERVICES

Field Services program staff are located throughout the state in seven Environmental Field Offices: Johnson City, Knoxville, Chattanooga, Cookeville, Nashville, Columbia, and Jackson. Major duties accomplished by field services staff that are associated with the Title V Program include compliance inspections of Title V stationary sources, review of the majority of Title V semi-annual reports and annual compliance certifications, operation and maintenance of the state's ambient air monitoring network, and investigation and resolution of complaints.

Other Title V duties include responding to inquiries from citizens, local officials, and the regulated community; review and discussion of draft permits; follow-up on enforcement related issues; staff training; involvement in emergency response incidents; participation in public meetings and hearings, various special projects; and maintenance of reports, records and other correspondence.

Workload supports 11.6 FTEs of Title V work for this program.

CALCULATION BASIS

The number of Title V inspections is based on the current Compliance Monitoring Strategy Plan. Title V facilities will generally be inspected on a biennial basis unless the division receives a complaint on the facility, the facility is categorized as a "mega-site", or the facility had compliance issues during the previous on-site inspection. Total inspection workload is based on the number of planned inspections and average inspection time. Average inspection time is based on the actual time from Federal Fiscal Year 2019. The average inspection time included the time spent on reviewing reports. For this workload analysis, the average inspection time was decreased and reassigned to report review time projection. The division began tracking the report review time separately from the inspection time in March 2020. The division will have more data to accurately project report review time in the future. Title V complaint workload is estimated to be 5% of total complaint workload. Workload associated with the ambient monitoring network is based on actual data for FY2017 through FY2019. The remaining work, including program management, is estimated to be 43% Title V related. This percentage is based on billing data from FY2019 and FY2020.

ASSUMPTIONS

It is assumed that on-site inspections of Title V sources will generally be inspected on a biennial basis unless the division receives a complaint on the facility, the facility is categorized as a "mega-site", or the facility had compliance issues during the previous on-site inspection. It is assumed that the average time for each inspection will be the same as historical data. It is assumed that report review time is consistent with the data collected starting March, 2020. It is assumed that the percentage of complaints related Title V sources will be similar to historical levels.

Table 6 – Field Services Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Title V Inspections	4720	2.93
Report Reviews	2514	1.56
Complaint Investigations	220	0.14
Ambient Monitoring	2600	1.62
Training	800	0.50
Review of Draft Permits	359	0.22
Special Projects	1032	0.64
Program Management	2279	1.42
Environmental Response	172	0.11
Meetings	1441	0.90
Other Title V Activities	2494	1.55
TOTAL	18,630	11.59

PERMITTING

Permitting staff are located in the Nashville Central Office and the Knoxville Environmental Field Office. Starting January 1, 2019, the permitting program was reorganized to a sector-based permitting structure consisting of four permitting sections. Each section consists of one Environmental Manager 3, one Environmental Consultant 3, and four to five permit writers. A Deputy Director oversees the entire program with the technical assistance of a TDEC-Environmental Consultant 4 (EC4). The Deputy Director's time is included in the Director's office and the EC4 time is included here.

Responsibilities:

The Permitting program has the following responsibilities:

- Issuance of minor source construction and operating permits; review of and response to insignificant activity determinations; issuance of minor source operational flexibility determinations; and issuance of general permits and general permit Notices of Coverage (funding for minor source permitting is not included in this analysis)
- Issuance of conditional major source construction and operating permits (only funding of the first conditional major operating permit that must undergo Title V public notice procedures for a facility is included in this analysis)
- Issuance of construction permits and Title V operating permits to Title V facilities
- Issuance of administrative amendments, minor modifications, and significant modifications to Title V operating permits, as well as operational flexibility determinations
- Issuance of Prevention of Significant Deterioration (PSD) and Non-Attainment New Source Review (NSR) construction permits
- Review of most MACT and NSPS reports, some Title V semi-annual reports (SARs), some annual compliance certifications (ACCs), and review of plans required by MACT and GACT standards (the remaining MACT and NSPS reports, SARs, and ACCs are reviewed by the Field Services Program)
- Issuance of Notices of Violation; assistance to the Enforcement Program, TDEC's Office of General Counsel, and EPA's Office of Enforcement and Compliance Assurance pertaining to enforcement of violations discovered by the Permit Program
- Review of Title V fee Actual Emissions Analysis Report (AEAR) calculations
- Special projects as assigned (only those projects related to Title V issues are included here)
- Attendance at training sessions to stay knowledgeable about federal and state requirements, and remain familiar with source types and new emission control devices
- Management of the sections to ensure that the permitting program operates efficiently

Table 7 below shows the number of applications, modifications and reports in the system as of July 2020. Table 8 is a projection of the hours that will be necessary to review and complete current and new submittals, conduct report reviews, perform Title V related fee, enforcement, and special projects, and for necessary technical training.

Table 7 – Current and Anticipated New Applications, T5 Sources Only

ACTIVITY	Currently in System as of July 2020	EXPECTED NEW SUBMITTALS
T5 Construction Permits - Non-Major NSR	9	42
T5 Construction Permits - Major NSR (PSD)	1	1
T5 Construction Permits - Major NSR (Non-Attainment)	0	0
Major NSR Plant Wide Applicability Limit (PAL) Permits	0	1
Title V Sources – Initial	7	6
Title V Sources – Renewal	49	36
CAIR and Acid Rain Permits	7	0
Significant Modifications	11	15
Re-opening for Cause	3	0
Minor Modifications	29	86
Administrative Amendments	4	49
Operational Flexibility and 502(b)(10) Changes	5	41
Construction Permit Amendment for Title V Source	4	14
Initial Issuance Conditional Major Sources	4	3
T5 Semi-annual Reports*	0	60
T5 MACT/NSPS Reports*	4	273
T5 Annual Compliance Certifications*	0	29

*This is the number of reports expected to be reviewed by Permit Program staff. The majority of Title V semiannual reports and compliance certifications will be reviewed by Field Services staff.

Workload supports 13.8 FTEs of Title V work for this program.

