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What if Spartanburg County fails air quality standards?

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So what if Spartanburg County fails new air quality standards? Will that really affect industry and the quality of life here? Maybe. Mandatory carpooling; installation and operation of the lowest emission technology at manufacturing plants regardless of cost; 30 to 40 cents more for a gallon of gas to ensure low-sulfur fuels are burned: these are the side effects of being nonattainment for new air rules.

The Standard

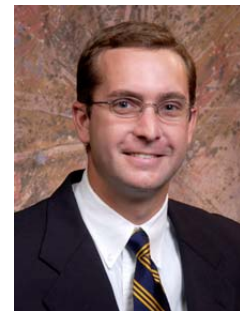


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In July 1997, the United States Environmental Protection Agency (EPA) revised the air quality standards for ozone from a 0.12 ppm 1-hour "peak" standard to a 0.08 ppm 8-hour "average" standard (commonly called the 8-hour standard). This change takes effect this year with states required to update their nonattainment areas by the end of 2004.

Currently, all areas of South Carolina are in attainment with the national ambient air quality standards (NAAQS), including the 1-hour ozone standard. Upon implementation of the new 8-hour standard, several areas in S.C. could become designated as nonattainment. Spartanburg County is in danger of being one of those areas.

In response to concerns that Spartanburg and other areas could fail the new tests, DHEC began a new regulatory program to avoid nonattainment designations in South Carolina.



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Nonattainment Implications

The nonattainment designation has adverse consequences for individuals and industry alike. The designation would subject Spartanburg County to new stringent air pollution control regulatory schemes. Two of these programs are Transportation Conformity (TC) and nonattainment New Source Review (NSR) requirements.

The TC standards obligate counties to develop traffic restrictions to reduce Nitrogen Oxides (NOx) and volatile organic compounds (VOCs) from automobiles. The restrictions may include mandated use of low sulfur fuels, carpooling or busing requirements applicable to all employers, reduced driving days, and use of carpool lanes. Failure to implement these restrictions results in the federal government withholding some or all of available highway construction funds for the county.

Nonattainment NSR requirements more directly impact industry by requiring new and updated air pollution controls for even small emitters. Facilities emitting 100 tons-per-year (TPY) or more of NOx and VOCs would be required to meet lowest achievable emission rates (LAER) for new or expanding sources. The LAER limits have financial implications too, because LAER technology standards do not allow costs of air emissions control technology in an evaluation as to how to best control emissions to meet the LAER limits. As industry is forced to use high cost methods for air pollution controls rather than more cost efficient technology, the increased cost must be passed down the line to the consumer. The result would be higher cost for goods or reduced employment opportunities.

In addition to TC and NSR restrictions, DHEC is considering additional regulatory controls to curb VOC and NOx emissions statewide. DHEC is currently looking at the possibility of implementing a statewide best available control technology (BACT) emissions standard. Presently, the BACT standard only applies to the largest industries in the area, those with the potential to emit greater than 250 TPY in most instances. However, under the concept being discussed at the State, all facilities, regardless of levels of pollutant emissions, would be required to install "BACT" control technologies. The result could be increased operating costs even if Spartanburg avoids a nonattainment designation. In addition, DHEC is considering cleaner fuels statewide, increased restrictions on governmental facilities, and a statewide ban on open burning.

Early Action Plan to Avoid Nonattainment

In an effort to address the changing standards, DHEC and EPA recently proposed a plan to meet the new standards earlier than mandated by the Clean Air Act, and thereby avoid nonattainment restrictions.

Under an Early Action Compact (EAC) local, state, and EPA officials agree to work together to develop local and state early action plans that reduce ground-level ozone voluntarily. EPA established December 31, 2002, as the deadline for EPA approval of a compact.

Under an EAC, the timeline for attainment of the new 8-hour standard is advanced by approximately three years, but at a cost to industry. Industry must agree to voluntarily reduce NOx and VOCs under a statewide reduction program. The plan offers incentives to local stakeholders through the deferral of the regulatory requirements imposed by a nonattainment designation. The deferral allows stakeholders to avoid the stricter conformity and non-attainment NSR requirements. In the meantime, and by entering into an early action compact, industries are able to control the methods by which the new 8-hour standards are met. Without the compact governmental officials will establish the methods for attainment.

Conclusion

A nonattainment designation for Spartanburg County would result in regulatory and financial burdens for all persons in the county. The opportunity to develop an early action plan allows stakeholders a role in the planning of new regulations. The development of an early action plan affords benefits to industry and communities alike that would not be available had no action been taken. The process for developing these plans will be long, but in the end should benefit all stakeholders alike.