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ENVIRONMENTAL BREAKFAST CLUB REGULATORY SUMMARY

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Final Statutes, Regulations, Guidance and Cases

Citation Summary	In	mplications	Schedule/Notes	
HYDRAULIC FRACTURING				
NEW YORK STATE Wallach v. Town of Dryden Upholding Local Bans on Natural Gas Drilling Town of Dryden, a rouning ordinance ba exploration, extractical also considered a protect that prohibited various solution mining and violated the superses "[t]he provisions of Conservation Law] at to the regulation of to not supersede local grights of local gover York Court of Appe supersession provisi details of oil, gas an exercising their zoni in Frew Run Gravel which interpreted six Reclamation Law. To language in the two clause with other stap powers. The court woods Male and operational aspession clause by invalidating local industry operations. the OGSML and fout the supersession clause the code of the supersession clause the off the off the supersession clause the off t	New York's highest court held that a pair of natural gas drilling were not preempted by New I Solution Mining Law (OGSML). In Wallach v. atural gas production company challenged a local mining all activities relating to oil and gas on and storage in the Town of Dryden. The court revision of the Town of Middlefield's zoning code as heavy industrial uses, including oil, gas and drilling. The plaintiffs alleged that these bans are sion clause of the OGSML, which provides that Article 23 of the New York Environmental hall supersede all local laws or ordinances relating ne oil, gas and solution mining industries; but shall overnment jurisdiction over local roads or the aments under the real property tax law." The New als agreed with the appellate division that while the solution mining, it does not prevent them from any gathority to bar such activities, citing its decision Products v. Town of Carroll, 71 NY2d 126 (1987), milar supersession language under the Mined Land ne court rejected plaintiffs' efforts to distinguish the statutes and compared the OGSML's supersession and that the OGSML's regists comfortably within this legislative framework," laws that intrude on DEC's regulatory oversight of Einally, the court reviewed the legislative history of and nothing there to undermine the court's view that see does not interfere with local zoning laws uses of municipal land.	the decision makes clear that ocal governments can prohibit or limit the location of) natural as drilling under their zoning tws. However, such laws must ocus on establishing permitted and prohibited uses of land and ot on the details of the oil, gas and solution mining process. Thus, while a law banning attural gas drilling is acceptable ander the court's decision, one anning "high-volume hydraulic facturing" might not be since it regulated that the particular zoning redinances at issue in the case elate to the regulation of oil, gas and solution mining and therefore encroach on DEC's regulatory authority. In reaching his conclusion, the dissent isstinguished between laws that regulate land use (by dividing the land into zones and stablishing permitted uses in those zones) and laws that regulate the mining industry, eclaring that the absolute bans of the type at issue in this case all in the latter category and are	To date, dozens of cities, towns and villages have amended their zoning codes to prohibit natural gas drilling. The recent Court of Appeals decision may prompt other municipalities to enact similar bans.	