CALCULATION BASIS

Permitting activity is based on the actual activity data from FY2020 and planned activity for FY2022. The number of projected Title V construction permits and construction permit amendments to be received was estimated based on the percentages of these two activities for Title V sources between October 2019 and September 2020. Workload for each permitting activity is calculated by multiplying the estimated number of each activity multiplied by the average estimated time for each type of activity. The average time for each activity type was derived mostly using data from FY2020 and considering data from FY2018 and FY2019 for some categories. The Title V portion of these four activities is based on actual data for FY2019 and FY2020, which indicates that 49% of this time is Title V related. There is one Environmental Consultant 3 located in the Emissions Inventory and Special Projects Program. Approximately 60% of that individual’s time is Title V permit-related and is reflected in this section of the Workload Analysis. The remainder of that individual’s workload is associated with the Emissions Inventory and Special Projects Program.

ASSUMPTIONS

It is assumed that the percentage of construction permits and construction permit amendments for Title V sources is the same as recent data. There are 13 facilities in the state with Acid Rain permits. Based on the expiration dates of those permits, it is assumed that one will be issued in FY2022. It is assumed that no Title V permits will need to be reopened for cause in FY2022. For the sake of this workload analysis, all the EC4 workload is included with the permitting program even though that position also does rule and SIP development, fee-related work, and supports other programs within the Division. That position's work is not counted elsewhere in this analysis.

Table 8 – Projected Permitting Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Title V sources permit preparation – new sources	1161	0.72
Title V sources permit preparation – renewals	5697	3.54
CAIR and Acid Rain Permits	50	0.03
Initial Issuance Conditional major sources	482	0.30
Significant Modifications	375	0.23
Re-opening for Cause	0	0
Minor Modifications	1610	1.00
Administrative Amendments	578	0.36
Operational Flexibility and 502(b)(10) Changes	207	0.13
Non-major NSR construction permits and amendments for Title V sources	1183	0.74
Major NSR permits	946	0.59
PAL permits	364	0.23
Semiannual Report and Annual Compliance Certification Review	181	0.09
MACT and NSPS Report Review	914	0.57
AEAR Report Review	300	0.19
Program Management	2205	1.37
Training	1078	0.67
Special Projects	1470	0.91
Other Title V Permitting Time ³	3430	2.13
TOTAL	22,230	13.80

³ Other Permitting Time includes APC Board support, complaint investigation, corresponding with EPA, work with multi-jurisdictional organizations, corresponding/assisting the public, enforcement activity, fee Support, administrative activity, and General Permit and Permit-by-Rule development.

REGULATORY DEVELOPMENT

The Regulatory Development program has the following responsibilities:

- Development of revisions to Tennessee's air quality rules
- Development of revisions to Tennessee's State Implementation Plan (SIP)
- Computer modeling (dispersion modeling) to support the Division's permitting program
- Photochemical computer modeling to support the development of SIPs
- Policy analysis and development to assist TDEC's Policy Office or to address air quality-specific issues that are not assigned to the Policy Office
- Special projects as assigned
- Attendance at training sessions to stay knowledgeable of federal and state regulatory and SIP requirements, and technical training related to air pollution sources and controls
- Local program coordination with the four local air programs (Nashville/Davidson, Memphis/Shelby, Chattanooga/Hamilton, and Knoxville/Knox) to ensure local air regulations are as stringent as State requirements, as well as other oversight and coordination duties
- Management of the program to ensure it operates efficiently
- Managing all aspects of the Middle Tennessee and Hamilton County vehicle emission testing programs and their associated functions, including contract negotiation and administration, public outreach, vehicle exemptions, waivers/variances, rule development and mobile model analyses. (This is non-Title V work and it is assumed to have ended by FY2022.)
- Transportation conformity involving the development of mobile emission budgets, calculation of emission credits associated with mobile sources using the latest version of the EPA Mobile model, and production of periodic emission inventories of the sources for submission to the EPA. Conformity responsibilities include implementation of any new rules or guidance, as well as being an active participant in the Interagency Consultation Procedures. Consultation Procedures involve EPA, FHWA, TDOT, state and local air agencies, and Metropolitan Planning Organizations (non-Title V work)
- Coordination and participation in the implementation of diesel retrofit grant programs, including the writing of proposals for grant opportunities, overseeing the grant process, and fulfilling grant requirements, and providing technical support to other TDEC offices regarding diesel retrofit technology (This is non-Title V work, much of which is scheduled to be transitioned to TDEC staff outside the Air Division)

Workload supports 3.7 FTEs of Title V work for this program.

CALCULATION BASIS

Of the work that will be performed by the Regulatory Development program, there are two categories (mobile source modeling and transportation conformity) that are completely non-Title V related. Billing data from FY2019 and FY2020 indicated that 56% of non-mobile source related work was Title V related. Thus, for the sake of this workload analysis, 56% of all other work was estimated to be Title V fundable.

ASSUMPTIONS

It is assumed that this percentage of work that is Title V related is consistent with historical workload from the past two years. It is assumed that the motor vehicle emissions inspection program is terminated and that coordination of diesel retrofit programs is transferred outside of APC prior to the beginning of FY2022. It is assumed that resources made available by these changes will be utilized to meet the rule and SIP workload demand and to rebuild photochemical modeling resources that were lost in recent years.

Table 9 – Regulatory Development Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Rule Development ⁴	1352	0.84
SIP Development	1261	0.78
Permit and Photochemical Modeling	1352	0.84
Local Program Support	270	0.17
Special Projects	1171	0.73
Project Management	541	0.34
TOTAL	5947	3.70

⁴ Approximately 0.2 FTE in rule and SIP development is carried out by a staff member located in the Emissions Inventory and Special Projects Program, which is discussed later in this document.

