

## Fact Sheet - New Source Review Program: Aggregation, Debottlenecking, and Project Netting - Final Rule

### ACTION

On January 12, 2009, the U.S. Environmental Protection Agency (EPA) is issuing a final rule that modifies the New Source Review Programs policy on the term aggregation. Aggregation groups together multiple, related physical or operational changes into a single project for evaluating requirements under EPA's New Source Review (NSR) program. EPA proposed this action as one part of a September 2006 *Federal Register* proposal for three aspects of the NSR program aggregation, debottlenecking and project netting.

- The purpose of the proposed rule was to clarify and improve for sources and permitting authorities which emissions increases and decreases should be counted in determining major NSR applicability for modified sources.
- This notice retains the existing rules and explains that source owners and permitting authorities should combine emissions when changes are substantially related either from an economic or technical standpoint. Furthermore, this final rule specifies that:
  - a source cannot group changes based on timing alone,
  - to be aggregated, changes are required to have more in common than just supporting the plant's overall basic function, and
  - sources and permitting authorities can presume that plant modifications that are separated by three or more years are not substantially related, unless they can prove otherwise.
- With respect to the other two components of the originally proposed rule, EPA is withdrawing the proposed rule options for "debottlenecking" and is taking no action on the proposed rule for "project netting."
- This final action will become effective 30 days after publication in the *Federal Register*.

### BACKGROUND

- Congress established the NSR program as part of the 1977 Clean Air Act Amendments and modified it in the 1990 Amendments. NSR is a preconstruction permitting program that serves two important purposes.
  1. First, it ensures the maintenance of air quality standards when factories, industrial boilers and power plants are modified or added. In areas that do not meet the national air quality standards, NSR ensures that new emissions do not slow progress toward cleaner air. In areas that meet the standards, especially

pristine areas like national parks, NSR ensures that new emissions fall within protective air quality standards.

2. Second, the NSR program ensures that state of the art control technology is installed at new plants or at existing plants that are undergoing a major modification.

- This final action will improve the implementation of the NSR program by clarifying a key area of confusion and by streamlining the decision for whether NSR applies to related projects. This improvement was included in the final set of recommendations from EPA's 2002 Report to the president on NSR. In that report, EPA, in consultation with other federal agencies, recommended a series of clarifications to the NSR program to improve investment in utility and refinery capacity.
- EPA does not expect this action to affect air quality because, while it is intended to clarify the process for making aggregation decisions, it will not significantly alter the outcome of these decisions compared to decisions that would have been made under the existing policy.

#### **FOR ADDITIONAL INFORMATION**

- Interested parties can download information on the final action from EPA's Web site at: [www.epa.gov/nsr](http://www.epa.gov/nsr).
- Today's final action and other background information are also available either electronically in [www.regulations.gov](http://www.regulations.gov), EPA's electronic public docket and comment system, or in hard copy at EPA's Air and Radiation Docket and Information Center, Environmental Protection Agency, Room B102, 1301 Constitution Avenue, NW, Washington, DC (Docket ID No. EPA-HQ-OAR-2003-0064). The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket and Information Center is (202) 566-1742.