Proposed Statutes, Regulations and Guidance

	-		Schedule/Notes			
CLIMATE CHANGE		Citation Summary CLIMATE CHANGE Implications Schedule/Notes				
FEDERAL Emission Guidelines for Greenhouse Gas Emissions from Existing Power Plants 40 CFR Part 60, subpart UUUU 79 Fed. Reg. 34830 (June 18, 2014) Nationw sector of emission relies on generation on dema establish form of strates for Each stata achieve to applicab criteria: projected interim g quantifia reporting.	months after reproposing New Source Performance Standards limiting greenhouse gas (GHG) emissions from new fossil fuel-ectric generating units (EGUs), EPA proposed emission nes addressing existing EGUs. The Clean Power Plan ons establish a framework for states to regulate carbon dioxide rom existing fossil fuel-fired EGUs under CAA §111(d), 42 [411(d)], which requires EPA to set emission guidelines for any not regulated under a NSPS that is not a "criteria pollutant." wide, the proposal would achieve CO2 reductions from the power of approximately 30% below 2005 emission levels by setting in rate-based CO2 goals for each state as well as guidelines for elopment, submission and implementation of state plans to those goals. For purposes of identifying "best system of in reduction" (BSER) consistent with CAA §111(d), the proposal in four basic building blocks: (1) reducing the carbon intensity of ion at individual units through heat rate improvements; (2) ting less carbon-intensive generating units (e.g., replacing coal tural gas); (3) increasing reliance on low or zero-carbon ion sources (such as solar and wind); and (4) increasing reliance and-side energy efficiency programs. The emission guidelines in interim and final carbon reduction goals for each state in the state-specific, adjusted output-weighted-average CO2 emission raffected EGUs, taking into account state-specific information. The emistion of the goal that includes enforceable CO2 emission limits be to each affected unit. Plan approval depends on four general (1) enforceable measures that reduce unit CO2 emissions; (2) and achievement of emission performance consistent with the goals and time frames contained in the emission guidelines; (3) able and verifiable emission reductions; and (4) a process of agon plan implementation and progress.	The proposed emission guidelines are primarily of interest to owners/operators of power plants. The guidelines provide states with numerous options for achieving the necessary emission reductions, including increased reliance on renewable energy and supply and demand-side energy efficiency measures.	EPA is accepting comments on the proposed guidelines until October 16, 2014 . EPA plans to finalize the guidelines by June 1, 2015; state plans would be due by June 30, 2016, with an optional two-phased submittal process for states that require additional time to complete their plans. States would be expected to begin to make CO ₂ emission reductions by 2020, with full compliance to be achieved by 2030.			



Citation	Summary	Implications	Schedule/Notes
CLIMATE CHANGE			
FEDERAL	The same day EPA proposed the Clean Power Plan regulations for	The proposed rule is primarily of	EPA is accepting comments
GHG Emission	existing fossil fuel-fired electric generating units, the agency also	interest to owners/operators of	on the proposed standards
Standards for	proposed NSPS for modified and reconstructed units in accordance	power plants.	until October 16, 2014 .
Modified and	with CAA §111(b), 42 USC §7411(b). The proposed rule would require		
Reconstructed Power	modified utility boilers and integrated gasification combined cycle units	EPA reproposed NSPS for GHG	
Plants	to meet the higher of unit-specific limits based on their best historical	emissions from new power	
40 CFR Part 60,	CO ₂ emission rate from 2002 to the date of modification plus an	plants in January 2014, while	
subparts Da, KKKK,	additional 2% emission reduction or 1,900 pounds of CO ₂ per megawatt	postponing standards for	
and TTTT, et al.	hour net for sources with a heat input greater than 2,000 MMBtu/hour	modified/reconstructed units.	
79 Fed. Reg. 34960	(2,100 pounds for smaller units). As an alternative, EPA is considering		
(June 18, 2014)	establishing source-specific standards based on the results of an energy		
	efficiency improvement audit for sources that modify after becoming		
	subject to a CAA §111(d) plan as outlined above. The standard is		
	expected to be achievable through a combination of best operating		
	practices and equipment upgrades. EPA also proposed CO ₂ pound per		
	megawatt hour standards for modified natural gas-fired stationary		
	combustion turbines and all types of reconstructed units.		
	The proposed regulations can be found in the June 18, 2014 Federal		
	Register at: www.gpo.gov/fdsys.		



Citation	Summary	Implications	Schedule/Notes
OTHER			
NEW YORK STATE	The New York Legislature enacted few major environmental laws	The extension in the brownfield	As of July 7, 2014, none of the
End of Legislative	during its 2014 session. In the most notable development, the legislature	cleanup law provides developers	listed bills had been signed by
Session Developments	approved a stopgap extension of the state's Brownfield Cleanup	with additional time to finish	the Governor.
	Law . A.10135/S.7878 extended the expiration date of the state's	their projects and obtain the	
	brownfield cleanup tax credit program from December 31, 2015 to	required certificate of	
	March 31, 2017. Under the bill, developers must receive their	completion needed to secure tax	
	certificates of completion by March 31, 2017 to obtain tax credits under	credits. The Legislature is	
	the existing brownfield law. The legislature passed the stopgap measure	expected to revisit brownfield	
	after failing to reach agreement on a more comprehensive overhaul of	reform next session.	
	the state's brownfield cleanup program. Other bills enacted by the		
	legislature include: (1) S.3667/A.5117-C, requiring licensure of mold		
	inspection, assessment and remediation specialists and setting minimum		
	work standards; (2) S.3810-D/A.4753-D, providing for licensing of		
	professional geologists; and (3) S.6617-B/A.6558-B, amending various		
	laws to require consideration of future climate risk based on sea-level		
	rise, storm surges and/or flooding.		
	These bills can be found on the Assembly website at:		
	http://assembly.state.ny.us.		