EMISSIONS INVENTORY AND SPECIAL PROJECTS

The Emissions Inventory and Special Projects program has the following responsibilities:

- Collecting, quality assuring, and reporting annual and triennial emissions inventories from stationary sources
- Developing and submitting triennial emissions inventories for on-road mobile, non-road mobile and area source inventories (non-Title V work not included in this analysis)
- Managing the Division's Air Emission Inventory databases and updating EPA's databases
- Development and implementation of the Division's online system (SLEIS) for collecting annual and triennial emissions inventories and AEAR reports including training of regulated sources
- Requesting and collecting (SIP-required) annual NOx and VOC emission statements from sources in applicable counties and providing technical assistance to those sources
- Providing technical support to the Department's Division of Fiscal Services pertaining to air permit-related fee invoicing and tracking of fee payment
- Title V fee AEAR tracking, review, data management, and, when necessary, enforcement
- Annual Title V and non-Title V fee invoicing and collections (only work relating to Title V fees is included in this analysis)
- Revisions to Title V and non-Title V fee systems (only work relating to Title V fees is included in this analysis)
- Special projects as assigned (only those projects related to Title V issues are included here)
- Attendance at training sessions to stay knowledgeable about federal and state emissions inventory requirements and technical training related air pollution sources and controls
- Providing assistance for virtual board meetings and other virtual meetings and hearings
- Management of the program to ensure it operates efficiently

Workload supports 2.8 FTEs of Title V work for this program.

CALCULATION BASIS

Members of this program have emissions inventory and fee responsibilities and one has rule and SIP development responsibilities. In addition, all staff handles special projects for the Division. Workload for each task was estimated based on actual time and activity data (including permitting regulatory development time). The percent of the program's work that is Title V related is based on billing data from FY2019 and FY2020. One of the staff also has permitting responsibilities. That permitting workload is reported in the Permitting section of this workload analysis and the remainder is reflected here. Billing data compiled from all activities documented during FY2019 and FY2020 indicates that 63% of the Emissions Inventory and Special Projects program work was Title V related.

ASSUMPTIONS

While emission inventory and fee work is fairly predictable, regulatory development and special project work, and the Title V portion of this work, can vary. It is assumed that this percentage of work that is Title V related is consistent with historical workload.

Table 10 – Emissions Inventory and Special Projects Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Rule and SIP Development	202	0.12
Emission Inventory	2230	1.39
Fee Development, Invoicing, and Support	1014	0.63
Program Management	608	0.38
Special Projects	405	0.25
TOTAL	4460	2.77

TECHNICAL SERVICES

The primary responsibility of the Technical Services program is to monitor ambient air quality across the state to assess compliance with national ambient air quality standards. This is accomplished by operating a network of air monitoring stations throughout the state that record air quality data that is subsequently stored in EPA's national database. The work requires continuing evaluation of all monitoring sites to ensure that each site conforms to federal ambient air quality monitoring site criteria and remedying or relocating the sites to the extent necessary to render the site compliant. Monitors require bench and field servicing to ensure all components of the monitors are in compliance with manufacturer specifications and EPA requirements and are calibrated to assure they give a true reading of air quality. Shelter maintenance is also required to make certain the internal shelter temperature meet federal requirements, that the shelter has no air/water intrusion leaks, that periodic theft and vandalism damages are rectified, and that the electrical/data communication lines are properly connected. In the event of a lightning strike, significant effort must be undertaken to restore the site's operability. While the ambient air monitors measure the emissions impact of all types of air contaminant sources, a portion of those sources are Title V sources and those sources must pay a portion of the cost of those monitoring expenses.

Workload supports 2.5 FTEs of Title V work for this program.

CALCULATION BASIS

Projected workload was estimated based on actual time and activity data for FY2020. The Division receives CAA section 103 grant funds each year to partially fund the Technical Services program's personnel costs. As a result, approximately 20% of the Technical Services and Quality Assurance programs' personnel costs is paid using section 103 funds. Upon request of the Air Pollution Control Board, the Division determined the proper cost allocation for the ambient monitoring network (which includes both the Technical Services Program and Quality Assurance Program as well as a portion of the Field Services Program) based on the sources of air pollutants and precursors in Tennessee. The findings of this analysis were presented to the board on June 10, 2020 and showed, that after subtracting the portion of the PM2.5 network funded by section 103 funds, the proper cost allocation is 52% Title V and 42% non-Title V. When combining these percentages, projected Technical Services workload is estimated to be 42% Title V, 38% non-Title V, and 20% section 103.

ASSUMPTIONS

It is assumed that there will be no significant changes to the network as the result of federal or state requirements.

Table 11 – Technical Services Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Data Management – Input	84	0.05
Data Verification	840	0.52
Document Development	84	0.05
Equipment Repair, Calibration, and Certification	1470	0.91
Monitoring Site Evaluation and Documentation	126	0.08
Personnel Activities	546	0.34
Program Management	672	0.42
Special Projects	126	0.08
Technical Services Audit	21	0.01
Training	84	0.05
TOTAL	4053	2.51

QUALITY ASSURANCE

The Quality Assurance program provides an independent review of ambient air quality monitoring measurements and data reduction/reporting of those measurements prior to uploading the data to EPA's national ambient air database. This process is referred to as data validation. The program is also responsible for the coordination, and development, and review of Standard Operating Procedures (SOPs) for each type of ambient air monitor used, Quality Assurance Project Plans (QAPPs), and any other documents that may be necessary to ensure that quality procedures have been developed and are being followed by operators of ambient air monitors in Tennessee for regulatory purposes. Having data that is trusted to be accurate is essential for compliance with federal requirements, regulatory decision making, and for the public to know, with assurance, the quality of the air they breathe.

In addition to developing quality assurance documents and making certain that they are followed, the staff of the Quality Assurance program periodically audit monitoring sites operated within Tennessee's State or Local Air Monitoring Stations (SLAMs) network and sites at industrial facilities. The purpose of these audits is to ensure that ambient data being collected for evaluating regulatory compliance meet quality standards. If issues arise during these performance audits, Quality Assurance staff are responsible for coordinating a corrective action plan with the monitoring site operation personnel to minimize data loss.

The meteorology staff members are responsible for air quality forecasting. These staff members use meteorological parameters and current air quality conditions to predict future air quality. The forecast information is provided to the public so that informed decisions can be made to protect health and also to plan activities that lessen impact on air quality during high pollution days.

Workload supports 2.1 FTEs of Title V work for this program.

CALCULATION BASIS

Projected workload is based on time and activity data. Similar to information presented in the Technical Services section of this workload analysis, the Division received CAA section 103 grant funds to partially fund the Quality Assurance's personnel cost. Using the same calculations as described in that section, projected Quality Assurance program workload is assumed to be 20% section 103, 42% Title V, and 38% non-Title V.

ASSUMPTIONS

It is assumed that there will be no significant changes to the network as the result of federal or state requirements.

Table 12 – Quality Assurance Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Air Quality Forecasting	462	0.29
AQS Data Validation	420	0.26
Field Auditing	252	0.16
Local Program Field Auditing	378	0.23
Audit Equipment Repair, Calibration, and Certification	420	0.26
Certification and Calibration for Local Programs	84	0.05
Personnel Activities	84	0.05
Program Management	504	0.31
Document Development	84	0.05
SOP Development	76	0.05
Training	126	0.08
Emergency Response	6	0.00
Special Projects	483	0.30
TOTAL	3379	2.09

SUMMARY OF FTEs BY FUNCTIONAL UNIT

The following table shows the projected FY2022 FTEs needed to complete all Title V activities as indicated in this workload analysis. In addition, the actual Title V FTEs for the past two fiscal years (FY2019 and FY2020) and projected actual Title V FTEs for FY2021 from the FY2021 Title V Workload Analysis are presented below.

Table 13 – Title V FTEs by Functional Unit⁵

Functional Unit	FY2019 Actual FTEs	FY2020 Actual FTEs	Projected FY2021 FTEs	Projected FY2022 FTEs
Administrative Services ⁶	3.3	4.2	4.7	3.7
Director's Office	3.7	3.1	3.1	3.2
Small Business Assistance	2.0	1.9	2.0	2.0
Compliance Validation	4.1	3.6	4.1	4.0
Enforcement	2.7	2.6	2.6	2.5
Field Services	14.1	14.2	15.3	11.6
Permitting	11.7	10.5	13.8	13.8
Regulatory Development	1.9	2.4	1.9	3.7
Emissions Inventory and Special Projects	2.6	2.5	2.8	2.8
Technical Services	2.5	2.1	2.5	2.5
Quality Assurance	1.9	2.5	2.3	2.1
Total Title V FTEs	50.5	49.6	55.1	51.9

⁵ The FY2019 and FY2020 Actual FTE numbers are based on actual time billed to Title V in FY2019 and FY2020. Projected FY2022 FTEs are based on the workload estimates necessary to operate the Title V program as indicated in this Workload Analysis and based on the most recent data regarding total workload and the portion thereof that is likely to be Title V related. Actual FY2019 and FY2020 FTEs were lower than Projected FTEs because 1) several positions needed to complete Title V tasks have been held vacant due to financial constraints, 2) others were vacant during at least part of FY2020 while a vacated position was being re-filled or have yet to be re-filled, 3) the Tennessee Commissioners of Finance and Administration and of Human Resources issued a hiring freeze on April 23, 2020, which has increased the time required to fill vacant positions, and 4) actual Title V work in any particular year is generally different from projected work, which is derived from long-term data. Projected FY2021 FTEs are taken directly from the FY2021 Title V Workload Analysis approved by the Air Pollution Control Board on December 13, 2019 and based on data and assumptions available at that time.

⁶ One position within the Administrative Services program reports to a member of the Leadership team. For FY2019 and FY2020, the Title V work associated with this position was included with the Director's Office. Since the work performed by this position is more administrative in nature, the Title V work associated with this position has been moved to the Administrative Services functional unit for FY2021 and FY2022.

TDEC GENERAL AND ADMINISTRATIVE EXPENSES

In addition to Title V eligible costs incurred directly by the Division, the Division is assessed charges by the BOE and TDEC for a number of support activities provided by the other areas of the Department to support the activities of the Division. Some of the Title V related support activities and the offices that provide them are listed below.

- Services of the Commissioner, Deputy Commissioner, Chief of Staff, Assistant Commissioners, and Senior Advisor of the Bureau of the Environment – management and organizational support
- Communications Office – media relations
- Office of External Affairs – outreach and communication to department stakeholders, including local government, other government agencies, the regulated community, public interest groups, and citizens; public meeting and hearing support
- People and Organizational Development Office – all personnel related services including human resources, leadership, staff training, and development
- Office of General Counsel – rulemaking and SIP development support, enforcement activity, legislative services, administrative legal services, policy and guidance interpretation and development, emergency response, risk and safety planning
- Office of Policy & Sustainable Practices – support with rule, SIP, and policy development that require in-depth research, comparison to other state or national programs, or coordination with other state agencies or entities
- Budget and Financial Planning Division – budget development and management as coordinated with the overall department budget and fee collections
- Fiscal Services (Department of Finance & Administration)– accounting
- Purchasing Division – procurement of all necessary equipment and supplies, including monitoring network assets and field and office supplies, equipment inventory and asset management, property contracts, and vehicle services
- Records, Space, and Facilities Division – records and facilities management
- Field Office administrative support staff – support APC Field Services, Compliance Validation, Permitting, and Technical Services staff in seven field offices

G&A expenses are charged to the Division according to formulae based on the percentage of the Division's budget in proportion to that of other BOE division budgets and special reserve funds and the Division's headcount. The Division's G&A expenses are charged to Title V funds, non-Title V funds, and federal grant income.

TITLE V EXPENSE ESTIMATES

An important step in developing a Title V fee system is to estimate future expenses in order to determine if projected revenue, together with the available reserve balance, is sufficient to fund the Title V permitting program. As mentioned earlier, federal regulations preclude the use of non-Title V funds for funding Title V activities. Thus, a failure to collect sufficient funds through the Title V fee system would have significant ramifications on the efficacy of Tennessee's Title V Program and economic development within the state, and could eventually lead to federal intervention. Therefore, when designing a Title V fee system, the Division plans for a reserve at year-end to account for unexpected expenses and unanticipated reductions in fee revenue.

Historical and projected expenses are broken down into four categories: 1) salaries, longevity, and bonuses, 2) benefits, 3) Air Pollution Control (APC) General & Administrative (G&A) Expenses, and TDEC G&A Expenses. APC G&A expenses include expenses such as travel, rent and utility costs for ambient monitoring sites, shipping costs, maintenance and repair costs, third-party professional and administrative expenses, office supplies, field and laboratory supplies, equipment purchases, and charges from other state agencies for services such as telephone and computer services, office rent, liability insurance, and general accounting, purchasing, human resources, and legal services. TDEC G&A expenses are described earlier in this document.