Other Recent Developments (Final)

AIR

NEW YORK STATE: DEC has set the 2014 **fees for Title V facilities** consistent with the sliding scale enacted by the legislature in 2009. That law levies Title V air permit fees based on the quantity of annual emissions as follows: \$45.00 per ton for facilities with total annual emissions of 1,000 tons or more but less than 2,000 tons; \$55.00 per ton for facilities with total annual emissions of 2,000 tons or more but less than 5,000 tons; and \$65.00 per ton for facilities with total annual emissions of 5,000 tons or more. The Clean Air Act requires states to impose fees on Title V facilities sufficient to cover the costs of the Title V program. Applying this principle, DEC calculated Title V fees at \$236.13 per ton for 2014; however, actual Title V fees are capped in accordance with the schedule outlined above. Notice concerning the 2014 Title V fees can be found in the June 18, 2014 Environmental Notice Bulletin at: www.dec.ny.gov/enb/20140618_not0.html.

CLIMATE CHANGE

FEDERAL: The U.S. Supreme Court issued a decision which bars EPA from regulating sources under the Prevention of Significant Deterioration (PSD) program based solely on their greenhouse gas emissions while upholding the agency's authority to require best available control technology (BACT) for GHGs emitted by sources otherwise subject to PSD review because of their other emissions. The Court of Appeals for the District of Columbia Circuit upheld EPA's 2009 "endangerment finding" (declaring that GHGs pose a danger to public health and the environment) as well as its GHG emission standards for motor vehicles, while dismissing on standing grounds the plaintiffs' challenge to EPA's 2010 "tailoring rule" establishing higher applicability thresholds for GHGs than for other pollutants. The Supreme Court accepted certiorari in *Utility Air Regulatory Group v. EPA*, 2014 WL 2807314 (2014) on the limited question whether EPA properly determined that its regulation of GHG emissions from motor vehicles triggered permitting requirements for stationary sources that emit GHGs. In a split decision, the Court concluded as an initial matter that the CAA neither compels nor permits EPA to adopt an interpretation of the CAA requiring a source to obtain a PSD permit based solely on its potential GHG emissions. In reaching that conclusion, the Court found that while GHGs may properly be considered an "air pollutant" for purposes of the CAA, EPA was not barred from interpreting that term within its statutory context and excluding atypical pollutants, such as GHGs, that are emitted in such large quantities that their inclusion would make the program unworkable. The Court went on to find that EPA's GHG-inclusive interpretation of the PSD triggers was unreasonable both because it placed a huge administrative burden on federal and state permitting agencies and because it significantly expanded EPA's regulatory authority without clear congressional authorization. Based on these findings, the Court invalidated the 2010 tailoring rule, declaring that EPA's decision to replace the statutory applicability thresholds with higher "tailored" ones went beyond the bounds of the agency's statutory authority. In a win for EPA, the Court found that the agency reasonably interpreted the Act to require sources that triggered the PSD program for other pollutants to comply with BACT for GHGs.



<u>Implications</u>: Going forward, the decision bars EPA from requiring facilities to comply with PSD based solely on their emissions of GHGs. However, sources that are major for other PSD pollutants can be required to satisfy BACT for GHGs.

HAZARDOUS WASTE

FEDERAL: EPA revised the rules governing the export of used cathode ray tubes (CRT), which may be toxic for lead and, therefore, a hazardous waste when disposed. In 2006, EPA adopted regulations to streamline the management of used CRTs. Among other things, companies exporting used CRTs for recycling must notify EPA 60 days prior to an intended shipment and provide information about the shipment; assuming it obtains consent from the receiving country, EPA then provides the exporter with an Acknowledgement of Consent authorizing shipment. Companies exporting CRTs for reuse must submit a one-time notification to EPA and keep copies of business records documenting each shipment. With this rulemaking, EPA revised the regulations to improve its ability to track exports. Key changes include: (1) adding a definition of "CRT exporter" to clarify who is responsible for fulfilling the CRT exporter's duties, including submitting export notices; (2) requiring companies exporting used CRTs for recycling to submit an annual report specifying how many CRTs were actually exported; (3) expanding the information required to be included in the notice submitted to EPA for CRTs exported for recycling; and (4) replacing the current one-time notice submitted by companies exporting used CRTs for reuse with an annual notification. The rule, which takes effect December 26, 2014, can be found in the June 26, 2014 Federal Register at: www.gpo.gov/fdsys.