Personnel costs: Personnel costs include salaries, benefits, longevity⁷ and bonus pay⁸. Personnel costs are based on the number of positions for each functional unit for FY2021 based on demonstrated workload with adjustments made for two additional FTEs as explained in this Workload Analysis. Longevity and bonus costs are added to regular salaries based on historical levels (4.2% of salary.) \$25,000 is then added to account for terminal leave. Benefit costs are approximately 45% of salary costs.

APC General & Administrative (G&A) Expenses: APC G&A expenses are based on recent historical averages (FY2017 through FY2020) except for some categories that may have been significantly impacted by financial constraints and/or COVID-19, for which previous data was considered (e.g., 2016-2019).

TDEC General & Administrative (G&A) expenses: Not-to-exceed TDEC G&A expenses were provided by TDEC's Budget and Financial Planning Division.

⁷ Longevity pay is based on years of service once an employee has been in state service a certain number of years.

⁸ Bonus pay is a feature of the Tennessee TEAM Act's Pay-for-Performance system that awards employees for advanced and outstanding performance.

Table 14 – Historical and Projected Title V Expenses

Expense Description	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Projected FY2021	Projected FY2022
Regular Salaries, Longevity, & Bonus	\$3,202,792	\$2,837,762	\$2,900,876	\$2,655,183	\$3,377,781	\$3,546,448	\$3,485,437	\$3,419,752	\$3,585,787
Benefits	\$1,281,379	\$1,153,670	\$1,145,871	\$1,092,142	\$1,494,311	\$1,503,257	\$1,463,404	\$1,479,700	\$1,551,542
APC General & Administrative Expenses	\$1,015,885	\$932,403	\$1,288,469	\$980,420	\$919,969	\$653,654	\$628,698	\$657,203	\$762,575
TDEC General & Administrative expenses	\$851,048	\$892,744	\$866,639	\$962,205	\$1,014,803	\$0 ⁹	\$0 ⁹	\$1,073,000	\$1,073,000
Grand Total	\$6,355,428	\$5,818,610	\$6,201,855	\$5,689,960	\$6,806,864	\$5,703,359	\$5,577,539	\$6,629,656	\$6,972,904

⁹ No TDEC G&A expenses were charged to the Division in FY2019 or FY2020.

SUMMARY OF COST SAVING INITIATIVES

The Division has made significant efforts in the last few years to establish an accurate financial accounting structure and establish work practices such that Division and Department expenses can be monitored and properly allocated. This system has been institutionalized within the Division and will continue in FY2022.

The Division will continue, in FY2022, to use travel and training resources efficiently and utilize video conferencing tools effectively.

The Division will continue and expand use of the state supported Alternative Workplace Solutions (AWS) to allow staff members to work from home in lieu of traditional offices. AWS has demonstrated efficiencies in productivity. Corresponding real estate changes, when done, will provide cost savings.

The Division is completing the rulemaking process to eliminate the requirement to publish public notices for construction permits in a newspaper of general circulation in the area in which the proposed new or modified source is located. The Division would continue to post public notices on its website. Once this rule change becomes effective and is implemented, it is estimated to save approximately \$55,000 per year. Approximately one-third of all construction permit applications are for new or modified sources at Title V facilities.

Tables 15 and 16 on the next two pages show historical Title V information. Table 15 is based on income and expenses during each fiscal year, which runs from July 1st through June 30th. This table is intended to match up with fiscal budget periods. Table 16 provides emissions and financial information for each year of the Title V fee program since 2002. Each row in Table 16 contains information about the Title V fees that were due in a particular year based on that year's fee rates. In each year, the fees for a particular year are due in two different fiscal years. This table is intended to illustrate the trends in emissions and fee collections for each year's Title V fee system.

The two tables present information in slightly different time periods. Historically, Title V fees were based on allowable or actual emissions from July 1st of one year to June 30th of the next (i.e., the state fiscal year) and due on July 1st. Since it was usually impossible for a company to determine and report actual emissions on June 30th, fees based on actual emissions were usually received after July 1st, which is the next fiscal year. Since interest and late penalties don't apply until a fee is 15 days late, a large portion of Title V fees were received between July 1st and July 15th each year. There is also a provision in the fee rules that allow companies to apply for a 90-day extension on reporting and paying fees. Thus, facilities that could not submit payments by July 15th could, and frequently did, request extensions until September 28th each year without incurring penalties. Both of these situations resulted in a significant amount of Title V fees being collected in the fiscal year following the year in which the fees were based. This was particularly true starting in fiscal year 2015-2016 during which the financial practice of allowing payments received between July 1st and July 15th to be credited for the previous fiscal year ended.

In 2018, the Title V fee deadlines changed with calendar year based fees (which became an option to fiscal year based fees) due on April 1st of each year as well as an estimated 60% of a facility's fees due the same date for facilities that continued to determine fees based on fiscal year emissions. Fees based on allowable emissions were also due April 1st. Ninety-day extensions were still available for facilities who determined fees based on actual emissions. However, with these changes, a much larger percentage (approximately 97%) of Title V fees are now collected in the year in which the fees are based.

Note that the projected and collected tons indicated in Table 16 excludes allowable and reported actual tons for facilities that paid the minimum fee.

Table 15 – Historical Title V Collections and Expenses

Fiscal Year	Fees	Interest, penalties, and internet processing fees	Transfer In	Expenditures	Balance
2002-2003					\$1,387,223.12
2003-2004	\$5,780,573.30	\$17,261.10		\$5,299,426.96	\$1,885,630.56
2004-2005	\$5,773,095.32	\$33,124.15		\$6,289,281.06	\$1,402,568.97
2005-2006	\$6,806,903.33	\$62,547.16		\$6,604,384.65	\$1,667,634.81
2006-2007	\$6,170,217.54	\$67,707.22		\$6,993,064.19	\$912,495.38
2007-2008	\$7,116,004.10	\$35,456.47		\$7,254,796.79	\$809,159.16
2008-2009	\$7,939,773.17	\$21,518.17		\$6,613,669.61	\$2,156,780.89
2009-2010	\$7,587,853.93	\$9317.34		\$6,415,182.16	\$3,338,770.00
2010-2011	\$5,800,630.50	\$5527.40		\$7,261,266.44	\$1,883,661.46
2011-2012	\$6,336,163.20	\$1636.87		\$7,463,530.81	\$757,930.72
2012-2013	\$6,891,980.16	\$1113.83		\$6,844,668.87	\$806,355.84
2013-2014	\$6,844,856.89	\$9484.30		\$6,543,335.07	\$1,117,361.96
2014-2015	\$7,040,610.80	\$1129.83		\$6,694,005.01	\$1,465,097.58
2015-2016	\$5,321,521.83	\$2108.31	\$1,919,777.74 ¹⁰	\$6,094,831.92	\$2,613,673.54
2016-2017	\$4,617,895.15	\$9697.10		\$5,687,186.70	\$1,554,079.09
2017-2018	\$6,293,711.88	\$945.29		\$6,818,383.34	\$1,030,352.92
2018-2019	\$6,347,961.86	\$5268.62		\$5,703,359.09	\$1,591,187.35
2019-2020	\$5,774,457.15	\$7320.71		\$5,577,539.13	\$1,795,426.09

¹⁰ During fiscal year 2015-2016, the Division determined that \$1,919,777.74 in non-Title V expenses had been charged to Title V fees over a several year period. This was corrected at the end of fiscal year 2015-2016, resulting in an increased Title V fee balance at the beginning of fiscal year 2016-2017.

Table 16 - Historical Tonnage Projections & Collections and Historical Fees

Year Fees Due	Number Companies	\$/Ton Allowable Emissions	\$/Ton Actual Emissions	Minimum /Base Fee*	Projected Total Tons	Total Tons Collected	Projected Allowable Tons	Allowable Tons Collected	Projected Actual Tons	Actual Tons Collected	Projected Companies Paying Min./Base	Companies Actually Paying Min./Base	\$ Amount Billed	\$ Amount Collected
2020 non-EGU	202	\$33.50	\$53.50	\$7500/ \$4000	92,783	96,985	71,943	76,901	20,840	20,084	49	55	\$4,361,916.31	\$4,383,491.96
2020 EGU	9	\$47.00	\$75.00	\$7500/ \$4000	17,724	19,850	4264	6535	13,460	13,315	0	0	\$1,341,788.20	\$1,341,788.20
2019 non-EGU	204	\$33.50	\$53.50	\$7500/ \$4000	90,255	93,206	70,769	73,181	19,486	20,024	57	59	\$4,413,431.57	\$4,386,631.42
2019 EGU	9	\$47.00	\$75.00	\$7500/ \$4000	19,675	20,420	4323	8264	15,352	12,156	0	0	\$1,336,098.20	\$1,336,098.20
2018 non-EGU	201	\$32.50	\$43.00	\$7500	78,116	86,627	58,114	63,343	20,002	19,284	109	107	\$3,787,675.97	\$3,780,175.97
2018 EGU	9	\$39.00	\$49.50	\$7500	27,994	26,737	16,642	12,323	11,352	14,414	2	1	1,201,499.94	1,201,499.94
2017 non-EGU	205	\$32.50	\$43.00	\$7500	83,580	108,057	65,071	76,008	18,509	21,292	108	98	\$4,083,515.65	\$3,916,319.73
2017 EGU	9	\$39.00	\$49.50	\$7500	27,994	28,235	16,642	16,532	11,352	11,719	2	0	\$1,224,857.24	\$1,224,857.24
2016 non-EGU	205	\$32.50	\$43.00	\$7500	124,500	100,365	104,000	81,260	20,500	19,105	105	97	\$4,215,224.16	\$4,059,712.98
2016 EGU	11	\$39.00	\$49.50	\$7500	43,000	41,259	39,500	36,603	3500	4656	3	4	\$1,691,011.45	\$1,691,011.45
2015 non-EGU	205	\$28.50	\$39.00	\$7500	119,500	114,977	102,000	99,567	17,500	15,410	201	200 (83 only paid base)	\$4,739,853.72	\$4,692,656.26
2015 EGU	10	\$45.50	\$56.00	\$7500	48,000	49,781	46,000	47,616	2000	2165	10	10 (1 only paid base)	\$2,362,785.29	\$2,362,785.29
*2014 non-EGU	201	\$28.50	\$39.00	\$7500	118,000	121,396	101,000	103,650	17,000	17,746	201	200	\$4,712,238.32	\$4,646,138.70
*2014 EGU	10	\$45.50	\$56.00	\$7500	57,000	48,802	55,000	46,648	2000	2154	10	10	\$2,318,133.81	\$2,318,133.81
2013 non-EGU	211	\$29.50	\$40.00	\$7500	184,000	125,576	160,000	105,256	24,000	20,320	105	102	\$4,403,500	\$4,096,563.73
2013 EGU	9	\$45.50	\$56.00	\$7500	65,000	60,425	62,500	58,110	2500	2315	3	3	\$2,795,416.43	\$2,795,416.43
2012	214	\$28.50	\$39.00	\$7500	200,000	190,232	175,000	165,782	25,000	24,450	105	108	\$5,973,274.94	\$6,167,959.21
2011	220	\$24.50	\$35.00	\$6500	210,000	204,961	190,000	179,953	20,000	25,008	110	106	\$5,682,497	5,800,630.50
2010	221	\$28.50	\$39.00	\$7500	217,064	211,344.7	195,801	191,346	21,263	19,999	105	111	\$7,298,632.70	\$7,587,853.93
2009	239	\$28.50	\$39.00	\$7500	217,064	232,996	195,801	206,725.8	21,263	26,271	115	110	\$7,835,606.93	\$7,939,773.17
2008	243	\$26.50	\$37.00	\$7500	230,489	234,615.4	213,772	207,541.6	16,717	27,073.8	88	119	\$7,394,083.80	\$7,317,445.36
2007	244	\$22.50	\$33.00	\$5000	257,989	236,936.8	238,232	214,385.8	19,757	22,551	100	96	\$6,093,539.15	\$6,095,634.93
2006	250	\$21.50	\$32.00	\$4500	284,639	259,420	256,578	232,764	28,061	26,656	100	92	\$5,976,181.77	\$6,000,240.56
2005	264	\$19.50	\$30.00	\$3500	324,896	290,030.7	294,836	262,405.1	30,050	27,625.6	80	80	\$5,869,607.39	\$5,874,970.52
2004	267	\$19.50	\$30.00	\$2500	330,731	287,381.9	309,213	258,052.4	21,519	29,329.5	72	56	\$6,024,377.47	\$6,032,675.99
2003		\$17.50	\$28.00		321,279								\$	\$
2002		\$13.00	\$21.70		382,476								\$	\$