<u>Implications</u>: The rule is potentially of interest to electronic waste collection and recycling companies that export CRTs for recycling or reuse.

REMEDIATION

FEDERAL: EPA issued a document entitled Revitalizing Contaminated Lands: Addressing Liability Concerns, that provides guidance to parties looking to manage environmental cleanup liability risks associated with the revitalization of contaminated sites by compiling available enforcement tools, guidance and policy documents into a single "Revitalization Handbook." This Handbook: (1) provides an overview of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) cleanup and Resource Conservation and Recovery Act (RCRA) corrective action programs; (2) summarizes available statutory defenses and liability protections, including those relating to: bona fide prospective purchasers; owners of property impacted by contamination from an off-site source (e.g., contaminated aquifers and contiguous property owners); third-party defense and innocent landowners; state response programs (including voluntary cleanup programs and memoranda of agreement); local government liability protections (relating to involuntary acquisitions, emergency responses, and land banks); and lender liability protections (CERCLA secured creditor exemption and underground storage tank lender liability protection); (3) identifies site-specific EPA tools to address cleanup status, liability concerns, and/or perceived stigma (e.g., comfort/status letters, bona fide prospective purchaser work agreements, windfall lien resolution agreements, and other similar documents); and (4) other considerations for entities seeking to clean up, reuse



and revitalize contaminated properties, including long-term stewardship of engineering/institutional controls. The Handbook provides an overview of each subject as well as references/links to relevant EPA guidance, policy and other documents. The Handbook can be found on EPA's website at: http://www2.epa.gov/enforcement/revitalization-handbook.

<u>Implications</u>: The Handbook is potentially of interest to owners/operators of contaminated property contemplating remediation.

WATER

NEW YORK STATE: DEC reissued its existing State Pollutant Discharge Elimination System (SPDES) General Permit for Concentrated Animal Feeding Operations (CAFOs) for an additional two years. The current permit, GP-0-09-001, took effect July 1, 2009 and was modified on July 29, 2013 to address various changes made to accommodate the needs of mid-sized dairies that serve the state's burgeoning yogurt industry. With the recent notice, DEC issued an interim permit, GP-0-14-001, that extends the effective date of the existing CAFO permit an additional two years to June 30, 2016. According to DEC, the additional time is necessary to provide an opportunity to discuss potential changes with stakeholders and wait for a court decision on a lawsuit challenging the 2013 CAFO permit modifications and accompanying rulemaking. Information about the interim CAFO permit can be found on DEC's website at: www.dec.ny.gov/permits/55368.html.

<u>Implications</u>: The general permit is primarily of interest to owner/operators of mid-size and large CAFOs.

Other Recent Developments (Proposed)

AIR

FEDERAL: EPA proposed revisions to the National Emission Standards for Hazardous Air Pollutants (NESHAP) for petroleum refineries following a residual risk/periodic technology review. Under Clean Air Act §112, EPA must assess whether any residual risk remains after imposing technology-based NESHAPs and revise the standard as necessary; EPA also must conduct a periodic review of the underlying technology to confirm that it remains current. The existing standards apply to major and area sources consisting of petroleum refineries generally (40 CFR Part 63, subpart CC) and catalytic cracking units, catalytic reforming units and sulfur recovery units (40 CFR Part 63, subpart UUU). Following the residual risk review, EPA concluded that when petroleum refineries fully comply with current emissions standards, the risks are acceptable. With respect to the technology review, EPA proposed to upgrade storage tank controls and require controls on smaller tanks. To address the problem of fugitive emissions, EPA proposed to set an annual average benzene concentration standard at the refinery fenceline and require periodic monitoring to determine compliance. EPA hopes this new monitoring procedure will enable facilities to identify significant increases in emissions in a timely manner and implement necessary corrective actions. Other proposed changes include eliminating exemptions to emission limits during periods of startup, shutdown and malfunction and requiring electronic submission of performance test and evaluation reports. EPA also proposed technical amendments and corrections to the petroleum refinery NSPS, set forth at 40 CFR Part 60,



subparts J and Ja. The deadline for submitting comments on the proposed revisions is **August 29, 2014**; the proposal can be found in the June 30, 2014 Federal Register at: www.gpo.gov/fdsys.