*For FY 2013-2014, the Division replaced the minimum fee of \$7500 with a base fee of \$7500. All sources with total allowable emissions (excluding CO) of 250 TPY or less paid only the base fee. All sources with total allowable emissions (excluding CO) greater than 250 TPY paid the base fee plus their total tonnage (excluding CO) times the applicable \$/ton value (actual, allowable, or mixed basis). This is also the case for 2014-2015. In 2015-2016, the base fee was replaced with the minimum fee. A base fee was re-instated in 2018-2019 and the minimum fee was retained.

Table 17 - Historical Federal Presumptive Minimum and Part 71 Fees

Presumptive Minimum		Part 71	
Effective	Fee Rate	Effective	Fee Rate
Sept 1989 – Aug 1990	\$ 25.00		
Sept 1990 – Aug 1991	\$ 26.21		
Sept 1991 – Aug 1992	\$ 27.59		
Sept 1992 – Aug 1993	\$ 28.43		
Sept 1993 – Aug 1994	\$ 29.30		
Sept 1994 – Aug 1995	\$ 30.07		
Sept 1995 – Aug 1996	\$ 30.93	Calendar Year 1996	\$ 32.00
Sept 1996 – Aug 1997	\$ 31.78	Calendar Year 1997	\$ 32.88
Sept 1997 – Aug 1998	\$ 32.65	Calendar Year 1998	\$ 33.78
Sept 1998 – Aug 1999	\$ 33.21	Calendar Year 1999	\$ 34.35
Sept 1999 – Aug 2000	\$ 33.82	Calendar Year 2000	\$ 34.98
Sept 2000 – Aug 2001	\$ 34.87	Calendar Year 2001	\$ 36.07
Sept 2001 – Aug 2002	\$ 36.03	Calendar Year 2002	\$ 37.27
Sept 2002 – Aug 2003	\$ 36.60	Calendar Year 2003	\$ 37.86
Sept 2003 – Aug 2004	\$ 37.43	Calendar Year 2004	\$ 38.72
Sept 2004 – Aug 2005	\$ 38.29	Calendar Year 2005	\$ 39.61
Sept 2005 – Aug 2006	\$ 39.48	Calendar Year 2006	\$ 40.84
Sept 2006 – Aug 2007	\$ 41.02	Calendar Year 2007	\$ 42.43
Sept 2007 – Aug 2008	\$ 41.96	Calendar Year 2008	\$ 43.40
Sept 2008 – Aug 2009	\$ 43.75	Calendar Year 2009	\$ 45.25
Sept 2009 – Aug 2010	\$ 43.83	Calendar Year 2010	\$ 45.33
Sept 2010 – Aug 2011	\$ 44.48	Calendar Year 2011	\$ 46.00
Sept 2011 – Aug 2012	\$ 45.55	Calendar Year 2012	\$ 47.11
Sept 2012 – Aug 2013	\$ 46.73	Calendar Year 2013	\$ 48.33
Sept 2013 – Aug 2014	\$ 47.52	Calendar Year 2014	\$ 49.15
Sept 2014 – Aug 2015	\$ 48.27	Calendar Year 2015	\$ 49.93
Sept 2015 – Aug 2016	\$ 48.49	Calendar Year 2016	\$ 50.16
Sept 2016 – Aug 2017	\$ 48.88	Calendar Year 2017	\$ 50.56
Sept 2017 – Aug 2018	\$ 49.85	Calendar Year 2018	\$ 51.56
Sept 2018- Aug 2019	\$ 51.06	Calendar Year 2019	\$ 52.81
Sept 2019 – Aug 2020	\$ 52.03	Calendar Year 2020	\$ 53.81
Sept 2020 – Aug 2021	\$ 52.79	Calendar Year 2021	\$ 54.60

TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
BUREAU OF ENVIRONMENT
DIVISION OF AIR POLLUTION CONTROL

IN THE MATTER OF)

Eastman Chemical Company)
(82-0003))

Variance Request)

Order Number: 21-014

BOARD ORDER

The following matter came before the Tennessee Air Pollution Control Board on February 10, 2021.

On December 9, 2020, Eastman Chemical Company requested that the Technical Secretary renew an existing variance (Board Order 20-004, issued January 8, 2020) pursuant to Tennessee Code Annotated §68-201-118 from the applicability provisions of Tennessee Air Pollution Control Regulations 1200-03-14-.01(6). This rule requires each owner or operator of a fuel burning installation having a total rated capacity greater than 1,000 MMBtu/hr or of a process emission source emitting more than 1,000 tons per year of sulfur dioxide (SO₂) to demonstrate that SO₂ emissions will not interfere with attainment and maintenance of any primary or secondary air quality standard or to install and maintain air quality sensors to monitor attainment and maintenance of ambient air quality standards in the areas influenced by SO₂ emissions from the fuel burning installation or process emission source.

Owners or operators may petition and be granted permission by the Technical Secretary to terminate ambient air quality monitoring provided two calendar years air quality data has been generated in the area under the influence of the source's emissions to verify compliance with the Tennessee Ambient Air Quality Standards. Petitions may be granted only if the following conditions are met:

- The source must be located in an attainment area and must not significantly impact a sulfur dioxide nonattainment area; and
- Measurements of air quality in the vicinity of the source demonstrate that ambient sulfur dioxide levels do not exceed 75 percent of the Tennessee Ambient Air Quality Standards.