Implications: According to EPA, there are currently 142 major source and 7 area source refineries in the United States.

FEDERAL: EPA proposed revisions to the off-site waste and recovery operations NESHAP following a residual risk/periodic technology review. The standard, set forth at 40 CFR Part 63, subpart DD, applies to facilities that accept wastes from off-site sources for treatment where the treatment activities are not covered by other, more specific NESHAPs (such as those applicable to landfills or hazardous waste incinerators). Following the residual risk review, EPA concluded that the risks from off-site waste recovery operations are acceptable. Based on the technology review, EPA proposed to: lower the vapor pressure threshold below which Level 2 controls would be required for some tanks after finding that the costs of this option are reasonable given the level of hazardous air pollutant emission reductions that would be achieved; establish a more stringent leak definition for valves in gas and vapor service and light liquid service and pumps in light liquid service; and require periodic instrument monitoring of certain connectors. Other proposed changes include: (1) eliminating exemptions to emission limits during periods of startup, shutdown and malfunction; (2) requiring electronic submission of performance test and evaluation reports; (3) revising routine maintenance provisions; and (4) making various technical amendments and other corrections. In the wake of a recent court of appeals decision, the proposal does not include an affirmative defense to civil penalties for excess emissions during malfunctions. The deadline for submitting comments on the proposed revisions is **August 18, 2014**; the proposal can be found in the July 2, 2014 Federal Register at: www.gpo.gov/fdsys.

<u>Implications</u>: According to EPA, there are approximately 50 sources in the United States subject to the NESHAP.

FEDERAL: EPA proposed revisions to the **New Source Performance Standards for grain elevators**, including adding a new subpart that applies to plants constructed, reconstructed or modified after July 9, 2014. The grain elevator standards apply to truck, barge, ship and railcar loading and unloading stations, grain dryers, and grain handling operations at grain elevators. The proposed regulations clarify several key provisions of the existing grain loading NSPS, set forth at 40 CFR Part 60, subpart DD; these standards apply to all affected facilities that commenced construction, modification or reconstruction after August 3, 1978. The new grain elevator NSPS, set forth at 40 CFR Part 60, subpart DDa, includes the existing standards, as clarified, as well as new requirements for affected facilities. Major changes include: (1) adding definitions of permanent storage capacity, temporary storage facility, wire screen column dryer, and en-masse drag conveyor; (2) adding/clarifying particulate matter (PM) standards, including establishing an opacity standard for en-mass drag conveyors; (3) requiring annual opacity testing for each affected facility; (4) requiring PM testing every five years for each affected facility; (5) requiring electronic submission of performance tests; (6) requiring compliance with standards during startup, shutdown and malfunction; and (7) imposing additional monitoring and recordkeeping requirements, including weekly visible emission checks and semi-annual filter/baghouse inspections. The deadline for submitting comments on the proposed revisions is **October 7, 2014**; the proposed rule can be found in the July 9, 2014 Federal Register at: www.gpo.gov/fdsys.

<u>Implications</u>: The rule is primarily of interest to individuals proposing to construct, modify or reconstruct grain elevators, defined as any plant or installation at which grain is unloaded, handled, cleaned, dried, stored or loaded.



REMEDIATION

FEDERAL: EPA proposed to amend its all appropriate inquiries rule to remove the reference to American Society for Testing and Material (ASTM) International's E1527-05 standard, which has been replaced by E1527-13, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process. In 2005, EPA issued a rule setting standards for conducting "all appropriate inquiries" into prior ownership and use of property for purposes of allowing site owners/purchasers to qualify for liability protections under the Superfund program. The rule established a procedure for demonstrating all appropriate inquiries and allowed use of ASTM E1527-05 in lieu of following the requirements in the rule. In 2013, EPA amended the rule to authorize the use of ASTM's new E1527-13 standard as an option for conducting site assessments. With the recent rulemaking, EPA proposed to remove the reference to ASTM E1527-05 from the all appropriate inquiries rule. If the rule is adopted, audits conducted pursuant to the old standard would no longer automatically satisfy the all appropriate inquiries rule. The deadline for submitting comments on the proposed rule is July 17, 2014; it can be found in the June 17, 2014 Federal Register at: www.gpo.gov/fdsys.

<u>Implications</u>: The rule is of interest to anyone involved in purchasing potential brownfield sites.

WATER

NEW YORK STATE: The New York State Office of Parks, Recreation and Historic Preservation (OPRHP) proposed **regulations** making certain basic aquatic invasive species preventative measures mandatory at OPRHP boat launches. In an effort to minimize the spread of aquatic invasive species, OPRHP previously implemented a signage and outreach program to encourage boaters to follow "clean, drained and dry" protocols. With the recent rulemaking, OPRHP proposed to amend 9 NYCRR Part 377 to require boaters at OPHRP launch sites to inspect their watercraft prior to launching or leaving a site, remove any plants or animals visible to the human eye in, on or attached to the watercraft, and properly dispose of them. The regulation also prohibits launching or leaving a site without draining the watercraft, including bilge areas, live wells, bait wells, and ballast tanks. DEC adopted a similar regulation earlier this year that applies to DEC-owned/operated boat launches. OPRHP is accepting comments on the proposed regulation until August 25, 2014; the proposal can be found in the July 9, 2014 State Register at: www.dos.ny.gov.

<u>Implications</u>: The proposed rule applies only to OPRHP boat launches. Launches administered by other state agencies, municipalities or private entities are not covered by the rule.

Upcoming Deadlines

NOTE: This calendar contains items of general interest.

July 14, 2014: Deadline for submitting comments on EPA's draft updated water quality criteria for protection of human health. See the May 13, 2014 Federal Register at www.gpo.gov/fdsys for details.



July 14, 2014: Deadline for submitting comments on EPA's proposed SO₂ ambient air monitoring strategy. See the May 13, 2014 Federal Register at www.gpo.gov/fdsys for details.

July 17, 2014: Deadline for submitting comments on EPA's proposal to remove the reference to ASTM E1527-05 from its all appropriate inquiries rule. See the June 17, 2014 Federal Register at www.gpo.gov/fdsys for details.

July 31, 2014: Deadline for submitting comments on EPA's Notice of Data Availability containing additional information on residential wood heater testing and certification submitted in conjunction with proposed standards for new residential wood heaters, hydronic heaters and forced air furnaces, and residential masonry heaters. See the July 1, 2014 Federal Register at www.gpo.gov/fdsys for details.

August 18, 2014: Deadline for submitting comments on EPA's proposed revisions to off-site waste and recovery operations NESHAP. See the July 2, 2014 Federal Register at www.gpo.gov/fdsys for details.

August 25, 2014: Deadline for submitting comments on OPRHP's proposed rules requiring measures to prevent spread of aquatic invasive species at OPRHP boat launches. See the July 9, 2014 State Register at www.dos.ny.gov for details.

August 29, 2014: Deadline for submitting comments on EPA's proposed revisions to petroleum refinery NESHAPs. See the June 30, 2014 Federal Register at www.gpo.gov/fdsys for details.

October 7, 2014: Deadline for submitting comments on EPA's proposed revisions to grain elevator NSPS. See the July 9, 2014 Federal Register at www.gpo.gov/fdsys for details.

October 16, 2014: Deadline for submitting comments on EPA's proposed carbon pollution emission guidelines for existing power plants and emission standards for modified and reconstructed power plants. See the June 18, 2014 Federal Register at www.gpo.gov/fdsys for details.

October 20, 2014: Deadline for submitting comments on EPA's/Army Corps' proposed rule defining scope of waters protected under the Clean Water Act (extended from July 21, 2014). See the April 21, 2014 Federal Register at www.gpo.gov/fdsys for details.