Eastman currently operates one monitor located on Wilburn Drive, in the vicinity of Ross N. Robinson Middle School ("Ross N. Robinson monitor"). Because Eastman is located in a nonattainment area for sulfur dioxide, the Ross N. Robinson monitor does not meet the criteria for removal pursuant to 1200-03-14-.01(6).

The variance request states that the Division of Air Pollution Control is currently operating SO₂ ambient air quality monitoring stations within Sullivan County, including one monitor co-located at Eastman's Ross N. Robinson site. Three additional monitors are located at Skyland Drive and Happy Hill Road, and the vicinity of Andrew Johnson Elementary School.

40 CFR Part 58 (Ambient Air Quality Surveillance) establishes network requirements, including siting parameters, methodology used in monitoring stations, operating schedules, and quality assurance procedures for State-operated ambient air monitoring. State and local agencies must submit an annual monitoring network plan to document the establishment and maintenance of the program's air quality surveillance system. The plan must address the design criteria of Part 58, be made available for public comment and EPA review, and must address, as appropriate, any comments. Appendix D to Part 58 specifies network design criteria, including a minimum number of SO₂ monitors, and allows EPA's Regional Administrator to require additional monitors if the minimum requirements are insufficient

to meet monitoring objectives. The Regional Administrator may also require additional monitors if SO₂ concentrations in an area have the potential to violate or contribute to the violation of the NAAQS, in areas impacted by sources which are not conducive to modeling, or in locations with susceptible and vulnerable populations.

Because Part 58 requires Tennessee to install and operate one or more ambient SO₂ monitors in accordance with the minimum design criteria, removal of the requirement for owners and operators to perform ambient monitoring would not lead to the loss of ambient air quality data in these areas. Thus, the proposed change would not interfere with attainment or maintenance of a NAAQS, reasonable further progress toward attainment of a NAAQS, or any other applicable requirement of the Clean Air Act.

Considering the requirements of 40 CFR Part 58 and the extent of Tennessee's ambient monitoring network in Kingsport, the Division agrees that continued operation of Eastman's Ross N. Robinson monitor is redundant. The Technical Secretary supports the granting of this variance to Eastman Chemical Company, subject to the following stipulations:

1. During the time period of this variance, the requirements of Tennessee Air Pollution Control Regulations 1200-03-14-.01(6), and any permit condition implementing this regulation, shall not apply at Eastman Chemical Company's Kingsport facility.
2. This variance shall become effective on February 10, 2021.
3. This variance shall expire on the earlier of:
 - (a) February 9, 2022, or
 - (b) The state-effective date of the revisions to Rule 1200-03-14-.01(6), as adopted by the Board on November 17, 2020.

In consideration of the Technical Secretary's recommendation, the Board grants the Eastman Chemical Company variance request subject to the stipulations specified above. Entered and approved by the following Board Members on February 10, 2021.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____



Division Update

February 10, 2021

Recent Permit Process Improvements

- New Permit “Shells” & Standard Conditions
- eNotice
- Combined Construction and Operating Permits

Permit Backlog

- Backlog – Permit or Permit Modification not issued by regulatory deadline
 - The Air Pollution Control Division also has internal goals for permits and permit amendments that do not have regulatory deadlines.
- Fiscal Year 2013 – 406 of 1010 permits, modifications, and amendments (40.2%) were NOT issued by regulatory deadline.
- The Backlog was completely eliminated on January 30, 2018.
 - This included permits and amendments with APC non-regulatory goals
- Fiscal Year 2020 (7/1/2019 to 6/30/2020)
 - 21 permits and modifications missed deadline
 - 31 permits and amendments missed APC non-regulatory goal
- Intentional Backlogging Procedures
 - Initiated December 2020

State and Local Emissions Inventory System (SLEIS)

- On-line system for submitting emissions inventories and Title V fee reports
- Implemented in 2020
 - 76 emission inventories
 - 53 Title V fee reports (AEAR reports)
- Full Implementation in FY2021
 - 178 emission inventories
 - 117 AEAR reports
- 120 new user registrations received
- Four training sessions scheduled for February

Motor Vehicle Emissions Inspection and Maintenance (I/M) Program

- General Assembly passed legislation to eliminate I/M program
 - Becomes effective 120 days after EPA approval
- Submitted to EPA February 26, 2020
- EPA proposed approval
 - June 8, 2020 for Chattanooga
 - June 11, 2020 for Middle Tennessee
- Final approval of SIP revision January 19, 2021
 - Has not been published in Federal Register.
- January 20, 2021, White House Chief of Staff Ronald Klain issued Regulatory Freeze memorandum
 - Instructs agencies to withdraw rules that have been sent to Federal Register but not published

Affordable Clean Energy (ACE) Rule

- EPA Promulgated Affordable Clean Energy Rule (ACE Rule) July 8, 2019.
- Requires States to Submit Plans to Regulate Greenhouse Gases (in the form of CO₂) from Coal-Fired Power Plants
 - Applies to TVA Cumberland, TVA Gallatin, and TVA Kingston in Tennessee
- State Plans Due July 8, 2022
- Technical Information Necessary to Develop Plan expected from TVA March 2021
- January 19, 2021 – US Court of Appeals, DC Circuit Vacated ACE Rule and Remanded it to EPA



Regional Haze

Great Smoky Mountains National Park, TN

Visibility: 203.14 Mm⁻¹ / 19.26 km / 29.16 dv

Visibility: 30.05 Mm⁻¹ / 130.18 km / 10.05 dv



Baseline (2000-2004) Conditions

Natural Conditions

Regional Haze

Great Smoky Mountains National Park, TN

Visibility: 203.14 Mm⁻¹ / 19.26 km / 29.16 dv

Visibility: 61.92 Mm⁻¹ / 63.18 km / 17.28 dv



Baseline (2000-2004) Conditions

Current (2014-2018) Conditions

Regional Haze

Great Smoky Mountains National Park, TN

Visibility: 203.14 Mm⁻¹ / 19.26 km / 29.16 dv

Visibility: 49.45 Mm⁻¹ / 79.12 km / 15.03 dv



Baseline (2000-2004) Conditions

Projected (2028) Conditions

Questions

